DRAFT RED HERRING PROSPECTUS
Dated: March 24, 2018
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

ATRIA CONVERGENCE TECHNOLOGIES LIMITED

Our Company was incorporated as Atria Convergence Technologies Private Limited on June 16, 2000 at Bengaluru, Karnataka, India as a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company consequent to a special resolution passed by our Shareholders at the extraordinary general meeting held on January 31, 2018 and the name of our Company was changed to Atria Convergence Technologies Limited. A fresh certificate of incorporation consequent upon conversion to a public limited company was issued on March 5, 2018. For details of the change in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 149.

Registered and Corporate Office: 2nd & 3rd Floor, No.1, Indian Express Building, Queen's Road, Bengaluru 560 001, Karnataka, India
Contact Person: Jithesh Chathambil, Company Secretary and Compliance Officer; **Tel**: +91 80 4288 4288; **Fax**: +91 80 4288 4200
E-mail: complianceofficer@actcorp.in; **Website**: www.actcorp.in
Corporate Identification Number: U72900KA2000PLC027290

OUR PROMOTERS: ARGAN (MAURITIUS) LIMITED AND TA FVCI INVESTORS LIMITED

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF ATRIA CONVERGENCE TECHNOLOGIES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹8,000 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 6,018,323 EQUITY SHARES BY ARGAN (MAURITIUS) LIMITED ("ARGAN"); UP TO 3,978,292 EQUITY SHARES BY TA FVCI INVESTORS LIMITED ("TA"), (COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS"); AND UP TO 354,461 EQUITY SHARES BY THE OTHER SELLING SHAREHOLDERS (AS DEFINED HEREUNDER), AGGREGATING UP TO ₹[●] MILLION ("OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹[●] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREUNDER) NOT EXCEEDING 5% OF OUR POST-OFFER PAID UP EQUITY SHARE CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY AND PROMOTER SELLING SHAREHOLDERS MAY IN CONSULTATION WITH THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS ("GCBRLMS") AND BOOK RUNNING LEAD MANAGER ("BRLM" AND TOGETHER WITH THE GCBRLMS, THE "MANAGERS"), OFFER A DISCOUNT TO RETAIL INDIVIDUAL BIDDERS ("RETAIL DISCOUNT") AND TO THE ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION (THE "EMPLOYEE DISCOUNT") IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED, (THE "SEBI ICDR REGULATIONS").

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE MANAGERS, AND WILL BE ADVERTISED IN [●] EDITIONS OF [●], [●] EDITIONS OF [●] AND [●] EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND KANNADA NEWSPAPERS, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA, WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED), AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.*

** Retail Discount of ₹[●] to the Offer Price may be offered to Retail Individual Bidders and an Employee Discount of ₹[●] to the Offer Price may be offered to the Eligible Employees bidding in the Employee Reservation Portion.*

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the Managers and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"). The Offer is being made in accordance with Regulation 26(1) of the SEBI ICDR Regulation**s**, through the Book Building Process wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), provided that our Company and the Promoter Selling Shareholders in consultation with the Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank accounts which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). For details, see "*Offer Procedure*" on page 455.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined and justified by our Company and the Promoter Selling Shareholders in consultation with the Managers as stated under "*Basis for Offer Price*" on page 110) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI"**), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 18.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission or inclusion of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholders severally accept responsibility that this Draft Red Herring Prospectus contains all information about them as Selling Shareholders in the context of the Offer for Sale and their portion of the Offered Shares and further severally assume responsibility for statements in relation to them included in this Draft Red Herring Prospectus and the Offered Shares and that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies, Karnataka at Bengaluru in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents, which will be made available for inspection from the date of the Red Herring Prospectus up to Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 603.

GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS			BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Center H.T. Parekh Marg Churchgate Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 E-mail: act.ipo@icicisecurities.com Investor grievance email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Arjun A Mehrotra/ Rishi Tiwari/ Anurag Byas SEBI Registration No.: INM000011179	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Center, C-54 & 55, G-Block Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 6175 9999 Fax: +91 22 6175 9961 E-mail: act.ipo@citi.com Investor grievance e-mail: investors.cgmib@citi.com Website:www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Contact Person: Lakshay Manchanda SEBI Registration No.: INM000010718	**J.P. Morgan India Private Limited** J.P. Morgan Tower Off. C.S.T. Road Kalina Santacruz (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 6157 3000 Fax: +91 22 6157 3911 E-mail: act-ipo@jpmorgan.com Investor grievance e-mail: investorsmb.jpmipl@jpmorgan.com Website:www.jpmipl.com Contact person: Prateeksha Runwal SEBI Registration No.: INM000002970	**HDFC Bank Limited** Investment Banking Group Unit No 401& 402, 4th floor Tower B, Peninsula Business Park Lower Parel Mumbai 400 013 Maharashtra, India Tel: +91 22 3395 8021 Fax: +91 22 3078 8584 E-mail: act.ipo@hdfcbank.com Investor Grievance E-mail: investor.redressal@hdfcbank.com Website: www.hdfcbank.com Contact Person: Rakesh Bhunatar/ Sakshi Jain SEBI Registration No: INM000011252	**Karvy Computershare Private Limited** Selenium Tower B Plot No. 31-32, Gachibowli Financial Distric Nanakramguda Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222 Fax: +91 40 2343 1551 E-mail: actcorp.ipo@karvy.com Investor grievance email: einward.ris@karvy.com Website: www.karisma.karvy.com Contact Person: Murali Krishna M. SEBI Registration No.: INR000000221

BID/OFFER PROGRAMME

BID/OFFER OPENS ON	[●][(1)]
BID/OFFER CLOSES ON	[●][(2)]

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

(2) Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

General Terms

Term	Description
"our Company", "the Company", "the Issuer"	Atria Convergence Technologies Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 2nd & 3rd floor, No.1, Indian Express Building, Queen's Road, Bengaluru 560 001, Karnataka, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries and Associate Companies

Company Related Terms

Term	Description
A.C.N. Cable	A.C.N. Cable Private Limited
ABSPL	Atria Broadband Services Private Limited
ACT Digital	ACT Digital Home Entertainment Private Limited
Argan	Argan (Mauritius) Limited
Argan Offered Shares	Up to 6,018,323 Equity Shares offered by Argan in the Offer for Sale pursuant to its board resolution dated March 16, 2018
Articles of Association/ AoA	Articles of Association of our Company, as amended
Associate Companies	Associates of our Company, namely: (i) A.C.N. Cable Private Limited; (ii) Atria Broadband Services Private Limited; (iii) I.B. Communications Network Private Limited; and (iv) Raja Rajeshwari Entertainment Private Limited
Audit Committee	Audit Committee of our Company as described in "*Our Management*" on page 163
Auditors/Statutory Auditors	Statutory auditors of our Company, namely, B S R & Associates LLP, Chartered Accountants
Board/Board of Directors	Board of directors of our Company, as constituted from time to time, including a duly constituted committee thereof
CEPL	Chitradurga Entertainment Private Limited
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Company as described in "*Our Management*" on page 163
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each
ESOP 2014	2014 ACT Employee Stock Option Plan
ESOP 2016	2016 ACT Employee Stock Option Plan
Executive Directors	Executive Directors of our Company
Group Companies	Group Companies of our Company, namely: (i) A.C.N. Cable Private Limited; (ii) Atria Broadband Services Private Limited; (iii) I.B. Communications Network Private Limited; and (iv) Raja Rajeshwari Entertainment Private Limited For details, see "*Our Group Companies*" on page 180
HCV Digital	HCV Digital Entertainment Private Limited
IBCNPL	I.B. Communications Network Private Limited
IPO Committee	The IPO Committee of our Company as described in "*Our Management*" on page 163
Kable First	Kable First India Private Limited
Kable First Davanagere	Kable First Davanagere Private Limited
Key Management Personnel	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations and disclosed in "*Our Management – Key Management Personnel*" on page 173
Managers	Collectively, the GCBRLMs and BRLM
Mandapeta Digital	Mandapeta Digital Entertainment Private Limited

Term	Description
Memorandum of Association/ MoA	Memorandum of Association of our Company, as amended
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company as described in "*Our Management*" on page 163
OCRPS	Optionally convertible redeemable preference shares of face value ₹10 each
Offered Shares	Collectively, the TA Offered Shares, the Argan Offered Shares and the Other Offered Shares
Other Offered Shares	Up to 354,461 Equity Shares offered by the Other Selling Shareholders in the Offer for Sale pursuant to their respective consent letters. For details, see "*The Offer*" on page 66
Other Selling Shareholders	Bala Subrahmanyam Malladi, Saurabh Mukherjee, Hosabettu Venkatesh Bhat and Shefali Mohapatra
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" on page 176
Promoter Selling Shareholders	TA and Argan
Promoters	Promoters of our Company namely, TA and Argan For details, see "*Our Promoters and Promoter Group*" on page 176
Registered and Corporate Office	Registered and corporate office of our Company located at 2nd & 3rd Floor, No. 1 Indian Express Building, Queen's Road, Bengaluru 560 001, Karnataka, India
Registrar of Companies/RoC	Registrar of Companies, Karnataka, situated at Bengaluru
Restated Consolidated Financial Statements	The audited and restated consolidated financial statements of our Company, along with our Subsidiaries and Associates for the six months period ended September 30, 2017 and the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (presented in accordance with Ind AS) and comprises the restated consolidated balance sheet, the restated consolidated statement of profit and loss and the restated consolidated cash flow statement and notes to the restated consolidated financial statements of assets and liabilities, profit and loss and cash flows
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements
Restated Standalone Financial Statements	The audited and restated standalone financial statements of our Company for the six months period ended September 30, 2017 and the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (presented in accordance with Ind AS) which comprises the restated standalone balance sheet, the restated standalone statement of profit and loss and the restated standalone cash flow statement and notes to the restated standalone financial statements of assets and liabilities, profit and loss and cash flows
Risk Management Committee	The Risk Management Committee of our Company, as described in "*Our Management*" on page 163
RREPL	Raja Rajeshwari Entertainment Private Limited
Selling Shareholders	Collectively, the Promoter Selling Shareholders and the Other Selling Shareholders
Shareholders	Shareholders of our Company from time to time
S.R. Cable	SR Cable TV Private Limited
Sree Digital	Sree Digital Home Entertainment Private Limited
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Company as described in "*Our Management*" on page 163
Subsidiaries or individually known as Subsidiary	Subsidiaries of our Company, namely: (i) ACT Digital Home Entertainment Private Limited; (ii) Chitradurga Entertainment Private Limited; (iii) HCV Digital Entertainment Private Limited; (iv) Kable First India Private Limited; (v) Kable First Davanagere Private Limited; (vi) Mandapeta Digital Entertainment Private Limited; (vii) Sri Venkateshwara Digital Home Entertainment Private Limited; (viii) Sree Digital Home Entertainment Private Limited; and (ix) S.R. Cable TV Private Limited.
SVDHEPL	Sri Venkateshwara Digital Home Entertainment Private Limited
TA	TA FVCI Investors Limited
TA Offered Shares	Up to 3,978,292 Equity Shares offered by TA in the Offer for Sale pursuant to its board resolution dated March 20, 2018

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot/Allotment/Allotted	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the Allottees
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors at the end of the Anchor Investor Bid/Offer Period
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/Offer Period	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Managers
Anchor Investor Pay-in Date	In case of Anchor Investor Offer Price being higher than Anchor Investor Allocation Price, no later than two days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company and Promoter Selling Shareholders, in consultation with the Managers to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion 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 which shall be determined by the Company and Promoter Selling Shareholders in consultation with the Managers
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer/Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being [●]
Basis of Allotment	Basis on which Allotment will be made as described in "*Offer Procedure*" on page 455
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations as per the terms of the Red Herring Prospectus and the Bid Cum Application Form The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional amounts indicated in the Bid cum Application Form and, in the case of Retail Individual Bidders Bidding at the Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form, less Retail Discount (if any) and for Eligible Employees, less Employee Discount (if any) and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●]
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be published in two

Term	Description
	national daily newspapers, one each in English and Hindi, and in one Kannada daily newspaper (Kannada being the regional language of Karnataka, where our Registered Office is located) each with wide circulation. In case of any revision, the extended Bid/ Offer Closing shall also be notified on the websites and terminals of the Members of the Syndicate as required under the SEBI ICDR Regulations and also intimated to the SCSBs, Registered Brokers, RTAs and Designated CDPs Our Company and Promoter Selling Shareholders may, in consultation with the Managers, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in two national daily newspapers, one each in English and Hindi, and in one Kannada daily newspaper (Kannada being the regional language of Karnataka where our Registered Office is located) each with wide circulation
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, and includes an ASBA Bidder and an Anchor Investor
Bidding Centers	Centers at which at the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
BRLM or Book Running Lead Manager	The book running lead manager to the Offer namely, HDFC
Broker Centres	Broker centres of the Registered Brokers notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares to be sent to Successful Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revision thereof
Citi	Citigroup Global Markets India Private Limited
Client ID	Client identification number of the Bidder's beneficiary account maintained with one of the Depositories in relation to the demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the websites of the Stock Exchanges
Cut-off Price	Offer Price, finalised by our Company and Promoter Selling Shareholders, in consultation with the Managers which shall be any price within the Price Band Only Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after filing of the Prospectus with the RoC

Term	Description
Designated Intermediaries	Collectively, Syndicate, sub-syndicate members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[•]
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated March 24, 2018, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars, including of the Offer Price and the size of the Offer, including any addendum and corrigendum thereto
Eligible Employees	All or any of the following: (a) a permanent and full time employee of our Company, who is a resident Indian or an Eligible NRI investing in the Offer pursuant to Schedule 4 of the FEMA Regulations (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as of the date of filing of the Red Herring Prospectus with the RoC and who has been an employee of the Company for a period of six months prior to the date of filing this Draft Red Herring Prospectus and who continues to be an employee of our Company until the submission of the Bid cum Application Form and is based, working and present in India as on the date of submission of the Bid cum Application Form; and (b) a Director of our Company, whether a whole time Director, part time Director or otherwise, who is a resident Indian or an Eligible NRI investing in the Offer pursuant to Schedule 4 of the FEMA Regulations (excluding such Directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines and any Promoter) as of the date of filing the Red Herring Prospectus with the RoC and who continues to be a Director of our Company until the submission of the Bid cum Application Form and is based and present in India as on the date of submission of the Bid cum Application Form An employee of our Company, who is recruited against a regular vacancy but is on probation as on the date of submission of the Bid cum Application Form will also be deemed a 'permanent and a full time employee' The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (which will be less the Employee Discount). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (which will be less Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (which will be less Employee Discount)
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe for or purchase the Equity Shares
Employee Discount	A discount of ₹[●], not being more than 10% of the Offer Price that may be offered to the Eligible Employees bidding in the Employee Reservation Portion, by our Company and the Promoter Selling Shareholders in consultation with the Managers, and which shall be announced at least five Working Days prior to the Bid/Offer Opening Date
Employee Reservation Portion	The portion of the Offer, being [●] Equity Shares aggregating to ₹[●] million, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting an Anchor Investor Application Form
Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Escrow Agreement	The agreement to be entered into by our Company, the Selling Shareholders, the Registrar

Term	Description
	to the Offer, the Managers, the Escrow Collection Bank(s) and the Refund Bank(s) for, inter alia, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
First Bidder	Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	The fresh issue of up to [•] Equity Shares aggregating up to ₹8,000 million by our Company
General Information Document/GID	The General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in "*Offer Procedure*" on page 455
GCBRLMs or Global Co-ordinators and Book Running Lead Managers	The global co-ordinators and book running lead managers to the Offer namely, I-Sec, Citi and J.P. Morgan
Gross Proceeds	The Offer Proceeds less the amount to be raised pursuant to the Offer for Sale by the Selling Shareholders
HDFC	HDFC Bank Limited
I-Sec	ICICI Securities Limited
J.P. Morgan	J.P. Morgan India Private Limited
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [•] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Gross Proceeds less our Company's share of the Offer expenses For further information about use of the Offer Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 98
Non-Institutional Bidders/NIBs	All Bidders including Category III FPIs that are not QIBs, Retail Individual Bidders or Eligible Employees bidding in the Employee Reservation Portion and who have Bid for Equity Shares for an amount more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [•] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes a non resident Indian, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each, aggregating to ₹[●] comprising the Fresh Issue and the Offer for Sale The Offer comprises Net Offer to the public of [●] Equity Shares aggregating up to ₹[●] million and the Employee Reservation Portion of [●] Equity Shares aggregating up to ₹[●] million for subscription by Eligible Employees
Offer Agreement	The agreement dated March 24, 2018 entered into amongst our Company, the Selling Shareholders and the Managers, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 10,351,076 Equity Shares by the Selling Shareholders at the Offer Price aggregating up to ₹[●] million in terms of the Red Herring Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus Employee Discount of ₹[●] per Equity Share on the Offer Price, not being more than 10% of the Offer Size, may be offered to Eligible Employees bidding in the Employee Reservation Portion

Term	Description
	A Retail Discount of ₹[●] per Equity Share on the Offer Price, not being more than 10% of the Offer Size may be offered to Retail Individual Bidders The Offer Price will be determined by our Company and Promoter Selling Shareholders, in consultation with the Managers in terms of the RHP on the Pricing Date in accordance with the Book Building Process
Offer Proceeds	The proceeds of this Offer that will be available to our Company and the Selling Shareholders
Price Band	Price band of the Floor Price and the Cap Price including any revisions thereof The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and Promoter Selling Shareholders, in consultation with the Managers and will be advertised, at least five Working Days prior to the Bid/Offer Opening Date, in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Kannada (Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located) newspaper [●], each with wide circulation. It shall also be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and Promoter Selling Shareholders, in consultation with the Managers, will finalise the Offer Price
Prospectus	The Prospectus of our Company to be filed with the RoC for this Offer after the Pricing Date, in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, *inter-alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account Bank	The bank with which the Public Offer Account(s) shall be opened and maintained, in this case being [●]
Public Offer Account(s)	Bank account(s) opened under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
QIB Category/QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being 50% of the Net Offer consisting of [•] Equity Shares which shall be allocated to QIBs (including Anchor Investors) as determined by our Company and Promoter Selling Shareholders in consultation with the Managers, subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The Red Herring Prospectus of our Company to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the Managers and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar and Share Transfer Agents or RTAs	Registrars to an issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Offer or Registrar	Karvy Computershare Private Limited
Retail Individual Bidder(s)/RIB(s)	Individual Bidders other than Eligible Employees bidding in the Employee Reservation Portion, who have Bid for the Equity Shares for an amount of not more than ₹200,000 in any of the bidding options in the Net Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer consisting of [•] Equity Shares which shall be available for allocation to Retail Individual Bidder(s) in accordance with the SEBI ICDR Regulations which shall not be less than the Minimum Bid Lot, subject to valid Bids being received at or above the Offer Price

Term	Description
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agreement	The agreement to be entered into among the Selling Shareholders, our Company, the Managers and the Escrow Agent in connection with the transfer of Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Form, a list of which is included in the Bid cum Application Form
Stock Exchanges	Collectively, the NSE and the BSE
Syndicate	Collectively, the Managers and the Syndicate Members
Syndicate Agreement	Agreement dated [•] to be entered into amongst the Managers, the Syndicate Members, our Company and the Selling Shareholders in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Underwriters	[•]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date, but prior to the filing of the Prospectus
Working Day	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical/Industry Related Terms/Abbreviations

Term	Description
4K	Four times the resolution of regular high definition television content
5G	Fifth generation mobile wireless telecommunications technology
8K	Four times the resolution of 4K television content
AAEC	Appreciable adverse effect on competition
Active FTTX	"FTTX" is any broadband network that uses optical fiber as the primary medium deliver services to end users. The letter "x" indicates the fiber's point of termination, e.g.: • FTTH: Fiber-to-the-Home • FTTC: Fiber-to-the-Curb • FTTB: Fiber-to-the-Building • FTTN: Fiber-to-the-Node/Neighborhood "Active" FTTX is an FTTX network which utilizes active data transmission equipment.
APNIC	The Asia Pacific Network Information Centre
ARPU	Average revenue per user
Cable TV	Cable television
Churn rate	Churn rate is a measure of the number of net unsubscribing customers. We measure broadband internet customer churn rate during a period as the number of net retail wired broadband internet customers unsubscribing for our services in a period as a percentage of the average number of retail wired broadband internet customers for that period
CRM	Customer relationship management
CSR	Corporate social responsibility
DSL	Digital subscriber line technology is a type of data communications technology that enables high-speed data transmission over copper telephone lines
Gb	Gigabyte

Term	Description
Gbps	Gigabytes per second
GPON	Gigabit passive optical network
HFC	A network that combines fiber and coaxial cable. Fiber is used for backhaul while coaxial cables are used from optical node to the user's premises
ISP	Internet service provider
IT	Information technology
Km	Kilometers
LCO	Local cable operator
LIBOR	London interbank offered rate
MAT	Minimum alternate tax
Mbps	Megabytes per second
Metro Ethernet Network	A type of FTTX configuration that uses Category-5e Ethernet copper cables for the last mile in metropolitan areas "Ethernet" is a standard for packet-based transmission that is widely used in internet protocol networks
MPA	Media Partners Asia
OECD	Organization for Economic Cooperation and Development
R&D	Research and development.
Tb	Terabyte
WiFi	Wireless Fidelity

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIF(s)	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS/Accounting Standards	Accounting Standards issued by the ICAI
BSE	BSE Limited
Cable Television Act	Cable Television Networks (Regulation) Act, 1995
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations which shall include investors who are not eligible under Category I and II foreign portfolio investors such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Companies Act, 2013	The Companies Act, 2013, and the rules and clarifications issued thereunder to the extent in force pursuant to the notification of the Notified Sections
Consolidated FDI Policy	The Consolidated FDI Policy Circular 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant's Identification
DP/ Depository Participant	A depository participant as defined under the Depositories Act
EEA	European Economic Area
Effective tax rate	Effective tax rate is calculated as the sum of current tax expenses and deferred tax expenses (including income tax related to items not reclassified to profit or loss) divided by profit before tax
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share

Term	Description
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, and the rules and regulations thereunder
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal/FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investor(s) as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investor(s) as defined and registered under the SEBI FVCI Regulations
GoI/Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards as adopted by the International Accounting Standards Board
Income Tax Act, IT Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IST	Indian Standard Time
LIBOR	London Interbank Offered Rate
MIB	Ministry of Information and Broadcasting
MSO	Multi-systems operators
Mutual Fund(s)	Mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
N.A./ NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian and FPIs
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India, and are currently in effect
NR	Non-resident
NRE Account	Non Resident External Account
NRI	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
OCI	Other Comprehensive Income
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Profit after tax margins	Profit after tax margin means total comprehensive income for the period/ year divided by total income for the period/year
RBI	The Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations,

Term	Description
	2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
SHWW Act	Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Systemically Important NBFCs	Systemically important non-banking financial company registered with the RBI and having a net worth of more than ₹5,000 million as per the last audited financial statements
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TDSAT	Telecom Disputes Settlement Appellate Tribunal
Telecom Complaint Redressal Regulations	Telecom Consumers Complaint Redressal Regulations, 2012
Telegraph Act	Indian Telegraph Act, 1885
TRAI	Telecom Regulatory Authority of India
TRAI Act	Telecom Regulatory Authority of India Act, 1997
U.S./USA/United States	United States of America
UK	United Kingdom
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. QIBs	Qualified Institutional Buyers as defined in Rule 144A under the Securities Act
USD/US$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI Act, SEBI ICDR Regulations, SEBI Listing Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms not defined but used in "*Statement of Special Tax Benefits*", "*Financial Statements*" "*Industry Overview*", "*Regulations and Policies*", "*Outstanding Litigation and Material Developments*", "*Government Approvals*", Part B of "*Offer Procedure*" and "*Main Provisions of Articles of Association*" on pages 113, 186, 116, 145, 416, 427, 465 and 498, respectively, shall have the meaning given to such terms in such sections.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and all references to the "US", "USA" or "United States" are to the United States of America.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Red Herring Prospectus is derived from the Restated Standalone Financial Statements and the Restated Consolidated Financial Statements prepared in accordance with the Companies Act, 2013, Ind AS, as applicable and restated in accordance with the SEBI ICDR Regulations.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year.

Our Restated Financial Statements have been prepared in accordance with Ind AS. There are significant differences between Ind AS and US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. The Restated Financial Statements have been prepared, based on financial statements as at and for the six months period ended September 30, 2017 and the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the Companies Act, 2013. For details in connection with risks involving differences between Ind AS, US GAAP and IFRS see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP which may be material to investors' assessments of our financial condition, result of operations and cash flows*" on page 44. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 18, 130 and 383 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the audited financial information of our Company prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places except percentage figures in "*Risk Factors*", "*Industry Overview*" and "*Our Business*", which are rounded off to two decimal places and accordingly there may be consequential changes in this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America

Our Company has presented all numerical information in this Draft Red Herring Prospectus in "million" units or in whole numbers where the numbers have been too small to represent in millions. One million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the USD (in Rupees per USD):

Currency	As on September 30, 2017 (₹)	As on March 31, 2017 (₹)	As on March 31, 2016 (₹)	As on March 31, 2015 (₹)	As on March 31, 2014 (₹)	As on March 31, 2013 (₹)
1 USD	65.36	64.84	66.33	62.59	60.10*	54.39**

Source: RBI Reference Rate

** Exchange rate as on March 28, 2014, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively*

*** Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the respective Selling Shareholders, the Managers or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 18. Accordingly, investment decisions should not be based solely on such information.

Certain information in "*Summary of Industry*", "*Summary of our Business*", "*Industry Overview*" and "*Our Business*" on pages 52, 55, 116 and 130, respectively of this Draft Red Herring Prospectus has been obtained from the "India Broadband Market Overview – 2017," dated February 19, 2018 prepared by Media Partners Asia.

In accordance with the SEBI ICDR Regulations, "*Basis for the Offer Price*" on page 110 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Managers have independently verified such information.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investors must rely on their own examination of our Company and the terms of the offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs." For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "**QIBs**") in transactions exempt from the registration requirements of the Securities Act, and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity shares will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area ("**EEA**"), from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and Council EC (and amendments thereto, including the 2010 PD Amending Directive and Prospectus Regulation (EU) 2017/1129, to the extent applicable and to the extent implemented in the Relevant Member State (as defined below)) and includes any relevant implementing measure in each Member State that has implemented the Prospectus Directive (each a "Relevant Member State"). Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, the Selling Shareholders or any of the Managers to produce a prospectus for such offer. None of our Company, the Selling Shareholders and the Managers have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Managers which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

Information to Distributors (as defined below)

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the MiFID II Product Governance Requirements) ("**Distributors**") should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "seek to", "shall", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us or any third parties in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- The competitive market in which we operate may be subject to pricing and other market pressures, and our competitors may have more financial and other resources than us;
- Our inability to implement our business strategies to maintain or increase our revenue, profit margins and ARPU;
- Our dependence on subscriptions and any inability to renew existing customers' subscriptions and acquire new subscribers;
- Our inability to respond successfully to technological advances and evolving industry standards;
- Our inability to remain competitive because we do not offer mobile internet access or mobile voice services together with our services;
- Our ability to further expand the coverage of our network or to maintain the coverage of our existing network may be limited by our ability to obtain or renew access rights on land or buildings owned by third-parties;
- Our industry being highly regulated and our Company requiring certain approvals, licenses registrations and permissions to conduct our business;
- Significant amounts of capital required to finance our business expansion, which may require us to incur significant amounts of debt, and operating and financing costs;
- Inability to scale our business or manage our businesses effectively; and
- The continuity of our services being highly dependent on the proper functioning of our network and infrastructure.

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 18, 130 and 383, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Directors, the Selling Shareholders, the Managers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and each Selling Shareholder shall severally ensure that investors in India are informed of material developments from the date of the Draft Red Herring Prospectus in relation to the statements and undertakings made by them in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, our Company may be required to undertake an annual updation of the disclosures made in the Draft Red Herring Prospectus and make it publicly available in the manner specified by SEBI.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider the risks described below as well as all the information as may be disclosed in this Draft Red Herring Prospectus before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition, the Equity Shares, the industry in which we operate or the regions in which we operate, particularly India, as at the date of this Draft Red Herring Prospectus. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. As a potential investor in the Equity Shares, you should pay particular attention to the fact that we are subject to a regulatory environment in India which may differ significantly from that in other jurisdictions.

In making an investment decision, as prospective investors you must rely on your own examination of us and the terms of the Offer, including the merits and the risks involved. You should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. To obtain a complete understanding of our business, you should read this section in conjunction with the sections titled "Our Business,", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Regulations and Policies" on pages 130, 116, 383 and 145, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

As prospective investors, you should pay particular attention to the fact that our Company is incorporated under the laws of India and operates as an internet service provider, and is subject to an extensive legal and regulatory environment, which may materially differ from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See "Forward-Looking Statements" on page 16. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

Risks Relating to Our Business and Our Industry

1. ***We operate in a competitive market which may be subject to pricing and other market pressures, and our competitors may have more financial and other resources than us.***

The Government of India has liberalized the telecommunications industry in India and may continue to do so. If any major company, including any major telecommunications company or any foreign company, enters the telecommunications markets in which we operate, either on its own or by acquiring existing operators, the markets in which we compete may change significantly. Such new entrants to the market may result in increased competition for us. If existing telecommunications companies decide to enter the wired broadband internet market aggressively, they may decide to make substantial investments to grow their share of such market, which may lead to a decline in our revenue, profitability and share of the market. We operate in a competitive market which may be subject to pricing pressure on the prices we charge for our broadband internet, cable TV services and related ancillary services, which would result in increased competition for new and existing customers. The effects of competition on our business are uncertain and will depend on a variety of factors, including national, local and international economic conditions, regulatory developments, technological developments, and changes in consumer behavior and preferences, as well as the attractiveness of the broadband internet and cable TV service offerings offered by our competitors. The main competitors for our broadband internet and related network services are other wired broadband internet service providers and wireless internet service providers, including existing telecommunications companies. Furthermore, certain state governments may decide to enter into the markets in which we operate to provide broadband internet or cable TV services at subsidized prices, which would compete with us. For example, the state government of Andhra Pradesh has incorporated Andhra Pradesh State Fibernet Limited to establish a scalable network infrastructure in order to provide affordable broadband connectivity to households in the state of Andhra Pradesh. Any increase in competitive pressures as a result of any of the foregoing may adversely affect our business, results of operations and financial condition.

A decrease in our prices in response to competitive pressures or other reasons could have an adverse effect on our business and results of operations. We cannot assure you that we will be able to increase or maintain our prices and we may need to lower our prices in response to competition in our industry. In particular, if one or more of our competitors engage in active price reductions, or a price war, we may be forced to reduce our prices in order to maintain and grow our market share, which may negatively impact our revenue and profitability.

Many of our competitors are larger than us, and some have longer operating histories and are public sector undertakings and subsidiaries of large conglomerates. Such competitors may be able to leverage on their substantial resources to offer consumers certain bundled services or value-added services which we may not have access to or which we may not be able to provide. Additionally, our competitors and other service providers in the markets in which we operate have in the past and may in the future consolidate, merge or form joint ventures, thereby aggregating their resources and benefiting from economies of scale. These competitors may have access to significantly more resources to deploy towards developing or updating competing networks or adapting to new technology and may have advantages over us in the provision of telecommunications services, including:

- greater financial, technical, marketing and other resources;

- an ability to undercut market prices significantly in order to acquire customers;

- greater existing infrastructure;

- greater brand recognition; and

- larger customer bases.

In addition, certain areas of the fixed telecommunications network service business are very capital intensive in nature. For example, our broadband internet services business requires us to build and control the 'last mile' connectivity between our customers and our data centers through our fiber network, requiring significant amounts of capital expenditure. Our competitors may be able to devote more human and financial resources for research and development, network improvement, network expansion and marketing than we can. Since our inception, the growth of our market share has depended on our ability to react quickly to changes in new technology and consumer trends, offer competitively priced services, and provide high quality customer support. We cannot assure you that we will continue to be successful at executing this strategy in the future. If our competitors devote substantial human and financial resources to their businesses, it could reduce our ability to remain competitive in the quality and range of services we provide and we could lose customers to such competitors. This may limit the growth of and/or reduce the size of our customer base, which could adversely affect our business, financial condition, results of operations and prospects.

The increase in revenue of our businesses in 2015, 2016 and 2017 was partially due to an increase in our customer base, particularly customers subscribed to our retail wired broadband internet services. We cannot assure you that we will be able to continue to maintain or increase our customer base due to the competitive market dynamics in our industry. If we incur significant costs to acquire or retain customers, or if we are required to incur significant capital expenditure on expanding or upgrading our network, and these costs and investments do not lead to a corresponding increase in our revenue or profitability, our business, financial condition, results of operations and prospects could be materially and adversely affected. Some of our competitors may attempt to grow their customer base and product offerings through organic growth or through mergers and acquisitions. If these competitors make significant acquisitions or mergers, they may gain increased capacity and may be better positioned to increase their market share. We also compete with service providers who may use newer or more advanced technologies, including wireless technologies, to increase their competitiveness. In the future, we may face additional competitive pressures as a result of the development or application of new and more advanced technologies within our industry, and new types of services offered by other service providers who use such technologies. The growth of our subscription base will depend on our ability to continue to successfully compete in our markets. There can be no assurance that we will be able to successfully compete against established players or additional players entering the broadband internet or cable TV services market.

2. ***We may not be able to implement our business strategies to maintain or increase our revenue, profit margins and ARPU.***

We may not be able to successfully implement our business strategies, including our strategy of providing a compelling and unique value proposition to consumers through high-quality value-added services, such as video-on-demand and other OTT services, which we believe enables us to stay competitive and increase or maintain our ARPU. As we have had only limited prior experience in delivering such value-added services, there can be no assurance that we will be successful in implementing our strategies, or be able to continue to be competitive, whether as a result of technical, operational or regulatory challenges. We may also rely on third-party service providers to deliver such value-added services, over whom we may have limited control and may not be able to ensure the quality of such services. If we fail to successfully execute these and/or other strategies, we may not be able to increase or maintain our ARPU or retain our existing customers. In addition, to increase our subscription base, it may be necessary to reduce our prices, which may result in a decrease in our ARPU. If our ARPU fails to increase or falls as a result of these or other factors, it may have an adverse impact on our business, results of operations, financial condition and prospects. Furthermore, as we implement our growth strategies, we may expand our business into new areas which would require significant capital expenditure that may not generate high revenue or any at all in the short or long-term. As a result, our profit margins, ARPU, return on capital employed and financial condition may be adversely affected.

3. ***Our business depends on subscriptions and our inability to renew existing customers' subscriptions and acquire new subscribers could have a material adverse effect on our business.***

We offer multi-term subscriptions for our wired broadband internet and cable TV services, ranging from periods of one month to two years. A substantial portion of our turnover is comprised of our subscription revenue. Our ability to renew existing subscriptions at commercially viable levels is critical to our business. There can be no assurance that we will be able to retain any of our customers or renew any of our existing subscriptions on commercially favorable terms or at all. Moreover, we may not be able to offset in whole or in part any decreases in the number of our existing customers with increases in the number of new customers for our services, and even if we are able to do so, we may not be able to do so at the same ARPU, and may be adversely affected by higher broadband churn rates, since the cost and effort of retaining a customer is lower than the cost to acquire a new customer. If our customers do not renew their existing subscriptions, and our broadband churn rates increase, our revenue could decrease and our costs could increase. Additionally, while our revenues are unpredictable as a result of our short-term subscriptions with our customers, our expenses, including our capital expenditure, are generally long-term in nature and can be substantial. Therefore, we may not be able to reduce our expenses quickly or at all in response to any decline in our revenue, which, together with any of the foregoing risks, could have a material adverse effect on our business, financial condition, results of operations and prospects.

4. ***We may be unable to respond successfully to technological advances and evolving industry standards.***

The telecommunications industry is characterized by rapidly changing technology and industry standards, evolving customer demands and services with increasingly short life cycles. We may be unable to successfully respond to technological advances and evolving industry standards due to the following:

- To compete successfully, we may need to increase the diversity and sophistication of the services we offer and upgrade our telecommunications technology, including technology we use for our broadband internet and cable TV services. We may be required to make substantial capital expenditures and may not be successful in modifying our network infrastructure and/or upgrading to use other technology in a timely and cost-effective manner in response to these changes. For example, if cable TV content providers migrate their channels from standard definition to high definition, 4K or 8K definition, we will have to ensure our technology platform is able to support the migration of a substantial number or all of our customers from standard to high and ultra-high definition channels, which may require us to incur additional costs and deploy additional resources.

- Advancements in technology or new technology developed in related or adjacent segments of the telecommunications industry, such as 5G wireless mobile internet services, may offer consumers attractive services which are akin to or close alternatives to wired broadband internet services, and may reduce the relevance of or demand for our wired broadband internet services. This may result in a loss of customers, a decrease in ARPU and a substantial decline in our broadband internet business.

- New technology or trends in the telecommunications industry could have an adverse effect on the services we currently offer and may cause significant write-downs of our fixed assets. Increased adoption of these or other competing technology may lead to a decline in our turnover and profitability. For example, while consumers are accustomed to viewing cable TV content delivered over their television, consumers' preference may shift towards viewing cable TV content through other devices which use broadband internet or wireless mobile internet to receive such content. This may adversely affect our cable TV service business.

- Developing new services can be complex. We may not be able to implement the new services effectively, promptly and economically to meet customer demand. In developing new services, we may need to make significant investments in our network infrastructure and/or otherwise in order to support these services. If we exceed our budgeted capital expenditure and cannot meet the additional capital requirements through operating cash flows and planned financings, we may have to delay our projects which could make us less competitive and lead to customer loss.

- Changing our services in response to market demand may require the adoption of new technologies that could render many of the technologies that we are currently implementing less competitive or obsolete. We may also need to gain access to related or enabling technologies in order to integrate the new technology with our existing technology, including updating our technology and services to ensure compatibility with our customers' hardware and software. Consistent with the experience of other industry players, our new services may contain flaws or other defects when first introduced to the market.

- New telecommunications services are introduced by our competitors from time to time. Our competitors may gain access to new advanced technology that allows them to deliver their services at lower prices, at higher quality or with other add-on services that might make our competitors' services more competitive or attractive than our services. If we do not anticipate these changes and promptly adopt new and innovative services in response, we may not be able to capture the opportunities in the market and may lose our customers. Furthermore, mobile broadband internet services may increase in speed and become more attractive than our wired broadband internet services.

- Our new services may not be commercially successful. The failure of any of our services to achieve commercial acceptance could result in lower than expected turnover.

- New telecommunications services with specialized or expensive and exclusive content are introduced by our competitors from time to time. Access to such specialized, expensive and exclusive content may be available to our competitors that allow them to deliver their services at lower prices, at higher quality or with other add-on services that might make our competitors' services more competitive than our services. With limited resources at our disposal, we may not be able to capture the opportunities in the market and may lose customers.

To respond to technological changes, including consumer demand for internet services at higher speeds, we may need to invest to further upgrade our existing technologies to prevent them from becoming obsolete. These changes may require us to replace and/or upgrade our network infrastructure and as a result, incur additional capital expenditure (which may be significant) in order to maintain the latest technological standards and remain competitive against newer products and services and may impair the value of our existing assets. If we cannot respond to new technology successfully and offer the new services to meet the demands of our customers in a timely manner and at competitive prices, our business, financial condition, results of operations and prospects could be adversely affected.

5. ***We may not be able to remain competitive because we do not offer mobile internet access or mobile voice services together with our services.***

While we offer bundled services, such as entertainment, educational and infotainment services, in addition to our core broadband internet service, our inability to offer mobile internet or mobile voice services together with our broadband internet services may reduce our competitiveness and ability to attract or retain customers. Certain of our primary competitors in the market for broadband network services offer mobile internet and mobile voice services in addition to broadband internet services. As a result, our competitors may be able to offer consumers additional services, including bundling such services for free, which we are unable to provide and may therefore be able to meet the demands of consumers which we are unable to meet. Furthermore, if providers of wireless mobile internet service providers start to provide wireless internet access plans with unlimited data bandwidth at competitive prices and offer other additional services as value-added services, the value proposition and attractiveness of our broadband internet services may decline. If consumer demand for mobile internet or mobile voice services to be bundled with broadband internet services increases, we may lose our competitiveness, which may adversely affect our business, results of operations, financial condition and prospects.

6. ***Our ability to further expand the coverage of our network or to maintain the coverage of our existing network may be limited by our ability to obtain or renew access rights on land or buildings owned by third-parties.***

As part of our strategy to continue the growth of our broadband internet business, we intend to continue to expand our network, which may involve building new network infrastructure over new land or connecting our network to or installing our network devices in new locations and buildings. We intend to use a part of the Net Proceeds from the Fresh Issue on capital expenditure to expand our network. For further details, see "*Objects of the Offer*" on page 98. Our ability to achieve such expansion would require us to obtain or renew licenses or rights of way from third-parties over such land or buildings to access and install our network infrastructure. Such third-parties include municipal corporations, electricity distribution companies, statutory authorities, government bodies, state organizations, private companies and individuals. We may also be required to obtain legal rights of way from government authorities to use public infrastructure, such as poles, for laying or maintaining our network infrastructure, including our cables and ducts. Such rights or approvals are typically valid for defined time periods and are required to be renewed. Furthermore, municipal authorities and government bodies may also impose additional restrictions on us. For instance, the municipal corporation in Bengaluru, namely the Bruhat Bengaluru Mahanagara Palike, has prohibited us from laying overhead cables in any arterial or sub-arterial roads in Bengaluru. Our right of way permits for underground network infrastructure are typically granted on a case by case basis and are valid for minimum periods of one year from the date of grant of permission and are required to be renewed thereafter.

Certain states in India may not have established policy guidelines to granting such rights, including rights for laying overhead cables, and the criteria for obtaining such rights may not be clear, which may make it difficult or time-consuming for us to obtain such access rights. If we are unable to obtain or renew such rights in a timely manner, this could delay or disrupt our services and our ability to implement our business strategies. In addition, certain portions of our network utilize overhead cables to connect our customers to our network. The governmental authorities in the states in which we operate may decide to implement policies to that require us to remove our overhead cables and other over-ground network infrastructure and to re-install underground network infrastructure, which will require us to incur financial expense. For example, we have in the past been required by the municipal authorities in Bengaluru to convert certain portions of our over-ground network infrastructure to an underground network infrastructure. We are also required to indemnify governmental authorities for any loss, including loss of or damage to property, loss of life or economic loss, arising from laying of our cables. We may also be required to comply with additional procedures and protocols which are prescribed by government authorities and set out in the permits granted to us when performing any work on our network cables, including maintenance work. If we fail to comply with such procedures or protocols, we may become subject to penalties, our licenses may be cancelled and we may be blacklisted by the relevant executing agency. Furthermore, if our licenses, rights of way or other approvals are revoked by government authorities or we fail to comply with the conditions or standards prescribed by such authorities, we may be forced to remove our network infrastructure, which would result in the reduction in the coverage of our network and a loss of our customers. Our network also utilizes network distribution switches which we install in our customers' premises and utilizes our customers' power supply. Our application to the Bengaluru Electricity Supply Company Limited for the use of "commercial power" at one of our customer sites has been refused. We have filed an application before the Karnataka Electricity Regulatory Commission in this regard. For further details, see "*Outstanding Litigation and Material Developments*" on page 416. As at December 31, 2017, while we have experienced waiting periods of up to one year to obtain access rights from government agencies, we have not experienced any instances where we have been forced by any third-parties or government authorities to discontinue our operations located in or which pass over certain land or buildings as a result of not having obtained or renewed the necessary rights or approvals. Nonetheless, there can be no assurance that we will not experience such forced discontinuation in the future. If we are unable to obtain such rights or approvals or to renew such rights or approvals when they expire, our ability to expand our network and to implement our business strategies will be restricted, and we may become subject to claims, legal proceedings or suffer financial losses on investments on capital expenditure which could adversely affect our business, results of operations, financial condition and prospects.

We also rely on access rights to lay our network infrastructure on land or buildings owned by private individuals, organizations or companies. Certain of these third-parties, including organizations overseeing or managing gated communities in which large numbers of residential consumers reside, may charge us fees for such access rights. If the fees charged to us by such third-parties are substantial or too high, we may not be able to provide our services at cost-competitive prices and may lose our competitiveness in the market. Additionally, we may be unable to obtain such access rights from such third-parties at all if such third-parties have established business relationships with any of our competitors, including LCOs, or if they refuse to engage with us. If we are unable to secure such access rights, our business and operations could be adversely affected.

7. ***Our industry is highly regulated and we require certain approvals, licenses registrations and permissions to conduct our business.***

Our primary business activities involve the provision of broadband internet services and cable TV services. The provision of such services in India are regulated and governed by the Department of Telecommunications ("**DOT**"), the Ministry of Information and Broadcasting ("**MIB**"), the Telecom Regulatory Authority of India ("**TRAI**") and prevailing statutory regulations, which require providers of such services to obtain various licenses, including an ISP license from the DOT, for the provision of broadband internet services, and an MSO license from the MIB, for the provision of cable TV services, and to comply with the conditions prescribed under such regulations or licenses. Additionally, the TRAI, as the regulator for the provision of broadband internet and cable TV services in India, may from time to time also prescribe new conditions and regulatory requirements for providing such services. If we fail to meet such conditions, comply with the terms of our licenses or conduct our business activities in a manner contrary to or in violation of the prevailing statutory regulations, our licenses could be revoked. As at December 31, 2017, the regulations affecting our industry include obligations on us to ensure that no objectionable, obscene, unauthorized or illegal content, messages or communications are carried out on our network. Certain regulations may also require us to share our revenue with third-parties, including LCOs, which may reduce our profitability. Additionally, certain regulations may impose restrictions on the pricing of our services, including prohibitions on discriminatory pricing of our cable TV content services by prohibiting the charging of different prices for access to our cable TV services on the basis of the content being provided and limits on our prices for providing distribution network capacity. This may impact the pricing of our cable TV access plans and bundled services, which may adversely impact our business. While we are in the process of transitioning our platforms to allow customers to purchase access to channels individually rather than in a bundle, as required by the orders and regulatory framework implemented, certain of our competitors may have already completed such transition and may be able to offer such options to consumers before us. If our competitors achieve this transition faster than us, we may lose our competitive advantage. Existing market practice and regulations may also impose geographical limits on our cable TV content business, which would restrict our ability to grow our business. Under the terms of our ISP license, we are required to ensure that our services meet certain service benchmarks, including in respect of the quality of our services and our response time to customers' requests for assistance. We have in the past failed to meet such requirements. The TRAI may impose certain penalties, including financial penalties, on us or commence legal proceedings against us or any of our officers for our failure to meet such requirements. Under the terms of our ISP license, we are also required to implement certain technology platforms, at our cost, to enable certain government authorities or regulatory agencies to monitor our network traffic. While these requirements may not have been actively and stringently enforced by the relevant authorities in the past, there can be no assurance that such authorities will not enforce these requirements on us in the future. If such requirements are enforced against us, we will have to incur significant capital expenditure to implement appropriate technology to ensure our compliance. If we fail to comply with such requirements in a timely manner or at all, we may be subject to financial penalties and our licenses may be revoked, which would materially and adversely affect our business, results of operations, financial condition and prospects. Furthermore, certain of our licenses, including our ISP license, may be valid only for limited periods of time and need to be renewed periodically. If our licenses are revoked or if we fail to obtain or renew the required licenses, or if we fail to comply with any of the regulations applicable to us, we may not be able to continue to offer broadband internet services or our cable TV services, which would adversely affect our business, results of operations, financial condition and prospects.

Under the applicable regulations promulgated by TRAI, we are required to enter into "model interconnect agreements" or "standard interconnect agreements," in the format prescribed by TRAI (subject to certain amendments permitted by applicable law), with LCOs through which we deliver our cable TV services. As at the date of this Draft Red Herring Prospectus, we have not been able to enter into such required agreements with the LCOs. There can be no assurance that we will be able to enter into the required agreements with such LCOs on commercially acceptable terms or at all, and such LCOs may choose not to enter into such agreements with us. If we are unable to comply with the foregoing regulations, we may become subject to penalties which may be imposed by TRAI. Furthermore, we may not be able to enforce our existing agreements with such LCOs, including any of our rights thereunder, if such agreements are not in compliance with the applicable regulations.

Our Company and Beam Telecom Private Limited had informed the DoT through letters dated April 11, 2014, about the proposed merger between our Company and Beam Telecom Private Limited, along with a copy of the scheme of amalgamation, which were duly filed with the high courts. The High Court of Andhra Pradesh and the High Court of Karnataka approved the scheme of amalgamation. For further details, see "*History and Certain*

Corporate Matters" on page149. Following the approval of the high courts for the scheme of amalgamation, Beam Telecom Private Limited, through its letter dated November 17, 2014 to the DoT, notified the DoT of its request to surrender its Class B - ISP license, since our Company was already holding a Class A – ISP license at the relevant time. Our Company, through our letters dated December 23, 2014, November 13, 2015 and December 13, 2016, had also requested the DoT to approve the surrender of the Class B – ISP license held by Beam Telecom Private Limited. However, as at the date of this Draft Red Herring Prospectus, the applications for the surrender of Class B – ISP license held by Beam Telecom Private Limited is still pending before the DoT. We cannot assure you that the DoT will approve these applications to surrender the ISP license of Beam Telecom Private Limited. If such approval from the DoT is not obtained, we may become subject to legal proceedings by the DoT and any related or consequential financial liabilities. Additionally, certain internet protocol addresses which are allocated to us are registered under the name of Beam Telecom Private Limited. Although we have sent written requests to APNIC to effect the transfer of such addresses to our Company, as at the date of this Draft Red Herring Prospectus, such internet protocol addresses continue to be under the name of Beam Telecom Private Limited. If the DoT accepts the surrender of the Class B – ISP license of Beam Telecom Private Limited, and if APNIC releases or frees up such internet protocol addresses which are currently allocated to us instead of transferring such addresses to our Company, this could severely disrupt our operations and services, which would result in a material and adverse impact on our customer churn rate, revenues, business, results of operations, financial condition and prospects.

Additional regulatory restrictions and requirements affecting our industry may be implemented in the future. For example, government authorities and regulators may prohibit or implement restriction on differential pricing for or treatment of internet data traffic. If such additional regulations are implemented, we may be required to change our business and operational policies, implement new operational procedures and change our business and operational practices, which would require us to incur expenses and commit resources to ensuring our compliance with such additional regulations. We have installed various caching servers on our network which help to improve the quality of our broadband services and enhance our customers' experience. If additional regulation on the use of such caching servers, or any caching or peering connectivity, are implemented, we may be subject to such regulations and have to incur additional costs to comply with such regulations, which would impact our profitability. Additionally, the relevant authorities may implement regulation limiting our ability to use online or virtual customer on-boarding processes, including clearing "know-your-customer" procedures. Such regulations may also limit our operational flexibility and efficiency, and may affect our competitiveness. Furthermore, the DOT has implemented a new licensing regime for telecommunications services which may require us and other internet service providers in India to pay up to 8% of "pure internet" revenue to such authority as a licensing fee. If such licensing fee regime is enforced against us, including if we are required to switch to the universal licensing regime which is subject to such additional licensing fee, our profitability and results of operations may be materially and adversely affected. As at the date of this Draft Red Herring Prospectus, our pure internet revenue is not subject to such licensing fee. If such licensing regimes or other licensing requirements are implemented, our profit margins, results of operations, financial condition and prospects may be adversely affected.

As our Company is owned and controlled by non-India resident Shareholders, any downstream investments made by our Company will have to be compliant with the foreign direct investment policies of India. Accordingly, we have to ensure that, amongst other things, the prior permission of the MIB or other government authorities, as applicable, is obtained for changing the composition of our subsidiaries' boards of directors, and that the majority of our and our subsidiaries' boards of directors, chief executive officer, any chief officers in charge of technical network operations and any chief security officers are citizens of India where such subsidiaries are engaged in the broadcasting business.

8. ***We require significant amounts of capital to finance our business expansion, which may require us to incur significant amounts of debt, and operating and financing costs. We may not be able to obtain additional financing to meet our business and operational capital requirements, including our capital expenditure requirements.***

Our ability to finance our operating and capital expenditures, including for our business expansion, will depend significantly on our ability to generate cash from our operations or obtain alternative financing. If we obtain debt financing to fund our operations, we will also need to generate sufficient cash to service our debt obligations. In order to meet our business and operational financing requirements or to service our debt obligations, we will need to continue generating cash flows at or above current levels. However, we cannot assure you that we will be able to do so. Our ability to generate cash is subject to general economic, financial, competitive, industry, legal and other factors and conditions, many of which are outside our control. In particular, our operations are subject to price and demand volatility in the telecommunications industry. If we cannot service our debt, we may be required to, among other things, reduce capital expenditures, sell assets, or raise equity. We may not be successful in taking these actions, which could cause us to default on our obligations. Further, our ability to take many of these steps may be subject to approval by current and future creditors. Additionally, there can be no assurance that we will be able to raise debt financing on commercially favorable terms or at all if we are required to do so in order to meet our business or operating capital requirements. If any of the above occurs, our business, results of operations, financial condition and prospects will be materially and adversely affected.

Expanding our network coverage and upgrading to new technology is capital intensive. We may incur higher levels of capital expenditure than currently anticipated in order to maintain and expand our network coverage, including establishing our fiber optic cables both underground and overhead. If we are not able to fund these capital expenditure requirements from cash from operations, we may need to seek additional debt or equity financing which may not be made available to us in a timely manner on commercially favorable terms or at all. If we are required to incur significantly higher levels of capital expenditure, we may not be successful in financing such expenditure and such capital expenditure may not result in the growth of our business and the expected positive impact on our results of operations. If our capital expenditure requirements increase due to these or other factors, it may have an adverse impact on our business, results of operations, financial condition and prospects. Further, future network expansion will be dependent on future demand for our services. If we underestimate our future capital needs or overestimate our future cash flows, we may require additional funding to meet our expenditure requirements.

We expect to continue to make investments and incur capital expenditure to maintain and upgrade our network, including by building up our underground network, to meet consumers' demands for new or existing services, and to continue to offer competitive services. We are also required to develop our underground network in order to comply with requirements imposed by local authorities to migrate certain parts of our overhead network underground. Furthermore, we may need to obtain additional financing if our business plans are affected by changes in the telecommunications or cable services industry, developments in technology, or if our turnover and cash flow are significantly reduced. Financing might not be available to us when needed, or may only be available on terms that are commercially unfavorable to us. Any debt financing, if available, may involve restrictive covenants. If we are unable to raise the amounts required on commercially favorable terms or at all, we may be unable to pursue our growth strategy. In addition, future adverse conditions in the financial markets may impair our ability to finance our operations. We are also subject to regulatory restrictions on raising offshore financing. See "—*Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares and may restrict our ability to raise foreign capital*". Furthermore, there can be no assurance that any future financings will not be dilutive to your shareholdings of our Equity Shares. If we cannot raise sufficient funds on commercially favorable terms, we may need to delay or abandon some of our business plans or otherwise forego market opportunities, and our business, results of operations, financial condition and prospects may be adversely affected.

9. ***If we cannot scale our business or manage our businesses effectively, the quality of our services and our results of operations could be adversely affected.***

We have invested significantly to build our network in India and expand our residential and enterprise businesses. As part of this strategy, we have invested in our network infrastructure to support our range of broadband internet access services and cable TV services. The build-out of our systems and subscription base has placed, and selective coverage expansion will continue to place, significant demands on our systems and controls and may require additional administrative, operational and financial resources.

Our ability to expand our network and operations and manage our businesses will depend upon our ability to:

- improve our existing operational, administrative and technological systems and our financial and management controls;
- attract, retain and effectively manage our employees in order to execute our business plans and strategies, including providing high quality customer support services to our customers;
- develop effective marketing plans;
- control operational costs and maintain effective quality controls;
- offer competitive prices to customers for our services;

- ensure a high network up-time and manage service levels;
- manage the expansion of our network to identified areas and buildings;
- develop, expand and manage our data centers and related technology services and platforms;
- implement our enterprise business expansion strategy;
- implement our new IT projects quickly and effectively;
- implement our process automation projects quickly and successfully;
- attract and retain new residential and enterprise customers;
- correctly assess the cost of investment and growth potential at a new location;
- arrange adequate funding for capital expenditures;
- obtain and maintain legal right of way for laying cables; and
- ensure the safety of our operations, including the safety of the general public when developing, installing or maintaining our overhead and underground network infrastructure.

A failure to achieve any of the above in an efficient manner and at a pace consistent with the growth of our residential and enterprise businesses could have an adverse effect on the quality of our services, our ability to win new and retain existing customers, and our ability to manage our costs of operations. There can be no assurance that we will be able to achieve any of the above at all times or at all, and failure to do so may cause our business, results of operations and financial condition to be adversely affected.

10. ***The continuity of our services is highly dependent on the proper functioning of our network and infrastructure, and any disruption to our services or damage to or failure of our network could materially and adversely affect our business.***

The provision of our services and the success of our business depends, in part, on the quality, stability, resilience and robustness of our network. In particular, damage to our network operations center, data centers (including core equipment therein) or other network infrastructure, could have a significant impact on the ability of our network to function properly. Our network infrastructure, including our technology platforms and customer relationship management systems, is vulnerable to damage or cessation of operations from fire, earthquakes, severe storms, heavy rainfall, other natural disasters, power loss, telecommunications failures, technological failures, network software flaws, malicious acts by third-parties, vandalism, acts of terrorism, social unrest, cyber-attacks and computer viruses, transmission cable cuts, human error and other events beyond our control. We may experience equipment failures, shutdowns of part of our network or even catastrophic failure of our entire network as a result of any such factors. Our customers may also claim from us loss or damage they may suffer as a result of such failures or shutdown, and our insurance may not be sufficient to cover such claims.

Our network infrastructure is especially vulnerable to damage by vandalism and other malicious acts as well as accidental damage by third-parties. Certain third-parties, including our competitors or LCOs which offer internet access services similar to the services we offer in the markets in which we operate, may regard us as threats to their business and may renegotiate the fees we pay to them to maintain our operations in such markets. If we do not make these payments or such third-parties regard our operations as competitive to their business, such third-parties may damage, vandalize, destroy or take other malicious actions to compromise our network and operations which could result in disruptions to the functioning of our network and the services we deliver to our customers. We have in the past experienced such disruptions as a result of damage to our network, including instances where our fiber cables have been cut by third-parties which resulted in significant disruption to our services. Such disruption to our services would adversely affect the goodwill and reputation of our brand by causing our customers to be dissatisfied with our services and affecting our brand’s reputation, and could materially and adversely affect our business, results of operations, financial conditions and prospects.

Furthermore, those parts of our network, including any branch switches, area switches, fiber switches, customer switches and underground cables, which are situated underground may be subject to accidental damage by third-parties, including local government and municipal authorities, undertaking construction works while those parts of our network situated above ground may be subject to damage cause by environmental elements, including storms and heavy rainfall. Additionally, certain portions of our underground network which support our network traffic to overseas destinations are laid undersea by third-party upstream bandwidth providers, which, if damaged whether as a result of natural disasters, environmental elements or other factors, may require significant time and resources to repair. Prolonged maintenance or repair works on our network would cause disruptions in our services. We may also be unable to effectively monitor, track or maintain our underground network due to the physical difficulties with monitoring and accessing underground infrastructure. As we intend to invest in the continuous development of our underground network, if any of the foregoing occurs, our return on invested capital may be adversely affected and our investment may be diminished or lost. While we have not generally experienced prolonged disruptions to our network due to damage to our network infrastructure as a result of environmental elements, we have, from time to time, experienced disruption to our services which has caused delays in the transmission of data, such as the disruptions arising from cyclone Vardah in 2016. Our network suffered extensive damage in December 2016 as a result of cyclone Vardah, which resulted in a disruption in our broadband services in Chennai for three weeks. We implemented rectification works to restore our services following cyclone Vardah and were able to resume connectivity for our customer base in phases over a period of 80 days. We have also experienced disruptions from earthquakes affecting undersea cables, which may affect our customers' experience in browsing overseas content. Furthermore, the operation of our business requires a large amount of power. We cannot be certain that there will be adequate power in all the locations in which we operate. In case of a power outage, we may incur loss or damage to our equipment.

We have in the past also experienced instances where third-parties, including LCOs, have caused disruptions to our business operations by damaging our network, including by stealing our cables or set-top boxes. While we have initiated legal proceedings against such third-parties, there can be no assurance that such legal proceedings would be decided in our favor. For further details of such proceedings, see "*Outstanding Litigation and Material Developments*" on page 416. If similar instances occur in the future, we may face disruptions to our services which may cause dissatisfaction among our customers, who in turn may decide to unsubscribe to our services, which would result in a higher churn in our customer base and may adversely affect our brand.

Unanticipated problems affecting our network, including human error in the installation or management of our networks, failures in our technology or IT systems, power loss, electrical accidents or malicious acts by third-parties or our employees could cause disruption in the transmission of data over our network or similar problems. For example, as certain of our network cables contain copper elements which are installed or maintained manually, our network may be subject to disruptions and malfunctions, including, for example, sagging cables which may result in short-circuits with adjacent electrical cables, arising from human error in the installation or maintenance process. Furthermore, certain portions of our network are laid in areas on which government authorities may from time to time carry out public works, including roadworks, installation of public utilities and general maintenance, or which are subject to seasonal events such as festivals and public processions which may delay or hinder our ability to install or maintain our network infrastructure or require us to re-route our network. Our network may also be disrupted by failures in the software or hardware on which our technology and IT systems rely, computer viruses, disruptions to the power supply to our network, or malicious acts by third-parties or our employees, any of which may damage our network and disrupt our services to our customers. Our systems may be subject to malicious security breaches, cyber-attacks, including hacking by third-parties which may result in delays, disruptions or suspension of our services, and may compromise the security of our, our customers' and our employees' content and personal data. Any compromise to the security of our network and systems could expose us to substantial financial and reputational liability, and we may have to invest substantial resources to develop the security systems of our networks to defend against such attacks. There can be no assurance that our network backup or other recovery measures will be sufficient and effective if such events occur and cause disruptions or damage to our network. Sustained or repeated system or network failures, whether from operational disruption, natural disaster or any other factors, which disrupt our services to customers or our ability to meet our business obligations in a timely manner or at all would adversely affect our reputation and may result in a loss of customers and revenue. Furthermore, we may become subject to legal proceedings and be required to rectify or remove our network infrastructure, including overhead cables, which may require us to incur expenses, disrupt to our business and operations and adversely affect our brand's reputation.

11. ***We depend on the continued strength of our brands to maintain and grow our customer base.***

We operate under various brands, including "ACT Fibernet," "ACT" and "Beam Fiber," and our continued success and growth depends upon our ability to protect and promote these brands in existing and future expansion areas. Prolonged service failure, security breaches, cyber-attacks, piracy, malicious or improper acts by our employees, and ineffective promotional activities are all potential threats to the strength of our brands. The market perception of these brands may deteriorate if we fail to maintain delivery and consistency of our services or to protect the integrity of customers' information disseminated through our network. Furthermore, the appeal and availability of our services, price, points of sale locations, installation and after sales customer services all have an impact on customers' perceptions of us. If we do not fulfil the expectations of our customers, or if our customers do not perceive our services to be of a high quality, we risk damaging our reputation and brands, which could lead to a decline in customer numbers and revenues. Although we have committed resources to promoting, marketing and developing our brand, there can be no assurance that our efforts have been or will be effective or successful. Additionally, if our competitors' promotional or marketing campaigns are more effective than ours, the strength of our brands may decline. Any of the above could have an adverse effect on our business, financial condition, results of operations and prospects.

12. ***We depend on the continued service of our employees, and our business and growth prospects may be disrupted if we lose our employees' services or if employee costs increase.***

Our future success is dependent upon the continued service of our key management personnel, senior management personnel and our employees. Our industry is characterized by high demand and increased competition for skilled employees, and we may need to offer higher compensation and other benefits in order to attract and retain our employees in the future. We cannot assure you that we will be able to attract and retain the key personnel that we will need to achieve our business objectives. As we utilize advance technologies in our operations and business, we require expertized and skilled employees. We may not be able to identify, attract or retain such employees with the skillsets we require in a timely manner, on commercially favorable terms or at all. Although we have employment agreements with members of our key management personnel and senior management personnel, we cannot assure you that we will be able to retain key members of our management team. Any increases in salary levels may also increase our costs of attracting, retaining and training suitable employees, which would require us to incur additional resources to implement our business plans and support our operations. If we are unable to offer competitive salaries to our employees, we may not be able to retain them. If one or more of our key personnel are unable or unwilling to continue in their present positions, or if they join a competitor or form a competing company, we may lose valuable operational, technical, business or other knowhow and expertise and we may not be able to replace them easily. Furthermore, we may not be able to effectively or successfully transition the responsibilities of our key management personnel or senior management personnel to new employees. Our business may be significantly disrupted and our financial condition and results of operations may be materially and adversely affected by any of the foregoing.

We also depend on our employees to perform our operations, deliver our services to customers and grow our business. If any of our employees are not properly trained, incentivized or motivated to perform our services in accordance with our quality standards, operating procedures, safety regulations or applicable laws, this may adversely affect our brand and our business. In particular, we rely on our employees to install devices at our customers' residences, collect fees, handle our cash collections and perform maintenance works at our customers' premises and also on our network infrastructure. Any non-compliance by our employees with our quality standards, operating procedures, safety regulations or applicable laws or any malicious acts, including making disparaging or unauthorized statements in the public press about our business or causing personal harm to any of our customers in the course of performing their employment, could damage our reputation and subject us to claims and loss of business. Furthermore, we depend on our employees to deliver a high-quality premium service to our customers. If they fail to do so, or if we fail to adequately train or motivate our employees to do so, this could adversely affect our ability to retain our customers or to attract new customers. We may also become subject to regulatory proceedings, which impose service quality standards on us. If we are unable to properly train, motivate or incentivize our employees, if we are unable to attract or retain skilled employees or if our employees are poorly trained or engage in any misconduct, our business, operational efficiency, results of operations and prospects may be adversely affected.

While our employees are not unionized as at the date of this Draft Red Herring Prospectus, if our employees, which comprise a substantial portion of our workforce, decide to form a union or engage in collective bargaining with us for higher salaries, benefits or other rights, our operations may be adversely affected. Furthermore, any changes in regulation, including any changes in regulations governing salaries in India, such as any increase by the government in the national minimum wage, may require us to incur additional expenses and disrupt our operations. This may adversely affect our business, operations and financial condition.

13. ***The state of India's economy may affect our business and, in particular, any adverse developments affecting the cities of Bengaluru, Hyderabad and Chennai, where a significant proportion of our operations are based, could have a material and adverse effect on our business, results of operations and financial condition.***

As we provide services solely in India, our financial position and the results of our operations will be affected by the conditions of the telecommunications market and the general economic conditions in India (including the markets for internet access and paid video content) and cannot be offset by developments in other international markets. Negative developments in, or general weakness of, the Indian economy, which may be influenced by factors including the Indian regulatory environment, levels of unemployment or changes in demand and usage habits of Indian consumers, may have an adverse effect on the spending patterns of retail and enterprise customers, both in terms of the services they subscribe for and their usage levels. As a substantial portion of our revenue is derived from customers who may be impacted by these conditions, adverse changes or conditions in the Indian market may make it more difficult for us to attract new customers, result in our customers downgrading or disconnecting their subscriptions to our services, or make it more difficult to maintain the price-points at which we offer our services.

In addition, a deterioration of the Indian economy may lead to a higher number of non-paying customers and service disconnections. The Indian economy has experienced considerable volatility in the past, and there can be no assurance that it will not continue to do so in the future. A weak economy and any negative economic development may adversely affect our results of operations and jeopardize our growth targets and could limit our prospects.

A significant proportion of our sales efforts have been in the cities of Bengaluru, Hyderabad and Chennai. Although these states are among the largest broadband internet markets in India according to MPA, such concentration exposes us to significant risks that any adverse changes to the markets in these states could adversely affect our business, financial condition, results of operations and prospects.

If one or more of the following occur in these states:

- adverse weather conditions, including cyclones, windstorms, floods, drought and temperature extremes, or any natural disasters such as earthquakes;
- change in consumer preference for entertainment and cable TV content;
- decline in demand for or services as a result of cheaper services being offered by public sector service providers, such as service providers operated by state governments, who may be subsidized by the government or state, or political initiatives that are adverse to our services;
- expansion of our competitors' operations;
- failure to enter into contract arrangements with LCOs on commercially favorable terms or at all;
- failure to engage the labor we require for our operations on favorable terms; and
- enactment of any unfavorable laws, rules or regulations,

our business, financial condition, results of operations and prospects could be adversely affected. We cannot assure you that we will be able to reduce our dependence on operations in these states, or that such dependence will not increase in the future.

14. ***We may be subject to legal proceedings and claims regarding information disseminated over or the use of data from our network or through our services, which could increase our costs or require us to discontinue certain services.***

We may be subject to claims for defamation, negligence, copyright or trademark infringement, personal injury, privacy rights violations or other legal claims relating to the information we publish on our digital platforms or disseminate through our network or data that we use from our network or through our services, including our broadband services and cable TV services.

Certain businesses, organizations and individuals may send unsolicited commercial e-mails or other content, which may be viewed as offensive by recipients, through our network. There can be no assurance that customers will not use our network or engage in a conduct while using our network which could subject us to claims for damages, damage our reputation and brand or other effects which could adversely affect our business, results of operations, financial condition or prospects.

Our cable TV services include the broadcasting of local news content on events occurring in various districts in India. Certain businesses, organizations and individuals may regard such content as offensive or defamatory, and may commence legal proceedings, including defamation suits, against us. If such proceedings against us are commenced, we may be required to engage in prolonged legal or other proceedings, and may be required to incur substantial expenses to defend against such claims. There can be no assurance that we would be successful in defending against such claims. If we are unsuccessful in defending against such claims, we may become subject to financial penalties or be required to pay compensation. Additionally, we may be required to discontinue certain of our services. The occurrence of any of the foregoing would adversely affect our business, results of operations, financial condition and prospects.

We may also be subject to claims and enforcement actions, including under censorship and personal data protection laws, based upon the content or data accessible from our digital platforms through links to other websites or through content and materials that may be posted by members on our platforms. Lawsuits or claims may be brought against us for content distributed through our network, including any politically sensitive or illegal content, and such content may damage our reputation and brand. We may be required to incur substantial expenses to defend against such claims or discontinue certain of our services, which could adversely affect our business, results of operations, financial condition and prospects.

15. ***The loss of key suppliers or their failure to deliver equipment or perform services in a timely or satisfactory manner could adversely affect us.***

We rely on third-parties for the supply of network equipment, including fiber optic cables, IT software and other products, and for the supply of services to operate and maintain our network and to deliver our services to our customers, including the laying of network cables. We need to have an adequate supply of installation equipment on hand for delivery to our customers in a timely manner. We purchase equipment related to our network, including optical network terminals, equipment routers and cable TV set-top boxes and obtain rights to use underground fiber cables and related services from our suppliers on a purchase order basis and typically do not have long-term contracts with our suppliers. Additionally, the delivery of our services and the operation and maintenance of our network require a reliable and uninterrupted supply of a significant amount of power, which we obtain from third-party electricity providers. Our supply of such products and services may be disrupted or terminated due to circumstances and events outside of our control, including unexpected power cuts, failure or damage to electrical power grids, natural disasters, malicious acts of third-parties or the financial condition or business viability of our suppliers. Our suppliers may also choose not to continue to supply us with products or services which we require for our business and operations. Furthermore, we depend primarily on two of our major suppliers to provide us with highly customized network distribution switches which we use to connect our customers to our network, grow our business and expand our network. We also depend on a small number of suppliers who provide us with upstream bandwidth services, including supplying us with bandwidth to carry our network traffic, and there are only a limited number of suppliers in the market who may be able to supply us with such bandwidth at the scale and quality we require. Additionally, certain of our suppliers may also supply our competitors and other third-parties, including government-operated service providers and service providers engaged with large-scale national broadband internet connectivity projects, such as the National Fiber Optic Connectivity project, which may reduce our suppliers' ability to meet our supply requirements. Furthermore, certain of our bandwidth suppliers also offer services similar to our broadband internet services and may compete with us. If our suppliers are unable to or decide to cease to supply us with the products or services, we may not be able to operate our business in a timely manner or at all, or if the costs of these products or services increase, we may incur additional costs and disruptions in our services as we source for alternative suppliers. There can be no assurance that we will be able to obtain suitable alternative suppliers on terms which are commercially favorable or at all. Any disruption to our supply of bandwidth, equipment or services from our suppliers could negatively affect our operating results, especially if we are unable to spread the costs over a larger subscription base or effectively pass on the additional costs by increasing our subscription prices.

If hardware or software products provided to us by third-party suppliers are defective or related services are unsatisfactory, it may create technical problems in the delivery of our services, damage our reputation and result in the loss of customers. Our suppliers may rely on contract-based manual labor to perform certain services for us, including the laying of cables and the maintenance of our network infrastructure. Such labor may not comply with service and quality standards, safety guidelines, operating procedures or applicable law, which may result in the services being performed for us to be unsatisfactory or unsafe. If our suppliers fail to comply with such standards or other applicable regulations, they may become subject to penalties or legal proceedings. In turn, this may disrupt our supply from such suppliers, which would affect our business and operations. Furthermore, we may also become subject to claims or legal proceedings by government authorities, regulators or third-parties or our network and services may be disrupted or affected as a result of such compliance failures by our suppliers. In addition, it may be difficult or impossible to enforce claims against such suppliers, especially if the warranties included in contracts and service level agreements with our customers (including those mandated or implied by applicable law) exceed those in contracts with our suppliers or if the services provided do not otherwise comply with the terms of those contracts or service level agreements. Our ability to recover from suppliers in such cases or in other situations may also be limited if such suppliers become insolvent. The occurrence of any of these risks could have a material adverse effect on our business, financial condition, results of operations and prospects.

Furthermore, some of our suppliers are also regulated and may require certain licenses to supply us with the services and equipment we require to operate our business. If our suppliers are unable to obtain or renew such licenses or if their licenses are revoked, we may not be able to obtain the services or equipment we require to operate our business and our services and network may be disrupted. Certain of our key suppliers, including our suppliers who supply us with underground fiber optic cables, have in the past had received orders from government authorities for the revocation or suspension of their licenses, which has affected their ability to supply us with the services and equipment we require. While our suppliers may appeal against such revocation or suspension, there can be no assurance that they will be successful in such appeals.

We are heavily dependent on third-party LCOs to deliver our cable TV services to our customers. We rely on third-party LCOs to connect our network cable lines to the homes and offices of our customers, including by installing set-up boxes at our customers' premises, so that we can deliver our cable TV services to our customers. We also depend on LCOs to invoice our customers, collect our monthly subscription charges and to pay to us our share of such charges. As at December 31, 2017, approximately 86.60% of our cable TV service customers were connected to our network through LCOs. Although we enter into contractual agreements with such LCOs to provide us with such services, these agreements typically do not include long-term obligations on the LCOs and typically allow the LCOs to terminate our agreement on 30 days' notice. There can be no assurance that we will continue to be able to obtain such services from these LCOs on commercially favorable terms or at all, or that these LCOs will perform these services in accordance with the terms of our agreements, quality standards, safety guidelines or applicable laws, which may adversely affect our ability to protect our capital investments or cause our business, results of operations, financial condition and prospects to be adversely affected. Further, we have not entered into contractually binding agreements with certain LCOs on whom we depend to deliver cable TV services to and collect subscription charges from our customers, which may adversely affect our ability to enforce our rights against such LCOs, including our rights to receive a portion of the subscription charges collected by such LCOs.

16. ***Cable TV content from other content providers, including content providers offering free cable TV content, or any disruption in cable TV content for our cable TV services may reduce the number of subscribers for our services.***

The success of our cable TV services that we offer as part of our value-added services depends on, among other things, the quality and variety of the video content we are able to procure and deliver to our subscribers, and our ability to identify and anticipate consumer preferences and demand for cable TV content. As we typically do not produce the cable TV content which we deliver to our subscribers, we depend on our license agreements with third-party content providers for such content. While we do, and intend to continue to, negotiate additional access to cable TV content with our third-party content providers to enhance our cable TV services, there can be no assurance that we will be able to obtain access rights to cable TV content on terms or at costs which are commercially favorable or at all, or that the content we are able to deliver will attract new customers or retain our existing customers. Additionally, we do not have control over such third-party content providers and there is a risk of such parties not performing their obligations to us in accordance with the terms of our contracts in a timely manner or at all, whether as a result of regulatory restrictions on them, operational or technical difficulties or otherwise, or in order to renegotiate the terms of our contracts or arrangements with them, which may impact our ability to deliver our cable TV services. Further, as we have limited prior experience in delivering such services, we may not be able to successfully provide these services due to operational or regulatory challenges and there can be no assurance that these services will generate significant revenue. Access rights with respect to a significant amount of cable TV content may also already held by our competitors and, to the extent such competitors obtain content on an exclusive basis, our ability to obtain such content would be limited. Our competitors may also have access rights to cable TV content which may be more appealing to consumers, or our consumers may look to alternative sources of entertainment if our cable TV content is not attractive, resulting in a decline in our customer base and results of operations.

In addition, certain domestic free television program broadcasters in India offer digital television services and video content for free to a large percentage of the viewing public in several of the markets in which we operate. If the quality of the video content provided by such broadcasters is comparable or more attractive to the quality of the cable TV content we offer through our services, the number of our subscribers for our cable TV services may decline. Furthermore, new broadcasters and other cable TV content service providers may also offer their content for free, which may further affect our business, results of operations, financial condition and prospects.

17. ***Any deficiency in our billing and credit control and customer management processes could materially and adversely affect our operations.***

Reliable billing, credit control, collection and customer management systems are critical to support our ability to maintain and increase turnover, avoid turnover loss, monitor potential credit problems and bill customers accurately and in a timely manner. We will need to expand and adapt our billing and credit control systems to capture new revenue streams as our business continues to grow. The development of new businesses may impose a greater burden on our systems and may strain our administrative, operational and financial resources. Our billing, credit control, collection and customer management systems may be affected by computer viruses, cyber-attacks, telecommunications failures, software flaws and systems failures, human error in managing or operating our software systems, and increased operational load as a result of an increase in the scale of our operations. Furthermore, we depend on third-party LCOs to invoice and collect payments from certain of our cable TV service customers. See "***—***_The loss of key suppliers or their failure to deliver equipment or perform services in a timely or satisfactory manner could adversely affect us._" Any deficiency in billing, credit control, collection and customer management systems or delays in upgrades or integration of new systems could materially and adversely affect our business, financial condition, results of operations and prospects.

18. ***We, our Directors and certain of our Group Companies are parties to certain legal proceedings. Any adverse decision in such proceedings may adversely affect our business, prospects, results of operations and financial condition.***

We are involved in certain legal proceedings and claims. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Should new developments arise in respect of such legal proceedings, such as a change in Indian law or rulings against us by courts or tribunals, we may face losses and may need to make provisions in our financial statements in respect of such litigation, which may increase our expenses and liabilities. We have also received regulatory notices from government authorities, including the Bangalore Electricity Supply Company Limited, in relation to our operations, including in respect of our use of our customers' power supply for our network distribution switches, which may be classified as a use of power for "commercial purposes". If such use is found to be non-compliant with applicable laws, we may become subject to legal proceedings and penalties. There can be no assurance that any of these legal proceedings will be decided in our favor. Further, we may also not be able to quantify all the claims in which we are involved. Any adverse decision may have a significant effect on our business, prospects, results of operations and financial condition.

Further, certain of our Directors are also currently involved in legal proceedings and claims. These legal proceedings are pending at different levels of adjudication before various courts and tribunals including regulatory proceedings involving our Directors, Chinnaswamy Sunder Raju in respect of certain labour related matters and Mahendra Kumar Sharma in relation to alleged non-compliance with applicable insider trading norms. Further, SEBI has issued administrative warnings and show cause notices against ICICI Bank Limited, a company in which our Director, Mahendra Kumar Sharma is also a director. For details, see "*Outstanding Litigation and Material Developments*" on page 416.

There are legal proceedings pending against our Group Companies as well. Should such entities fail to successfully defend their claims in such proceedings, our Group Companies may face losses and may need to make provisions in their financial statements in respect of such litigation, which could adversely affect their business results. Further, if significant claims are determined against our Group Companies, they may be required to pay all or a portion of the disputed amounts, which could materially and adversely affect them. This could, in turn, materially and adversely affect our business.

A summary of pending litigation against our Company, its Subsidiaries and Associates, our Directors and certain Group Companies, and the approximate amounts involved, where quantifiable, are set forth below.

Nature of cases	Number of cases*	Total amount involved^ (in ₹ million)
Against our Company		
Criminal	1	-
Civil	2	37.76
Regulatory and statutory actions	6	26.87
Tax	20	350.75
By our Company		
Criminal	8	19.52
Against our Subsidiaries		
Criminal	6	-
Regulatory and statutory actions	1	-
Tax	33	122.96
By our Subsidiaries		
Criminal	9	0.57
Civil	1	48.26
By our Group Companies		
Criminal	3	1.60
Against our Group Companies		
Criminal	1	-
Tax	9	53.45
Against our Directors		
Civil	1	-
Regulatory and statutory actions	5^^	0.02
Tax	2	218.04

^ total amount, including interest and penalty, to the extent quantifiable

^^in one of the matters, the senior labour inspector has filed a criminal complaint before MMTC-III against Chinnaswamy Sunder Raju. For details, see "Outstanding Litigation and Material Developments – Litigation involving our Directors – Litigation against Chinnaswamy Sunder Raju – Actions taken by statutory or regulatory authorities" on page 423

** Our Company, our Subsidiaries and our Group Companies in the ordinary course of our business have filed several complaints before the respective police stations with jurisdiction in relation to theft of cables or equipment. Many of these matters are pending before various courts or police stations, as the case may be*

19. ***We have in the past engaged in transactions which may not comply with foreign exchange regulations and FIPB approvals and have been subject to penalties for non-compliance with such regulations. Any such non-compliance in the future could adversely affect our business, financial condition and reputation.***

We have in the past failed to comply with certain applicable foreign exchange regulations. For instance, the erstwhile Foreign Investment Promotion Board (**FIPB**) had identified certain instances of non-compliance with applicable regulations by our Company and Subsidiaries, including in respect of investments by IVF IIIA in our Company exceeding the applicable sectoral cap on foreign investments without requisite approvals, the non-reporting of certain downstream investments by our Company to the RBI, investments in dormant companies and the consummation of the amalgamation between our Company and Beam Cable Private Limited without the prior approval of the FIPB. While we and our Subsidiaries have addressed these instances of non-compliance, including instances of non-compliance arising as a consequence of treating the investment by IVF IIIA into our Company as indirect foreign investment and retention of share application money in excess of the regulatory prescribed period 180 days, by compounding these contraventions with the RBI and paying the prescribed penalties, there can be no assurance that there are no other instances of non-compliance or irregularities in the regulatory filings or allotments made by our Company. Any past or future instances of non-compliance by our Company or Subsidiaries may subject us to regulatory actions and/or penalties which may adversely affect our business, financial condition and reputation. For further details in respect of the compounding applications filed by us and the penalties imposed on us, see "*Outstanding Litigation and Material Developments*" on page 416.

We have in the past engaged in certain transactions which may not comply with applicable foreign exchange regulations and the FIPB approvals received by us. For instance, FDI inflows into our Company in one instance had exceeded the amounts that were approved by the FIPB. Similarly, the consideration paid for certain transfers of our Company's shares between India-resident and non-India resident parties have in the past marginally exceeded the amounts approved by the FIPB. The aforementioned instances of non-compliance have been notified to the RBI and FIPB pursuant to notices and regulatory filings made by our Company. While the regulators have not taken any adverse actions against us in this regard as at the date of this Draft Red Herring Prospectus, there can be no assurance that they will not do so in the future. Should the regulators require us to compound these irregularities or seek more information in relation to the share allotments made to our Company's non-India resident Shareholders in the future, there can be no assurance that we will be able to provide satisfactory responses and information to all such queries from the regulators within the timelines prescribed or at all. For further details, see "*Outstanding Litigation and Material Developments*" on page 416.

20. ***If we fail to comply with health and safety standards, we may become subject to liability.***

Our network infrastructure includes overhead cables, structures and other physical installations which may be situated in densely populated locations, including residential and commercial areas. While we implement procedures and protocols to comply with health and safety standards, the safety of our network infrastructure may be compromised if there are any physical failures, including structural collapse or the collapse of adjacent or nearby trees and other structures, or electrical failures, including electrical short-circuits, in our network infrastructure, which may occur as a result of natural disasters, events beyond our control, failings in design, construction, installation or maintenance, wear and tear, malicious acts of third-parties, human error, or any other events within or outside of our control. Furthermore, we have in the past experienced such events, and may in the future continue to experience such events. The occurrence of any of these events may cause harm to persons, including our customers, our employees and any other third-parties or the general public, or damage to their property, which may subject us to financial liability, reputational damage and, potentially, criminal liability. Furthermore, if we fail to effectively implement or comply with health and safety standards for our employees, including standards imposed by the government or regulators in respect of our employees' working conditions, we may be subject to legal and financial liability. Additionally, our reputation and ability to attract suitable employees may be adversely affected. If we fail to comply with any applicable health and safety standards, or if any of the foregoing events or similar events occur, our business, financial condition, results of operations or prospects may be adversely affected.

21. ***Our contingent liabilities and commitments could materially and adversely affect our financial condition.***

Our contingent liabilities and commitments are substantial and may materially and adversely affect our profitability and financial condition. As at September 30, 2017, our contingent liabilities and commitments consist of the following:

Particulars	**Amount (*₹ in millions*)**
Contingent liabilities	
Expected claims	10.00
Direct and indirect tax litigation	137.20
Provident fund assessment orders	20.87
Commitments	
Estimated amount of contracts remaining to be executed on capital contracts and not provided for	1,054.03
Total	**1,222.10**

Our Company has provided irrevocable and unconditional guarantees for the repayment of term loans aggregating to ₹200 million availed by A.C.N. Cable Private Limited from each of HDFC Bank Limited and Tata Capital Financial Services Limited. Our Company has also provided an irrevocable and unconditional guarantee for the repayment of a term loan aggregating to ₹300 million availed by ACT Digital Home Entertainment Private Limited from HDFC Bank Limited.

As at September 30, 2017, our Company has issued letters of support in order to provide financial support to our associate, Atria Broadband Services Private Limited, in order to ensure that such associate is able to meet its financial obligations and continue to operate as a going concern. For further details, see Annexure A – VI to our Restated Consolidated Financial Statements in the section titled "*Financial Statements*" and "*Management's*

Discussion and Analysis of Financial Condition and Results of Operations—Provisions, contingent liabilities and other commitments—Contingent liabilities and other commitments."

22. ***Internet security concerns and illegal distribution by third-parties could adversely affect our broadband internet access services.***

Computer viruses, piracy, cyber-attacks, break-ins and other inappropriate or unauthorized uses of our network could affect our network and the services that we provide which may have the following effects on our residential and enterprise businesses:

- interruption, delays or cessation in services to our customers;
- cause damage to our reputation and brands;
- a threat to the security of confidential information stored in the computer system of our customers, including breaches of data privacy; and
- illegal viewing or downloading of our cable TV content.

We may need to incur significant costs, including implementing additional surveillance measures, to protect us against the threat of security breaches or to alleviate adverse effects caused by such breaches, which may include computer viruses and other harmful attacks. We intend to continue to strengthen our network security to alleviate these problems. Our efforts, however, may cause interruptions, delays or cessations of our services and/or may be ineffective, and our customers may stop using our services or assert claims against us as a result.

Breaches of our network, including breaches through hacking, may result in unauthorized access to content carried on our networks or a breach of privacy information transmissions over our network. Failure of encryption and our other security measures may undermine consumers' confidence in our services and may also result in the imposition of regulatory measures, including financial penalties, to ensure the security of services. Such events may have a material adverse effect on our business, financial condition and results of operations and require us to incur further expenditure to put in place more advanced security systems to protect our network.

23. ***Anticipated benefits of mergers, acquisitions, joint ventures or strategic corporate partnerships may not be realized.***

As part of our strategy of expanding our business, we have in the past and may in the future, from time to time, merge with or acquire other services providers or industry players, including MSOs and LCOs, form joint ventures or create strategic corporate partnerships. While we evaluate potential mergers, acquisitions, joint ventures and strategic corporate partnerships with the potential of expanding our user and revenue base, there can be no assurance that we will be able to identify any such opportunities or be able to execute any such transactions. Additionally, whether any such opportunities or transactions we identify and execute will be successful or whether we will realize benefits from such transactions will depend on a number of factors, including factors beyond our control, and there can be no assurance that such transactions will be successful or that we will realize sufficient benefits, or any at all, from these transactions. Furthermore, there can be no assurance that such transactions will not adversely affect our business and results of operations if, as a result of such transactions, we acquire certain unforeseen contingent liabilities, we are not able to successfully finance or integrate these new businesses or products into our operations, or we are unable to retain our key management personnel or senior management personnel. Additionally, such integration of new businesses and products or the implementation and execution of such transactions may divert our management's focus and resources from our core business and result in disruption to our normal business operations.

24. ***Fluctuations in foreign exchange rates and interest rates may increase our operating and finance costs and liabilities and adversely affect our results of operations. We may not be able to successfully implement hedging arrangements to mitigate our exposure to the risks associated with such fluctuations.***

We are exposed to foreign exchange risk because our turnover is predominantly denominated in Indian Rupees, while our expenses are denominated in foreign currencies. We import a substantial portion of our network infrastructure and equipment, and a substantial portion of our capital expenditure is denominated in a foreign currency. Additionally, certain interest payments on our indebtedness and part of our operating costs may in the future be denominated in US dollars or other foreign currencies. Fluctuations in foreign exchange rates may therefore have a material impact on our financial condition and results of operations.

We have in the past entered into interest rate and foreign currency swaps or other similar arrangements to hedge against our interest rate and foreign exchange rate risks, and may in the future also enter into other similar hedging arrangements, to protect us from the effects of changes in interest rates on our indebtedness and fluctuations in foreign exchange rates and to reduce our exposure to market volatility.

Our hedging arrangements could fail to protect us or could adversely affect us if, among other things:

- the available hedging does not correspond directly with the risk for which protection is sought;

- the duration or nominal amount of the hedge may not match the duration of the related liability;

- the party owing money in the hedging transaction may default on its obligation to pay and/or the credit quality of the party owing the money on the hedge may be downgraded to such an extent that it impairs the reliability of the hedging transaction; and

- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value, downward adjustments would reduce our net assets and profits.

In addition, hedging involves transaction costs. These costs may increase as the period covered by the hedging increases and during periods of rising and volatile interest rates or foreign exchange rates. In periods of extreme volatility, it may not be commercially viable to enter into hedging arrangements due to the high costs involved. Any of the above factors could adversely affect our business, financial condition and results of operations.

The majority of our indebtedness was in the form of term loans, which bear floating interest rates, which are subject to market movements and may increase in the future. Although we may enter into interest rate swaps or other hedging arrangements to hedge against our interest rate risk, we cannot assure you that such hedging arrangements will be sufficient to mitigate our exposure to fluctuations in interest rates. Any significant increase in interest rates could increase our finance costs and materially and adversely affect our profitability.

25. ***Our indebtedness imposes restrictions on our operations which could adversely affect our business and financial condition.***

Our financing agreements impose certain covenants on us which restrict certain of our activities, including our ability to incur debt, pay dividends, make certain investments and payments, issue, list or delist our shares, change our capital structure, change our constitutional documents, change our corporate structure and encumber or dispose of assets. In addition, our financing agreements may impose certain financial covenants with which we are required to comply. We may default on the financial covenants contained in our financing agreements if our results of operations do not meet our plans. A default under one credit agreement or debt instrument may also trigger cross-defaults under our other debt instruments. An event of default under any of our debt instruments, if not cured or waived, could have an adverse effect on us. Our financing agreements and any new debt that we incur in the future could also affect our shareholders, including by:

- Increasing our vulnerability to general adverse economic and industry conditions;

- Limiting our ability to fund future working capital, capital expenditures, research and development and other general corporate requirements;

- requiring us to dedicate a substantial portion of our cash flows from operations to service payments on our debt;

- limiting our flexibility to react to changes in our business and the industry in which we operate;

- placing us at a competitive disadvantage to any of our competitors that have less debt;

- requiring us to meet additional financial covenants; and

- limiting, along with other restrictive covenants, among other things, our ability to borrow additional funds.

We cannot assure you that our business will generate sufficient cash to enable us to service our debt obligations or to fund our other liquidity needs. As part of our capital structure management, we may from time to time refinance certain of our debt obligations. There can however be no assurance that we will be able to successfully refinance any of our debt on commercially favorable terms or at all.

26. ***Any asset impairment could adversely affect our financial condition and results of operations.***

We have non-current assets such as property, plant and equipment, network infrastructure, intangible assets, leasehold interests in land and buildings, investments in subsidiaries and associate companies, telecommunications facilities and computer equipment and goodwill, and are required to review these assets for impairment at each balance sheet date. This review is made with reference to the recoverable amounts in respect of those assets or, in the case of goodwill, the fair market value of the relevant businesses. Impairment of any of these assets could adversely affect our financial condition and results of operations.

The recoverable amount of an asset depends on the prevailing market conditions at the time of the review, the nature of the asset, its fair value and value in use. In assessing value in use, the estimated future cash flows from the asset are discounted to their present value using a pre-tax discount rate that reflects our current market assessment of the time value of money and the risks specific to the asset. Estimated future cash flows arising from future use of the asset are determined by analyzing our target market share and subscription base, market competition, future changes to our cost structure and technological change as well as related future capital expenditure required to maintain the asset's performance. Furthermore, if any of our assets, including our network switches, are damaged as a result of factors which may be beyond our control, or if our assets become obsolete as a result of advances in technology or changes in market dynamics, the value of our assets may be reduced. Any reduction in the recoverable amount of an asset below its carrying value, whether due to a weak economic environment, challenging market conditions, asset or portfolio sale decisions by management or any other condition or occurrence, could be charged to the income statement and could thus materially and adversely affect our results of operations and shareholders' equity in the period in which the impairment occurs.

27. ***Certain of our Group Companies have incurred losses in the preceding fiscal years and may incur losses in the future.***

Certain of our Group Companies have incurred losses in the preceding fiscal years, including Fiscal 2017. There can be no assurance that our Group Companies will not incur losses in the future, which may have a material and adverse impact on our financial condition. For further details, see "*Our Group Companies*" on page 180. Details of our loss-making Group Companies are provided below:

Name of Group Company	**Profit / (Loss) after tax for Fiscal**		
	2017	**2016**	**2015**
	(in ₹ millions)		
Atria Broadband Services Private Limited	(7.34)	(15.98)	(21.50)
I.B. Communications Network Private Limited	(8.39)	1.62	2.91

28. ***We have experienced negative cash flows in the past.***

We have experienced net negative cash flows in the recent past. Our cash flows for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017 are set forth in the table below. There can be no assurance that we will not experience negative cash flows in the future. If we continue to experience negative cash flows in the future, our results of operations, financial condition and business prospects could be adversely affected.

	Six months ended September 30 2017	**Fiscal**		
		2017	**2016**	**2015**
	(in ₹ millions)			
Net cash generated from operating activities	2,848.63	5,389.45	3,447.18	2,027.83
Net cash used in investing activities	(3,096.21)	(3,729.60)	(2,838.62)	(1,727.48)
Net cash provided by / (used in) financing activities	332.11	(1,344.87)	(932.54)	(206.41)
Net Increase / (Decrease) in cash and cash equivalents	84.53	314.98	(323.98)	93.94

29. ***Our Statutory Auditor has noted certain matters of emphasis and adverse remarks in the annexures to its reports to our Company's financial statements.***

Our Statutory Auditor has noted certain matters of emphasis and adverse remarks with respect to matters specified in the Companies (Auditors Report) Order, 2003, as amended, in the annexure to its reports to our Company's financial statements. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Certain Observations Noted by Statutory Auditors*" on page 407**.** Although such matters of emphasis and adverse remarks did not require any corrective adjustments in the financial statements, they were made in accordance with the requirements of the Companies (Auditors Report) Order 2003, as amended. Such matters of emphasis and adverse remarks may be repeated in future years.

30. ***Our business relies on intellectual property, including intellectual property owned by third-parties, and we may inadvertently infringe the patents and proprietary rights of others.***

We depend on and use certain intellectual property of third-parties, of our cable TV content providers and suppliers of technology we use for our network, for our business and in order to provide our services to customers. If we are unable to obtain or continue to obtain rights to use such third-party intellectual property rights on commercially favorable terms or at all, we may be required to modify our services or cease providing certain services to our customers, which may adversely affect our business and results of operations. We have in the past received notices filed in opposition to certain of our trademark applications, including in respect of our "ACT Television" and "ACT Net" trademarks. There can be no assurance that we will not receive other notices of opposition to any of our intellectual property applications or that we will be successful in such applications. Furthermore, if it is determined that one or more of our services used to transmit or receive our services infringes on intellectual property owned by others, we may be required to cease developing or marketing those services, to cease using those products, to obtain licenses from the owners of the intellectual property or to redesign those services and products in such a way as to avoid infringing the intellectual property rights. If a third-party holds intellectual property rights, it may not allow us to use its intellectual property, which could adversely affect our competitive position.

We may not be aware of all intellectual property rights that our services or the products used to transmit or receive our services may potentially infringe. Certain of the services, products and technology provided to us by our third-party suppliers may utilize intellectual property belonging to other third-parties. We cannot assure you that our suppliers will not infringe on the intellectual property of third-parties by supplying us with their services, products or technology, or that our use of such services, products or technology from our suppliers will not cause us to infringe on the intellectual property rights of third-parties. Therefore, there can be no assurance that our services or the products used to transmit or receive our services will not infringe on intellectual property owned by third-parties. Furthermore, third-parties, including our competitors, have or may in the future acquire intellectual property rights that cover or include those which we already use for our services and in the course of our business. To the extent that we are required to pay royalties to third-parties to whom we are not currently making payments, these increased costs of doing business could materially and adversely affect our operating results. We may also be subject to patent infringement claims. While we may appeal against any claims, there can be no assurance that a court will conclude that our services or the products used to transmit or receive our services do not infringe on the rights of the third-parties. Furthermore, there can be no assurance that we or our suppliers would be able to obtain licenses from third-party owners of such intellectual property rights on commercially favorable terms or at all, and if we were unable to obtain such licenses, that we or our suppliers would be able to redesign our services or the products used to transmit or receive our services to avoid infringement. Any court-imposed penalties relating to violations of third-party intellectual property rights could have a material and adverse effect on our business, financial condition, results of operations and prospects.

31. ***All of our offices, facilities and premises are leased from third-parties pursuant to lease agreements, which we may be unable to renew on satisfactory terms or at all.***

Our corporate offices, data centers, network infrastructure and premises from which we conduct our operations are located on land or in buildings which we do not own but occupy or access on a leasehold basis. Some of our lease agreements are for short-term periods, including certain lease agreements which are for a period of 11 months, and therefore need to be renewed regularly. Some of these leases are renewable with the mutual agreement of our landlords, who may choose not to renew our lease on terms which are equally favorable to use or at all. Our operations, development and maintenance of our network, delivery of our services to our customers and the growth of our business depend on our ability to secure leases over such property. The third-party owners of such property may not agree to lease such property to us or to renew our leases on commercially acceptable terms or at all, or may decide to lease such property to our competitors instead of us, which may put us at a strategic disadvantage or adversely affect our business and operations. Furthermore, if the third-party owners of the property we lease fail to comply with laws and regulations applicable to the property we lease, such property may become subject to legal proceedings or legal action, which may adversely impact our use of such property and may disrupt our operations. If we are unable to renew or secure rights to use property necessary for our operations, our business, results of operations and financial condition may be adversely affected.

32. ***We have in the past failed to comply with the Companies Act, 1956 and the Companies Act, 2013. Any regulatory action against us in this regard could adversely affect our business, financial condition and reputation.***

There have been certain historical factual inaccuracies, delays in making regulatory filings with the RBI and RoC and certain specific instances of inconsistent secretarial record keeping by us. For instance, certain Shareholders have in the past held Equity Shares beneficially in favor of other persons. Our Company had failed to file the prescribed Form 22B to record the declaration of such beneficial interest with the RoC at the relevant time. While such persons are no longer Shareholders of our Company as at the date of this Draft Red Herring Prospectus, we cannot assure you that we will not be subject to regulatory actions and/or penalties in this regard.

33. ***Investments made by our erstwhile promoter and one of our current Directors, C.S. Sunder Raju and members of his family in our Company are subject to a suit for partition, the outcome of which could impact the Shareholding pattern of our Company.***

Our Company has received a notice dated July 1, 2017 informing us of certain legal proceedings involving our erstwhile promoter and one of our current Directors, C.S. Sunder Raju, and his family and requesting for details of the nature of investments made by C.S. Sunder Raju and his family in our Company. The notice also requires our Company to refrain from effecting any transfer of shares, disbursing any amounts in any form or dealing with the investments in any other manner. As at the date of this Draft Red Herring Prospectus, we have not responded to this notice.

Pursuant to the notice, we have been informed that a suit for partition dated November 23, 2000 was filed by A.S. Narayana Raju and others against A.S. Kuppa Raju and others, including our erstwhile promoter and one of our current directors, C.S. Sunder Raju, and his family, seeking a partition of all joint family properties including investments in our Company. C.S. Sunder Raju along with certain other of his family members held 5,000 Equity Shares in our Company as at the date of the suit for partition. Pursuant to an order dated March 6, 2017, the Additional City Civil and Sessions Court, Bengaluru City, issued a preliminary decree for the partition of the properties which were the subject of the suit (in the manner set out therein) granting the petitioners a right to a $1/4^{th}$ + $1/20^{th}$ share in the properties set out in the schedule to the suit, including investments made in our Company by C.S Sunder Raju and his family. As at the date of the preliminary decree, C.S. Sunder Raju held and continues to hold (as at the date of this Draft Red Herring Prospectus), 1,696,349 Equity Shares constituting 3.20% of the pre-Offer capital of our Company. For further details, see "*Capital Structure*" on page 76.

While the petitioners to the suit have applied for a final decree on June 22, 2017, the respondents have filed a regular first appeal dated July 10, 2017 before the High Court of Karnataka against the preliminary decree passed by the Additional City Civil and Sessions Court, Bengaluru City. Pursuant to an order dated August 11, 2017, the High Court of Karnataka has stayed the final decree proceedings until the disposal of the appeal and have restrained the appellants (including C.S. Sunder Raju and family) from transferring or alienating the properties which were the subject of the suit. For further details, see "*Outstanding Litigation and Material Developments*" on page 416.

Should the suit be decided against C.S. Sunder Raju and his family, we cannot assure you that the interests of the petitioners as Shareholders of our Company will be aligned with that of other Shareholders of our Company. Any dilution of the shareholding of our existing Shareholders or acquisition of Equity Shares by the third-party petitioners pursuant to this dispute could have a material adverse effect on our reputation and operations.

34. ***Our insurance policies do not cover all losses or risks and our insurance coverage may not adequately protect us against possible risk of loss.***

Our operations are subject to inherent risks such as defects, malfunctions or failures of equipment, fire, natural disasters and transportation. We believe that we maintain insurance coverage in amounts consistent with the industry norms. However, our insurance may not be adequate to completely cover any or all our liabilities, specifically risks related to natural disasters, malicious acts by third-parties or human error by our suppliers or employees. Further, there is no assurance that the insurance premiums payable by us will be commercially justifiable, and that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. For instance, we are particularly vulnerable to the loss from damage to our network due to fire, adverse weather conditions or natural disasters such as floods, storms or drought. While we maintain insurance against these risks, we cannot assure you that such insurance will be adequate. If we suffer a significant uninsured loss or if an insurance claim in respect of the subject matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations could be materially and adversely affected.

35. ***There may be potential conflicts of interest with our Promoters, Directors, key management personnel, senior management personnel and joint venture partners. Furthermore, we have entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties.***

Our joint venture partners, who have equity interests in certain of our Subsidiaries and Associates, also have equity interests or other investments in other companies that operate in related businesses and we have had, and will continue to have, business dealings with such companies. Certain of these companies currently carry on activities which may conflict with our business, and there may be conflicts of interest in addressing business opportunities and strategies in circumstances where our interests differ from such other companies in which our joint venture partners have an interest. Furthermore, our Promoters, Directors, key management personnel and senior management personnel may also acquire, directly or indirectly, equity interests or other investments in other such companies or engage in business activities which may give rise to a potential conflict of interest.

Although our Promoters have undertaken to refrain from competing with our business or otherwise engage in business activity in the future that may compete with us, solicit our employees or acquire interests in competing ventures in locations in which we operate resulting in conflicts of interest with us. Such non-compete obligations placed upon Argan and TA shall survive the termination of the shareholders agreement until such time that Argan and TA each continue to hold at least 10.00% of the share capital of our Company on a fully diluted basis. There can be no assurance that such undertakings will be effective to prevent potential conflicts of interest or that potential conflicts of interest may not otherwise arise. For further details, see "*Our Promoters and Promoter Group*" on page 176.

We have also entered into transactions, including providing unsecured loan facilities, with several related parties, including our subsidiaries, associates, and other related parties. Certain of these related party transactions may have benefitted us whereas others may have been adverse to us. We cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Certain Group Companies with whom we have entered into related party transactions have experienced losses, have had negative cash flows from operating activities during the last three fiscal years and have experienced net decrease in cash flow during the last one year. The transactions we have entered into have involved, and any future transactions with our related parties could potentially involve, conflicts of interest. For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Related Party Transactions*" on pages 383 and 185, respectively.

36. ***Statistical and industry data in this Draft Red Herring Prospectus may be inaccurate, incomplete or unreliable.***

We have not independently verified data obtained from industry publications and other external sources referred to in this Draft Red Herring Prospectus and therefore, while we believe them to be accurate, complete and reliable, we cannot assure you that they are accurate, complete or reliable. Such data may also be produced on different bases. Therefore, discussions of matters relating to India, its economy, the broadband internet industry or cable TV services industry, are subject to the caveat that the statistical and other data upon which such discussions are based may be inaccurate, incomplete or unreliable. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government sources and publications are also prepared on the basis of information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions that may prove to be incorrect. Accordingly, no investment decision should be made on the basis of such information.

37. ***Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.***

We propose to utilize the Net Proceeds for the following purposes:

- capital expenditure in respect of the continued expansion of our underground network infrastructure;
- repayment and/or pre-payment of debt; and
- general corporate purposes.

For further details of the proposed objects of the Issue, see the section titled "*Objects of the Issue*" on page 98.

In accordance with Section 27 of the Companies Act, 2013, we cannot vary the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of our Company's Shareholders through a special resolution undertaken by way of a postal ballot. In the event of any such circumstances that requires us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the required Shareholders' approval in a timely manner or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to those Shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI ICDR Regulations. If our Shareholders exercise such exit option, our business and financial condition could be adversely affected.

Therefore, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

Risks Relating to India

38. ***Political instability or changes in the Government of India or in the government of the states where we operate, or changes in the regulatory or economic environment, or fluctuations in inflation, in India could cause us significant adverse effects.***

We are incorporated in India and derive the majority of our revenue from operations in India and the majority of our assets are located in India. Consequently, our performance and the market price of our Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;

- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its retail sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Further, our business is also impacted by regulation and conditions in the various states in India where we operate. Since 1991, successive central governments have pursued policies of economic liberalisation and financial sector reforms. Nevertheless, the role of the Indian central and state governments in the Indian economy has remained significant and we cannot assure you that such liberalisation policies will continue. The rate of economic liberalisation could change, and specific laws and policies affecting companies in our industry or the industries in which our customers operate in, foreign investments, currency exchange rates and other matters affecting investments in India could change as well. For example, the government of India has recently implemented various initiatives to increase the availability of and access to broadband internet, including its "Digital India", "Smart City" and "Bharatnet" initiatives. To support its initiatives, the government of India has provided and may continue to provide direct state funding to certain public-sector providers of broadband internet and cable TV services, including Andhra Pradesh State Fibernet Limited, to enable such providers to deliver these services at subsidized rates. Furthermore, the government has also implemented its "Make in India" initiative to discourage industry participants from importing equipment from certain foreign countries, and a security licensing regime which will impose certification requirements on imported critical network equipment from April 1, 2018. As part of these initiatives, the government of India may also further regulate our industry, including service pricing, service levels and content. Pursuant to the terms of our ISP license, the DOT, or such other government authority or regulatory body, as applicable, may take over our network, equipment and the services we provide either in whole or in part if such would be in the public interest or national security in the event of national emergency, war, conflict or other circumstances. The DOT may also exclude us from operating in certain areas or from offering certain services or revoke or suspend our licenses for such security related reasons. Any slowdown in these demand drivers in our industry or change in government policies may adversely impact our business and operations. While we may have benefited from certain government policies in the past, there can be no assurance that such policies will be continued. A significant change in the central government's policies, in particular, those relating to the telecommunications industry in India, could adversely affect our business, results of operations and financial condition and could cause the price of our Equity Shares to decline.

The Indian economy has grown significantly over the past few years. Any future slowdown in the Indian economy could have a material adverse effect on our business, financial condition and results of operations. The Indian economy has sustained high levels of inflation in the past, and the country's recent downward trend in inflation may cease or reverse in the future. According to the Organisation for Economic Cooperation and Development, or OECD, India experienced higher levels of inflation than most of the member states of the OECD from 2012 through to 2015. More recently, according to OECD, India's inflation rate had declined in the months from July 2016 to November 2017, and stood at 3.97% as at November 2017. We can give no assurance that any recent favourable, trends in Indian inflation levels will return or continue in the future, nor can we assure you that inflation rates will not increase further. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. A return of high inflation rates or the perception thereof among Indian businesses may adversely affect growth in the Indian economy and our results of operations.

39. ***Changing regulations in India could lead to new compliance requirements that are uncertain.***

The regulatory environment in which we operate is evolving and is subject to change. The Government of India may implement new laws or other regulations that could affect our industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations.

For instance, as of July 1, 2017, a national goods and service tax ("**GST**") in India replaced taxes levied by central and state governments with a unified tax regime in respect of the supply of goods and services for all of India, which is expected to result in changes to India's broadband internet and cable TV industry. The introduction of GST, among other things, may increase the prices of our services and also increase our operational compliance burden, which could have an adverse impact on our business and financial performance. GST compliance is complex and highly dependent on IT systems, thereby increasing our risk of statutory non-compliance and litigation. Any future increase in GST rate may also affect the overall tax efficiency of companies operating in India, including us.

The General Anti Avoidance Rules ("**GAAR**") have recently been notified by way of an amendment to the Income Tax Act, 1961, and are effective from April 1, 2017. While the intent of this legislation is to prevent business arrangements set up with the intent to avoid tax incidence under the Income Tax Act, certain exemptions have been notified, *viz.*, (i) arrangements where the tax benefit to all parties under an arrangement is less than ₹30 million, (ii) where Foreign institutional Investors have not taken benefit of a double tax avoidance tax treaty under Section 90 or 90A of the Income Tax Act, 1961 and have invested in listed or unlisted securities with SEBI approval, (iii) where a non-resident has made an investment, either direct or indirect, by way of an offshore derivative instrument in a foreign institutional investor. Further, investments made up to March 31, 2017 shall not be subject to GAAR provided that GAAR may apply to any business arrangement pursuant to which tax benefit is obtained on or after April 1, 2017, irrespective of the date on which such arrangement was entered into. Further, the Government of India has announced the union budget for the financial year 2019 and the Finance Bill, 2018 has been tabled before the Indian Parliament which has proposed various amendments. For example, it includes a proposal to withdraw an exemption previously granted in respect of payment of long-term capital gains tax. Accordingly, such tax may become payable by investors from April 1, 2018. As such, there is no certainty on the impacts that the Finance Bill, 2018 may have on our business and operations or on the industry in which we operate.

Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material or adverse effect on our business, financial condition and results of operations.

As part of our joint venture arrangements with LCOs, we make revenue sharing payments to our LCO joint venture partners. While we believe that we are not required to make tax deductions on such payments to our LCOs, if the relevant tax or judicial authorities decide that such tax deductions are required, we may be required to make payments to such authorities or become subject to penalties, fines or other legal proceedings, which may materially and adversely impact our business, financial condition and results of operations.

40. ***Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The dislocation of the sub-prime mortgage loan market in the United States since September 2008, and the more recent European sovereign debt crisis, has led to increased liquidity and credit concerns and volatility in the global credit and financial markets. These and other related events have had a significant adverse effect on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. Recent concerns relating to the U.S. Federal Reserve's decision to raise interest rates in the United States have led to increased volatility, particularly in the stock and currency markets in emerging economies. In addition, China is one of India's major trading partners, and there are rising concerns of a possible slowdown in the Chinese economy. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operations.

41. ***If inflation rises in India, we may be subject to increases in operating costs and inflation risks, which may adversely affect profitability and earnings.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. Our costs of operations, including employee costs, employee benefits and other administrative costs, may increase as a result of inflationary pressures and other factors beyond our control. While we may increase the price of subscriptions to our services to offset such increases in our operating costs, there is no assurance that we will be able to do so. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

42. ***Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP which may be material to investors' assessments of our financial condition, result of operations and cash flows.***

Our Restated Financial Statements for fiscals 2013, 2014, 2015, 2016 and 2017 and the six months ended September 30, 2017 included in this Draft Red Herring Prospectus have been prepared and presented in conformity with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per SEBI ICDR Regulations included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

43. ***Public companies in India, including us, are required to compute Income Tax under the Income Computation and Disclosure Standards (the "ICDS"). The transition to ICDS in India may negatively affect us.***

The Ministry of Finance of the government of India has issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. ICDS was to come into effect from April 1, 2015. However, in view of the representations from stakeholders, the Central Board of Direct Taxes, Ministry of Finance, according to its press release dated July 6, 2016, has deferred the applicability of ICDS to financial year 2016 – 17 onwards, 2017 – 18 being the first assessment year. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognized earlier, increasing overall levels of taxation or both. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

44. ***Our business and activities may be regulated by the Competition Act, 2002, and proceedings may be enforced against us thereunder which adversely affect our business, cash flows and financial condition.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

45. ***Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares and may restrict our ability to raise foreign capital.***

Foreign ownership of Indian securities is subject to Government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet certain requirements specified by the RBI. Additionally, any person who seeks to convert the Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

Further, as on the date of this Draft Red Herring Prospectus, our Company is a foreign owned or controlled company and we are required to comply with certain conditions specified under the FEMA Regulations and the foreign direct investment policy with respect to downstream investments by Indian companies that are not owned and/or controlled by resident entities. These conditions include restrictions on valuations, sources of funding for such investments and certain reporting requirements. Such restrictions may adversely affect our ability to make downstream investments. There can be no assurance that we will be able to comply with such restrictions or obtain any required approvals for future acquisitions or investments in India, or that we will be able to obtain such approvals on satisfactory terms, which may adversely affect our results of operations, financial condition, financial performance and the price of our Equity Shares.

Our ability to raise foreign capital is restricted by the provisions of the Consolidated FDI Policy Circular 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**FDI Policy**"). Foreign investment in a telecom services provider holding an ISP license (such as our Company) is permitted up to 100% of the paid-up share capital of a company, provided that the prior approval of the government would be required for foreign investments exceeding 49% of the paid up capital. Given that the foreign shareholding in our Company is in excess of 49%, any further infusion of foreign capital would require the approval of the government. We will submit an application to the DoT pursuant to the terms of the applicable foreign exchange regulations as well as the terms of our ISP license seeking approval for the issue and transfers of our Equity Shares as part of the Offer. If the DoT does not approve our applications, we will not be able to issue or transfer Equity Shares to investors who are not resident in India. The DoT may also impose additional conditions for the issue or transfer of Equity Shares to investors who are not resident in India, thereby affecting the tradability of the Equity Shares. Further, as a foreign owned and controlled company, any downstream investments by our Company (including in to our Subsidiaries) would have to be in compliance with and subject to the restrictions set out in the FDI Policy.

Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted without onerous conditions, or at all. Limitations on foreign capital may materially and adversely affect our business, results of operations and financial condition. The restriction on foreign investment may also restrict an investor's ability to sell the equity shares to foreign investors and may restrict your ability to trade in the Equity Shares.

46. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business, results of operations, financial condition and prospects.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures, and the price of our Equity Shares.

47. ***The requirements of being a listed company may strain our resources.***

We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the equity listing agreements with the Stock Exchanges and the Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from other business concerns, which may adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

48. ***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely affect our financial condition.***

According to a 'Weekly Statistical Supplement' released by RBI on March 9, 2018, India's foreign exchange reserves totalled approximately US$420.76 billion as at March 2, 2018. India's foreign exchange reserves have declined recently and may have negatively affected the valuation of the Rupee. Further declines in foreign exchange reserves could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our future financial condition and the market price of the Equity Shares.

49. ***Acts of terrorism, civil disturbance, communal conflicts, regional conflicts and other similar threats to security could adversely affect our business, cash flows, results of operations and financial condition.***

Increased political instability and regional conflicts, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several countries and regions in which we operate, strained relations arising from these conflicts and the related decline in consumer confidence may hinder our ability to do business. Any escalation in these events or similar future events may disrupt our operations or those of our customers and suppliers. Further, certain events that are beyond our control, such as violence or war, including those involving India, the United Kingdom, the United States or other countries, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries. Political tensions could create a perception that there is a risk of disruption of services provided by India-based companies, which could have an adverse effect on our business, future financial performance and price of the Equity Shares.

Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, the Indian economy and consequently our operations might be significantly affected. India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. Events of this nature in the future could have an adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected. These events have had and may continue to have an adverse impact on the global economy and customer confidence, which could in turn adversely affect our revenue, operating results and cash flows. The impact of these events on the volatility of global financial markets could increase the volatility of the market price of securities and may limit the capital resources available to us and to our customers and suppliers.

Risks Relating to the Offer

50. ***Our Promoters will continue to hold a significant equity stake in our Company after the Offer.***

Following completion of the Offer, our Promoters, TA and Argan, will continue to hold a significant percentage of our Equity Share capital, respectively (assuming the Offer is fully subscribed). Our Promoters will therefore have the ability to influence our operations significantly. This will include the ability to approve significant actions at Board and at shareholders' meetings including issuing Equity Shares, paying dividends, and determining business plans and mergers and acquisitions strategies. Further, pursuant to the Termination Agreement, TA will have the right to appoint one director and Argan will have the right to appoint two directors to our board for as long as each of TA and Argan continues to hold least 10% of our Equity Share capital. Further, if, in the future, our Promoters are unwilling to dilute their equity stake in our Company and do not, or are unable to, fund us, our growth may be affected. In addition, the trading price of our Equity Shares could be materially and adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in our Promoters. For details of our Equity Shares held by our Promoters, please see the section entitled "*Capital Structure*" on page 76. For details of interests of our Promoters in our Company, please see the section entitled "*Our Promoters and Promoter Group*" on page 176.

51. ***The objects of the Offer have not been independently appraised by any bank or financial institution and we have not entered into definitive agreements in relation to all of our objects of the Offer. Consequently, the objects of the Offer may be subject to change based on various factors, some of which are beyond our control.***

The funding requirements described in the objects of the Offer (see "*Objects of the Offer*" on page 98) are based on internal management estimates and have not been independently appraised by any bank or financial institution. Such estimates are based on the current conditions of our Company, our current business plan and the current economic climate, and may be subject to change as a result of changes in our costs, business strategies or financial condition, or other external factors, which may not be within our control. Any such changes may entail revising, amending or cancelling any planned expenditure or other activities described in the objects of the Offer at the discretion of our Board. Additionally, as at the date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements with third-parties to utilize the Net Proceeds of the Offer which have been allocated towards capital expenditure on expanding our underground fiber network. The actual cost of such capital expenditure could be higher than our management's estimates. If there are any increases in the costs of such capital expenditure, our actual deployment of funds for such capital expenditure may be higher than our management's estimates, which may subject us to additional financial burden, which in turn may materially and adversely affect our business, financial condition, results of operations and cash flows. For further details, see "*Objects of the Offer*" on page 98.

Additionally, various risks and uncertainties, including those set out in this "*Risk Factors*" section, may limit or delay our efforts to use the proceeds of the Offer and to achieve profitable growth in our business. Furthermore, pursuant to Section 27 of the Companies Act, 2013, any variation of the objects of the Offer would require a special resolution of the shareholders of our Company, and our Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders of our Company who do not agree to such proposal to vary the objects, in such manner and upon such conditions as may be prescribed by SEBI. If our Company's shareholders exercise such an exit option, our business and financial condition could be adversely affected.

52. ***We have issued Equity Shares during the last one year from the date of this Draft Red Herring Prospectus at a price that may be below the Offer Price.***

During the last one year from the date of this Draft Red Herring Prospectus, we have issued the following Equity Shares at a price that may be lower than the Offer Price:

Date of allotment	**No. of equity shares allotted**	**Face Value (₹)**	**Issue price (₹)**	**Nature of consideration**	**Nature of transaction**
March 16, 2018	14,136	10	500	Cash	Allotment pursuant to the ESOP 2016 to Hosabettu Venkatesh Bhat

The price at which Equity Shares have been issued by our Company in the immediately preceding year is not indicative of the price at which they will be issued or traded. For further details, see "*Capital Structure*" on page 76.

53. ***One of our Managers, HDFC, has other associations with the Company and shall benefit from the Objects of the Offer.***

Our Company has other associations with our BRLM, HDFC. HDFC is a banker to our Company. For further details, see "*General Information*" on page 68. HDFC is also a lender to our Company and our Company proposes to pre-pay certain of such borrowings through the Net Proceeds of the Fresh Issue. For further details, see "*Objects of the Offer*" on page 98.

54. ***Any future issuance of Equity Shares may dilute your shareholdings, and sales of our Equity Shares by our Promoters may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by us, including pursuant to our ESOPs, may lead to the dilution of investors' shareholdings in our Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Offer, including by our Promoters, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could materially impair our future ability to raise capital through offerings of our Equity Shares. As at the date of this Draft Red Herring Prospectus, our Promoters held an aggregate of 94.76% of our outstanding Equity Shares. After the completion of the Offer, our Promoters will continue to hold a significant portion of our outstanding Equity Shares. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoters or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

55. ***You will not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian stock exchange.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after the Equity Shares in this Offer have been allotted. Approval will require all other relevant documents authorizing the issuing of the Equity Shares to be submitted. There could be failure or delays in listing the Equity Shares on the Indian Stock Exchanges.

Further, pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading. Investors "book entry," or "demat", accounts with Depository Participants are expected to be credited within three Working Days of the date on which the Basis of Allotment is approved by the Designated Stock Exchange. Thereafter, upon receipt of final approval from the Designated Stock Exchange, trading in the Equity Shares is expected to commence within six Working Days from Bid/ Offer Closing Date.

We cannot assure you that the Equity Shares will be credited to the investors' demat account, or that the trading in the Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining the approvals would restrict your ability to dispose of the Equity Shares.

56. ***We cannot assure payment of dividends on our Equity Shares in the future.***

While our dividend policy is as set out in the chapter entitled "*Dividend Policy*" on page 185, the amount of future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors deemed by our board of directors and shareholders to be relevant at their discretion in accordance with the Companies Act, 2013. We may decide to retain all of our earnings to finance the development and expansion of our business and therefore, we may not declare dividends on our Equity Shares. Additionally, we may, in the future, be restricted by the terms of our loan agreements from making make any dividend payments unless otherwise agreed with our lenders.

57. ***Our Subsidiaries and Associates may not pay cash dividends on shares that we hold in them. Consequently, our Company may not receive any return on investments in our Subsidiaries and Associates.***

Our Subsidiaries and Associates are separate and distinct legal entities, having no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, charter provisions and the terms of their financing arrangements. We cannot assure you that our Subsidiaries and Associates will generate sufficient profits and cash flows, or otherwise be able to pay dividends to us in the future.

58. ***After the Offer, the price of our Equity Shares may become highly volatile, or an active trading market for our Equity Shares may not develop.***

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares cannot be ensured. The Offer Price of our Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, general economic, politic, social or other developments relating to India, developments in our business as well as in our industry, including the entry of new competitors or an increase in competition, changes in the estimates of our performance or recommendations by financial analysis, announcements by third-parties regarding strategic partnerships, joint ventures, acquisitions, contracts or capital commitments, volatility in the Stock Exchanges, securities markets in other jurisdictions and changes in economic, legal and other regulatory factors. As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. If the stock price of our Equity Shares fluctuates after the Offer, investors could lose a significant part of their investment.

59. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares in an Indian company within 12 months of their purchase are classified as short-term capital gains and generally taxable. Any gain realised on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and currently, such gains are not subject to capital gains tax in India if securities transaction tax ("**STT**") has been paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. The Finance Bill, 2018, tabled before the Parliament, proposes to withdraw the exemption on long-term capital gains tax from 1 April 2018 and to impose 10%, tax on such long-term capital gains in excess of ₹100,000. This proposal is subject to parliamentary process. Any long-term gain realised on the sale of equity shares, which are sold other than on a recognised stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

60. ***Investors may have difficulty enforcing foreign judgments against us or our management.***

Our Company is a limited liability company incorporated under the laws of India. Our directors and our executive officers are residents of India. Our assets and a significant portion of our Directors' and executive officers' assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against us or such parties outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

Prominent Notes

- Our Company was incorporated as Atria Convergence Technologies Private Limited on June 16, 2000 at Bengaluru, Karnataka, India as a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the EGM held on January 31, 2018 and the name of our Company was changed to Atria Convergence Technologies Limited. A fresh certificate of incorporation consequent upon conversion to a public limited company was issued by the Registrar of Companies, Karnataka on March 5, 2018.

- Offer of up to [●] Equity Shares for cash at price of ₹[•] (including a premium of ₹[•]) aggregating to ₹[•] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating to ₹8,000 million by our Company and Offer of Sale of up to 10,351,076 Equity Shares aggregating to ₹[•] million by the Selling Shareholders.

- Our net worth was ₹6,095.85 million as on September 30, 2017, in accordance with our restated consolidated financial statements and ₹6,281.15 million as on September 30, 2017, in accordance with our restated standalone financial statements, each included in this Draft Red Herring Prospectus. For details, please see the section "*Financial Statements"* on page 186.

- Our net asset value per Equity Share was ₹114.99 as at September 30, 2017, as per our restated consolidated financial statements and was ₹118.49 as at September 30, 2017 as per our restated standalone financial statements.

- The average cost of acquisition of Equity Shares by our Promoters Argan and TA is ₹620.72 and ₹620.72 per Equity Share, respectively.

- Except as disclosed in the chapter "*Our Group Companies*" and section "*Financial Statements- Statements of Related Parties"* and *"Related Party Transactions*" on pages 180, 264 and 184 respectively, none of our Group Companies have business interests or other interests in our Company.

- For details of related party transactions entered into by our Company with the Group Companies, our subsidiaries and other related parties during the last financial year, the nature of transactions and the cumulative value of transactions, please see the section "*Financial Statements*" on page 186.

- There have been no financing arrangements whereby our Promoter Group, the directors of our Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the filing of the Draft Red Herring Prospectus.

- Investors may contact the Managers for any complaints, information or clarification pertaining to the Offer. For further information regarding grievances in relation to the Offer, see "*General Information*" on page 68.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

A Macroeconomic Overview of India

According to the International Monetary Fund (IMF), India's GDP grew 7.1% in FY 2017[1]. The IMF forecasts India's real GDP to increase to 7.4% in FY 2019, with growth accelerating to 8.1% by FY 2022. On a purchasing power parity (PPP) basis, India's GDP is forecast to grow by double digits from 2019- 2021. The IMF also forecasts India's economy to overtake China's growth rate and become the world's fastest growing economy by 2018. The growth of India's nominal GDP per capita is also one of the highest in Asia Pacific, with a CAGR of 8.0% forecast between 2016 to 2021 to US$ 2,563.

The increasing number of households in India and a reduction in household sizes augur well for consumer-oriented industries and services such as broadband and pay-TV. India has the second largest population in the world, forecast to grow at a CAGR of 0.7% from 1.27 billion in 2016 to 1.31 billion by 2021 according to MPA. However, household CAGR will be faster at 1.8% over the period, taking the number of households from 283.9 million in 2016 to 310.4 million by 2021 according to MPA. This is due to the increasing number of nuclear households in the country. According to the 2011 government census, nuclear families comprised 52.1% of India's households, up from 51.7% in 2001. An estimated 16.1% of households in 2011 were joint or extended families, down from 19.1% in 2001, as per the 2011 government census.

Broadband Internet in India

India's internet market has grown significantly in recent years, with total internet subscribers increasing by a CAGR of 17.9% from 238.7 million subscribers in 2013, to 391.5 million in 2016 according to MPA. Mobile internet has led this growth, driven by the proliferation of internet-enabled mobile devices and 3G/4G network deployments by telecom operators (telcos). Mobile internet subscribers grew at a CAGR of 18.9% from 220.4 million in 2013 to 370.0 million in 2016 according to MPA. Wired internet subscribers grew over the period at a CAGR of 5.5% from 18.3 million subscribers in 2013 to 21.5 million in 2016.

Broadband Internet penetration in India

MPA believes both fixed and mobile broadband penetration will expand at a robust pace over the next five years as mobile and fixed broadband incumbents ramp up their existing networks. Mobile broadband penetration will surge from 17.2% of the population in 2016 to 36.3% by 2021. During the same period, the country's fixed broadband penetration of households will increase from 6.4% to 7.7%, driving the growth in India's fixed broadband subscriber base at a CAGR of 5.7% from 18.1 million subscribers in 2016 to 24.0 million subscribers by 2021.

Drivers for the Fixed / Wired Broadband Internet Industry

Limitations of wireless broadband internet

According to MPA, wired broadband internet offers several consumer benefits vis-à-vis wireless broadband and consumers view wireless broadband as a complementary service rather than a substitute service for fixed broadband. This could be attributed to the inherent benefits of wired broadband that include:

(i) *Network speed*: Wired broadband has high speeds compared to wireless broadband. 3G/4G data services currently offer limited speeds compared to wired broadband. While they may be sufficient for less data-intensive applications such as email and social media/messaging, they are not ideal for bandwidth-intensive applications such as video streaming, video calls and online gaming.

(ii) *Data allowances*: Fixed broadband plans usually provide more data than mobile broadband at high speed.

(iii) *Network latency*: Wired broadband networks provide lower latency compared to mobile broadband. Lower latency enhances user experience in applications such as audio and video calls and online gaming.

[1] Note: Data representative of India's fiscal year. For instance, IMF's 2016 data for India indicates fiscal year during 1 April 2016-31 March 2017.

(iv) *Network coverage and reliability*: In a densely populated country such as India, mobile connections are likely to suffer from network congestion as well as signal degradation caused by obstructions such as buildings, walls and floors.

Mobile broadband services are often unable to match the reliability, coverage and average speeds of fixed broadband connections. Further, the quality of the mobile broadband service depends on availability of sufficient spectrum. MPA believes that 5G services are likely to suffer some of the same limitations as existing 3G/4G mobile technologies.

Enterprise opportunity

Fixed broadband is also better suited to service the needs of the enterprise market. According to Cisco VNI 2017, India's business internet traffic is forecast to grow from 244PB (Petabytes) per month in 2016 to 766PB by 2021, nearly 3.1x growth. The business sector's fixed internet traffic is expected to grow at a similar pace rising from 216PB per month in 2016 to 567PB per month by 2021. MPA believes that this increase in data traffic will be led by the growing number of small and medium enterprises (SMEs). These SMEs will rely on robust fixed broadband services for data connectivity given the data demands of today's internet-based business applications, such as video-conferencing and cloud solutions.

Supply side push

Leading cable MSOs are focusing their efforts on broadband due to its business advantages over pay-TV. According to MPA, as of 31 December 2016, fixed broadband monthly ARPU was at ₹590/US$9.1 per month compared to ~₹210/US$3.2 for pay-TV. Furthermore, operating margins in fixed broadband are typically at 35% or more, significantly higher than the average single-digit margins in standalone pay-TV businesses. As such, MSOs have made sizable investments in fiber rollouts to expand their broadband homes passed. Broadband penetration of homes passed remains within the 15-25% range, indicating potential for future growth. Upselling existing pay-TV subscribers to add broadband services could also boost ARPU. Moreover, MPA believes that cable broadband operators will partner with online video platforms to offer bundled services in a bid to drive subscriber growth.

Mass migration to fiber

MPA sees fiber-based technologies leading broadband deployments in the next five years. MPA forecasts FTTx subscribers to grow threefold from 3.8 million in 2016 to 11.3 million by 2021. FTTx's share of fixed broadband subscribers are forecast to increase from 20.8% in 2016 to 47.1% by 2021. MPA believes that ADSL and HFC customers will opt for fiber technologies whenever available given the disadvantages of both technologies compared to fiber.

Key Fixed Broadband Technologies Deployed

In anticipation of impending consumer and enterprise demand, fixed broadband providers are investing in technologies that offer faster broadband services. Telcos are upgrading copper networks from Asymmetric Digital Subscriber Line (ADSL) to Very-high-bit-rate Digital Subscriber Line (VDSL), while also investing in fiber rollouts. As of 31 December 2016, MPA notes that over 70% of fixed broadband homes in India are still connected through legacy ADSL networks.

MPA believes that future fixed broadband deployments in India will be led by FTTx-based technologies such as GPON and MEN. Both architectures have the capability to deliver broadband speeds of 1Gbps or more and drive better ARPUs, unlike DOCSIS 3.0 which can only support access speeds of 152Mbps. Moreover, the number of concurrent customers at any given point in time has a bearing on the bandwidth. On average, approximately 50 households are connected to a single node. Thus, Docsis 3.0-based plans offered in the market are generally restricted to speeds of up to 50Mbps.

The Competitive Landscape of India's Fixed Broadband Market

India's fixed broadband market is highly competitive, with multiple national and regional players. It is dominated by the state-owned telco BSNL, although the company's market share has been diminishing. MPA estimates that BSNL, along with fellow telco incumbents MTNL and Bharti Airtel, accounted for 70% of total fixed broadband subscribers as of 30 September 2017, with cable operators and ISPs taking up the remainder. According to MPA, ACT Fibernet had the highest share of FTTx subscribers with 1.2 million subscribers as of 30 September 2017. In recent years, cable broadband players have managed to eat into the telco players' share. Telco incumbents have also come under pressure following intense competition in the voice and mobile data business.

An Overview of India's Pay TV Industry

India's media and entertainment (M&E) sector is one of the largest in the world, generating ~US$18 billion in total revenues in 2016. TV, with a 51.5% share, is the largest medium. The country's print industry, buoyed by rising readership in local and regional newspapers, outperforms its global peers. The film and radio industries continue to witness robust growth each year, driven by increasing penetration in tier 2 and tier 3 cities. Higher broadband and smartphone penetration are providing impetus for the online video industry and other emerging segments such as online gaming. MPA forecasts India's M&E sector revenues to reach US$32 billion by 2022.

The State of India's Pay-TV Market

India is one of the largest TV markets in the world, with 181 million TV households as of 31 December 2016, according to MPA. Moreover, India continues to add ~5 million new TV homes each year, with TV still at 64% of total household penetration as of 31 December 2016. By comparison, TV penetration rates in other Asian markets such as China and Thailand are much higher at 98% and 97%, respectively.

Pay-TV penetration of TV households is high, with 150 million TV households or 83% subscribing to cable or satellite TV services. Cable recovered some lost ground from DTH, with 50 million digital cable subscribers by 31 December 2016, versus 48 million on DTH. An estimated 16.5 million digital cable set-top boxes (STBs) were seeded in 2016. Notably, the deployments were led by regional MSOs and independent cable operators. Having digitalized the majority of their networks, national-level MSO players are increasingly focusing on growing their broadband businesses. By 31 December 2016, an estimated 65 million Indian homes were still watching analog TV, including an estimated 18-20 million non-pay-TV homes on DD Freedish. This represents a major opportunity for traditional as well as new and emerging pay-TV platforms.

SUMMARY OF OUR BUSINESS

We are the third largest wired broadband internet service provider in India with a market share of 6.9% of the pan-India wired broadband internet market as at September 30, 2017 according to MPA. As at December 31, 2017, we operated in 12 cities and towns across Tamil Nadu, Andhra Pradesh and Telangana, Delhi and Karnataka, which represent four of India's five largest wired broadband markets in terms of number of internet users, and were the market leader in Bengaluru and Hyderabad according to MPA. We had approximately 1.28 million wired broadband internet customers as at December 31, 2017. We are also an established provider of cable TV services in India. As at December 31, 2017, our cable TV services were available to consumers in the cities of Bengaluru, Vijayawada, Visakhapatnam and Eluru. We had approximately 0.71 million cable TV customers as at December 31, 2017.

Our fiber broadband network is extensive, covering more than 5.4 million residential homes in the markets in which we operated as at September 30, 2017 according to MPA. We have invested significantly to develop our fiber broadband network, the majority of which utilizes an advanced Metro Ethernet Active FTTX technology that enables us to provide reliable and high-speed access to our wired broadband internet services to consumers covered by our network. We also utilize GPON technology in certain parts of our network. According to MPA, our network covered the most number of residential homes among fiber-focused wired broadband internet service providers in India as at September 30, 2017. As at September 30, 2017, we had approximately 1.25 million wired broadband internet customers, representing a customer penetration rate of approximately 23.14% of the residential homes covered by our broadband network. Our investments are designed to grow our fiber broadband network, which enables us to drive revenue growth by increasing our customer base and ARPU. Furthermore, our emphasis on fiscal discipline and focus on profitable growth enables us to generate value from our investments. We own the majority of our fiber broadband network and have long-term leases, typically of at least 10 year terms, over the remainder of our network. We believe that our fiber broadband network provides us with a strong platform to grow our market share in India.

As at December 31, 2017, all of the residential homes and enterprise customers covered by our fiber broadband network were installed with network devices which allow us to deliver wired broadband internet services of speeds of up to 100 mbps with minimal modifications to the existing network infrastructure. According to MPA, we were one of the first internet service providers to offer wired broadband internet services with access speeds of up to 1 gbps to retail consumers in India, including in Bengaluru and Hyderabad, which are among the largest wired broadband internet markets in India. We believe that we are well-positioned to meet the under-served and growing demand for wired broadband internet services in India. According to MPA, the wired broadband internet market is expected to grow from 18.1 million subscribers as at December 31, 2016 to 24.0 million by December 31, 2021, driven by the increasing consumption of online digital content in India and increasing demand for high-speed internet access.

Our wired broadband internet services are also differentiated by our high quality customer service. We provide support services to our customers through our dedicated in-house teams, which are supported by automated online platforms (including mobile phone applications) and telephone call centers that allow us to provide support services to our customers in real-time. As of September 30, 2017, our wired broadband internet services were one of the most reliable in India according to MPA, with an average service availability / up-time of 99.97% in 2017, and in the month of December 2017, we resolved 94.76% of our wired broadband internet customers' registered complaints by the next working day.

We are promoted by Argan and TA, and are led by an experienced management team supported by a motivated team of employees. We were recognized as one of best places to work in India by The Great Places to Work Institute and the Economic Times, India, which awarded us the "India's Top 100 Best Companies to Work For 2017 – Rank 43" award in 2017, and by Working Mother & Avatar, which awarded us the "Top 100 – Best Companies for Women in India" award in 2016. We were also awarded the "Regional Best Employer 2016 – 2017" award by the Employer Branding Institute of India in 2017.

Our total income was ₹6,178.72 million, ₹8,741.85 million, ₹12,170.76 million and ₹6,841.13 million in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Our consolidated EBITDA was ₹2,116.75 million, ₹3,234.12 million, ₹4,679.14 million and ₹2,859.70 million in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Revenue from our wired broadband internet service business accounted for 82.77%, 90.31%, 91.61% and 91.38% of our total income for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively, and revenue from our cable TV service business accounted for 11.86%, 6.13%, 4.61% and 5.21% of our total income from operations for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. As at December 31, 2017, we had approximately 1.28 million wired broadband internet customers, with approximately 38% of our wired broadband internet customers subscribing to our services on fixed term contracts of durations longer than one month, and approximately 0.71 million cable TV customers. Our average monthly ARPU from our retail wired broadband internet business was ₹684, ₹756 and ₹813 in fiscals 2015, 2016 and 2017, respectively.

Our Competitive Strengths

- Largest fiber-focused wired broadband internet service provider in India, a growing and under-penetrated market.
- Our extensive state-of-the-art fiber network, direct-to-customer business model and access to customers provide a strong platform to drive growth.
- Strong brand awareness in the markets in which we operate.
- Attractive value proposition and customer-centric service offerings.
- Our cable TV business complements our wired broadband internet business.
- Track record of robust operational and financial performance, reflected in strong returns.
- Experienced promoters, Key Management Personnel, senior management team, supported by motivated and engaged employees.

Our Strategies

- Prudently maintain and grow our market share in the private sector wired broadband internet industry.
- Drive wired broadband internet service penetration and improve market share within existing homes passed.
- Extend our fiber network coverage in existing markets to expand our potential market.
- Selectively enter new markets in India.
- Further invest in network infrastructure and technology to continue to deliver a differentiated value proposition and expand our fiber network.
- Enhance service offerings to retain existing customers and drive acquisition of new customers.
- Continue to develop and engage our workforce.
- Leverage on synergies from our cable TV business operations to grow our wired broadband internet business.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Statements of our Company.

The Restated Financial Statements of our Company has been prepared, based on financial statements as at and for the six months period ended September 30, 2017 and the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (presented in accordance with Ind AS prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the Act).

The summary financial information presented below should be read in conjunction with "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 186 and 383 respectively.

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Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Restated consolidated summary statement of assets and liabilities

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Assets						
Non-current assets						
Property, plant and equipment	9,133.78	8,006.87	5,958.25	4,186.23	3,310.00	2,270.24
Capital work-in-progress	653.72	586.04	496.94	315.85	466.56	380.68
Goodwill	141.25	261.44	261.44	260.06	366.60	529.91
Other intangible assets	585.94	595.61	580.13	673.71	1,150.10	509.57
Equity accounted investees	274.73	263.61	253.52	228.88	-	-
Financial assets						
Loans	-	-	2.98	3.71	3.23	2.97
Other financial assets	256.87	244.95	329.58	637.50	261.35	90.53
Deferred tax assets, (net)	454.83	370.32	203.96	408.74	600.44	6.59
Income tax assets, (net)	217.67	240.73	150.18	112.34	94.83	32.13
Other non-current assets	372.33	375.95	350.58	272.69	231.93	230.33
Total non - current assets	**12,091.12**	**10,945.52**	**8,587.56**	**7,099.71**	**6,485.04**	**4,052.95**
Current assets						
Inventories	52.28	40.84	28.71	2.48	-	16.17
Financial assets						
Investments	0.23	0.23	2.92	2.78	3.97	15.64
Trade receivables	222.04	167.91	119.89	75.44	134.77	145.87
Cash and cash equivalents	1,007.31	787.33	269.46	596.87	507.90	219.85
Other bank balances	1,117.03	61.27	42.38	93.62	93.41	317.28
Loans	402.06	593.75	704.31	571.42	13.11	10.45
Other financial assets	26.92	66.40	476.89	405.39	59.03	114.16
Other current assets	336.63	384.41	725.02	263.64	204.62	206.29
Total current assets	**3,164.50**	**2,102.14**	**2,369.58**	**2,011.64**	**1,016.81**	**1,045.71**
Total assets	**15,255.62**	**13,047.66**	**10,957.14**	**9,111.35**	**7,501.85**	**5,098.66**
Equity and Liabilities						
Equity						
Share capital	530.11	530.11	519.45	364.59	364.59	348.29
Other equity	5,565.74	4,305.81	2,658.93	(0.90)	(372.54)	(549.54)
	6,095.85	**4,835.92**	**3,178.38**	**363.69**	**(7.95)**	**(201.25)**
Non-controlling interest	81.18	146.83	144.30	137.69	164.76	508.32
Total equity	**6,177.03**	**4,982.75**	**3,322.68**	**501.38**	**156.81**	**307.07**
Liabilities						
Non-current liabilities						
Financial Liabilities						
Borrowings	2,528.76	2,008.76	2,418.80	3,590.27	2,886.62	808.49
Other financial liabilities	48.92	48.92	64.47	371.39	42.54	30.48
Provisions	154.76	110.89	74.42	42.19	29.68	24.05
Deferred tax liability, (net)	-	-	-	7.38	6.83	9.67
Other non-current liabilities	336.45	336.75	242.37	47.95	107.95	42.36
Total non - current liabilities	**3,068.89**	**2,505.32**	**2,800.06**	**4,059.18**	**3,073.62**	**915.05**
Current liabilities						
Financial liabilities						
Borrowings	-	18.48	46.12	42.66	413.16	501.87
Trade payables						
Dues to micro enterprises and small enterprises	-	-	-	-	-	-
Due to others	327.16	278.00	234.54	136.17	235.68	209.43
Other financial liabilities	3,119.90	3,071.49	3,145.07	3,534.86	3,037.91	2,773.32
Provisions	121.57	78.90	52.78	21.49	13.67	8.05
Income tax liabilities	676.27	604.87	219.28	29.36	4.51	46.98
Other current liabilities	1,764.80	1,507.85	1,136.61	786.25	566.49	336.89
Total current liabilities	**6,009.70**	**5,559.59**	**4,834.40**	**4,550.79**	**4,271.42**	**3,876.54**
Total equity and liabilities	**15,255.62**	**13,047.66**	**10,957.14**	**9,111.35**	**7,501.85**	**5,098.66**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Restated consolidated summary statement of profit and loss

Rs in million

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Income						
Revenue from operations	6,761.43	12,084.51	8,594.59	5,941.90	4,209.87	2,877.35
Other income	79.70	86.25	147.26	236.82	68.83	39.57
Total Income	**6,841.13**	**12,170.76**	**8,741.85**	**6,178.72**	**4,278.70**	**2,916.92**
Expenses						
Cost of materials consumed	88.33	174.46	151.47	114.56	85.07	54.90
Purchases of stock-in-trade	62.55	221.24	69.07	17.07	16.97	17.31
Changes in inventories of stock-in-trade	10.26	(10.24)	(19.37)	(2.48)	-	-
Employee benefits expense	1,403.97	2,868.97	1,982.78	1,415.12	1,163.89	841.65
Finance costs	179.52	449.36	684.70	627.68	410.92	101.35
Depreciation and amortisation expense	955.85	1,533.72	1,167.88	933.82	804.19	497.22
Other expenses	2,427.49	4,247.33	3,341.57	2,517.56	2,028.57	1,560.34
Total expenses	**5,127.97**	**9,484.84**	**7,378.10**	**5,623.33**	**4,509.61**	**3,072.77**
Profit/(loss) before share of profits/(loss) of equity accounted investees and tax	**1,713.16**	**2,685.92**	**1,363.75**	**555.39**	**(230.91)**	**(155.85)**
Share of profit/ (loss) of equity accounted investees	11.17	10.14	17.79	(0.14)	-	-
Profit / (loss) before income tax	**1,724.33**	**2,696.06**	**1,381.54**	**555.25**	**(230.91)**	**(155.85)**
Current tax (including Minimum Alternate Tax (MAT))	655.56	1,363.17	441.62	36.36	14.91	120.02
Deferred tax (including MAT credit entitlement)	(73.21)	(159.03)	204.66	194.61	(597.75)	(0.74)
Profit / (loss) for the period/ year	**1,141.98**	**1,491.92**	**735.26**	**324.28**	**351.93**	**(275.13)**
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Remeasurements of defined benefit liability	(31.57)	(21.20)	(20.97)	(5.48)	1.77	-
Equity accounted investee's share of other comprehensive income	(0.05)	(0.05)	(0.18)	(0.15)	-	-
Income tax related to items that will not be reclassified to profit or loss	11.30	7.33	7.26	1.90	(1.06)	-
Total other comprehensive income, net of income	**(20.32)**	**(13.92)**	**(13.89)**	**(3.73)**	**0.71**	**-**
Total comprehensive income for the period/ year	**1,121.66**	**1,478.00**	**721.37**	**320.55**	**352.64**	**(275.13)**
Profit/(loss) attributable to :						
Equity holders of the company	1,207.70	1,489.39	729.45	305.14	348.56	(373.60)
Non-controlling interest	(65.72)	2.53	5.81	19.14	3.37	98.47
Other comprehensive income attributable to						
Equity holders of the company	(20.39)	(13.92)	(13.89)	(3.73)	0.71	-
Non-controlling interest	0.07	-	-	-	-	-
Total comprehensive income attributable to						
Equity holders of the company	1,187.31	1,475.47	715.56	301.41	349.27	(373.60)
Non-controlling interest	(65.65)	2.53	5.81	19.14	3.37	98.47
Earnings/(loss) per share						
Basic earnings/(loss) per share	22.78 *	28.11	15.17	8.37	9.99	(10.73)
Diluted earnings/(loss) per share	22.70 *	28.09	13.78	5.80	9.99	(10.73)

*(Not annualised)

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Restated consolidated summary statement of cash flows

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from operating activities:						
Profit / (loss) before tax	1,713.16	2,685.92	1,363.75	555.39	(230.91)	(155.85)
Adjustments for :						
Depreciation and amortisation	955.85	1,533.72	1,167.88	933.82	804.19	497.22
Finance costs	179.52	449.36	684.70	627.68	410.92	101.35
Interest income	(32.67)	(41.70)	(99.74)	(73.47)	(35.76)	(16.94)
Dividend income from non-trade mutual funds	-	(0.11)	(0.15)	(0.58)	(1.96)	(5.03)
Liabilities no longer required written back	(27.39)	(13.77)	(8.89)	(21.14)	(11.40)	(10.04)
Profit on sale of business	-	-	-	(1.12)	-	-
Profit on divestment of investments (net)	-	-	-	(90.50)	-	-
Net gain on foreign exchange fluctuation	(1.25)	-	(20.73)	-	-	-
Changes in fair value of financial assets and liabilities	-	(4.23)	-	(6.54)	-	(0.21)
Profit on sale of property, plant and equipment	(0.06)	-	-	(11.93)	-	-
Changes in fair value of financial assets and liabilities	-	-	10.45	21.41	0.79	-
Provision for doubtful advances and deposits	-	12.29	1.47	0.29	1.51	2.86
Share based payments to employees	72.62	152.41	37.09	3.74	15.84	-
Provision for doubtful debts	5.22	15.60	9.91	6.74	19.96	23.68
Bad debts written off	3.17	-	0.44	-	2.19	3.96
Provision for impairment	316.58	-	-	14.10	-	-
Loss on sale of property, plant and equipment	-	0.10	0.24	3.96	7.12	0.17
Property, plant and equipment written-off	3.28	100.73	24.54	37.84	21.08	0.88
Net loss on account of foreign exchange fluctuations	-	3.61	-	-	8.83	3.66
	3,188.03	**4,893.93**	**3,170.96**	**1,999.69**	**1,012.40**	**445.71**
Adjustments for changes in :						
Inventories	(11.44)	(12.14)	(26.22)	(2.48)	16.17	(3.78)
Trade receivables	(62.52)	(63.62)	(54.79)	52.59	(11.05)	(43.56)
Loans and other financial assets and other assets	10.82	352.54	(469.86)	(285.09)	22.52	(304.74)
Liabilities and provisions	284.83	1,286.86	1,116.64	292.13	599.57	116.07
Cash generated from operations	**3,409.72**	**6,457.57**	**3,736.73**	**2,056.84**	**1,639.61**	**209.70**
Income taxes paid, net of refund	(561.09)	(1,068.12)	(289.55)	(29.01)	(120.08)	(119.76)
Net cash generated from operating activities	**2,848.63**	**5,389.45**	**3,447.18**	**2,027.83**	**1,519.53**	**89.94**
Cash flow from investing activities:						
Acquisition of property, plant and equipment and other intangible assets	(2,120.48)	(4,040.56)	(2,904.96)	(1,363.10)	(1,713.05)	(1,424.99)
Proceeds from sale of property, plant and equipment and other intangible assets	17.86	92.70	35.94	132.89	36.02	1.04
Purchase of mutual funds	-	-	(0.15)	(80.52)	(1,138.39)	(600.63)
Proceeds from sale of mutual funds	-	2.69	-	81.70	1,150.08	701.68
Dividend received	-	0.11	0.15	0.58	1.96	5.03
Loan given to other parties	(53.49)	(262.42)	(206.06)	(664.70)	(4.20)	-
Loan repaid by other parties	74.68	378.61	62.29	148.30	3.93	0.18
Purchase consideration received	-	-	103.68	-	-	-
Advance towards equity subscription	-	-	-	-	-	(9.10)
Refund of equity subscription	-	-	-	-	2.50	-
Movement in term deposits	(1,049.26)	(0.74)	34.94	(45.21)	-	-
Interest received	34.48	100.01	35.55	62.58	23.38	10.97
Net cash used in investing activities	**(3,096.21)**	**(3,729.60)**	**(2,838.62)**	**(1,727.48)**	**(1,637.77)**	**(1,315.82)**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Restated consolidated summary statement of cash flows (continued)

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from financing activities:						
Acquisition of non-controlling interest	-	-	(15.57)	(11.84)	(667.43)	(30.23)
Proceeds from issue of equity shares including share premium of exercise option	-	29.67	-	-	45.33	-
Redemption of preference shares	-	-	(778.33)	-	-	-
Proceeds from issue of debentures	-	-	-	400.00	1,400.00	-
Redemption of debentures	-	-	(2,144.59)	-	-	-
Proceeds from share application money	-	-	-	-	2,070.00	260.00
Share application money refunded	-	-	(0.02)	-	(2,030.00)	-
Proceeds from loan, net	511.35	-	2,536.06	-	-	1,223.37
Repayment of loan, net	-	(931.52)	-	(272.65)	(104.19)	-
Finance costs paid	(179.24)	(443.02)	(530.09)	(321.92)	(313.63)	(97.70)
Net cash provided by / (used in) financing activities	**332.11**	**(1,344.87)**	**(932.54)**	**(206.41)**	**400.08**	**1,355.44**
Net increase / (decrease) in cash and cash equivalents	**84.53**	**314.98**	**(323.98)**	**93.94**	**281.84**	**129.56**
Cash and cash equivalents at the beginning	584.44	269.46	593.44	499.50	217.66	88.10
Cash and cash equivalents at the end	**668.97**	**584.44**	**269.46**	**593.44**	**499.50**	**217.66**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Statement of Cash Flows notified u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

2. Figures in bracket indicate cash outflow.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Restated standalone summary statement of assets and liabilities *Rs in million*

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Assets						
Non-current assets						
Property, plant and equipment	7,780.50	6,700.30	5,028.38	3,801.08	2,800.07	659.72
Capital work-in-progress	628.98	471.51	261.38	167.15	366.06	273.06
Intangible assets	578.12	585.02	585.47	677.51	821.08	113.26
Financial assets						
Investments	387.72	387.72	388.42	388.42	562.42	925.11
Loans	558.34	534.03	487.38	2.98	3.23	2.97
Other financial assets	225.58	217.59	307.26	618.26	235.06	46.87
Deferred tax assets, (net)	709.44	645.87	348.78	514.46	666.89	-
Income tax assets, (net)	104.02	126.95	87.89	85.70	70.34	13.46
Other non-current assets	328.51	323.63	271.65	221.20	181.64	146.31
Total non - current assets	**11,301.21**	**9,992.62**	**7,766.61**	**6,476.76**	**5,706.79**	**2,180.76**
Current assets						
Inventories	28.50	28.98	20.70	-	-	-
Financial assets						
Investments	-	-	1.24	1.18	0.78	9.16
Trade receivables	115.49	105.38	41.83	29.92	48.30	43.74
Cash and cash equivalents	926.99	689.42	238.83	532.48	446.50	86.04
Other bank balances	1,083.38	37.33	28.15	85.54	91.77	223.58
Loans	500.52	736.36	1,141.64	1,124.72	806.51	342.49
Other financial assets	23.26	299.59	614.41	477.58	75.74	199.29
Other current assets	236.69	301.01	607.12	187.99	143.13	108.94
Total current assets	**2,914.83**	**2,198.07**	**2,693.92**	**2,439.41**	**1,612.73**	**1,013.24**
Total assets	**14,216.04**	**12,190.69**	**10,460.53**	**8,916.17**	**7,319.52**	**3,194.00**
Equity and liabilities						
Equity						
Share capital	530.11	530.11	519.45	364.59	364.59	348.29
Other equity	5,751.04	4,694.57	3,031.12	237.75	(91.16)	(648.71)
Total equity	**6,281.15**	**5,224.68**	**3,550.57**	**602.34**	**273.43**	**(300.42)**
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings	2,328.76	1,808.76	2,418.80	3,590.27	2,886.62	618.93
Other financial liabilities	-	-	21.93	318.54	-	-
Provisions	150.23	107.15	71.68	40.35	27.36	8.44
Other non-current liabilities	11.88	6.63	1.95	1.50	51.92	27.84
Total non - current liabilities	**2,490.87**	**1,922.54**	**2,514.36**	**3,950.66**	**2,965.90**	**655.21**
Current liabilities						
Financial liabilities						
Borrowings	-	18.48	46.12	42.66	413.12	412.00
Trade payables						
Dues to micro enterprises and small enterprises	-	-	-	-	-	-
Due to others	189.48	154.80	115.14	61.21	176.09	18.96
Other financial liabilities	2,910.18	2,853.04	2,940.80	3,478.91	2,976.29	2,356.75
Provisions	119.09	77.11	51.94	20.89	12.66	3.71
Income tax liabilities, (net)	586.30	539.45	197.55	25.93	-	-
Other current liabilities	1,638.97	1,400.59	1,044.05	733.57	502.03	47.79
Total current liabilities	**5,444.02**	**5,043.47**	**4,395.60**	**4,363.17**	**4,080.19**	**2,839.21**
Total equity and liabilities	**14,216.04**	**12,190.69**	**10,460.53**	**8,916.17**	**7,319.52**	**3,194.00**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Restated standalone summary statement of profit and loss *Rs in million*

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Income						
Revenue from operations	6,328.69	11,319.84	8,033.42	5,323.65	3,512.59	411.58
Other income	61.31	212.84	223.12	161.12	60.71	22.44
Total income	**6,390.00**	**11,532.68**	**8,256.54**	**5,484.77**	**3,573.30**	**434.02**
Expenses						
Cost of materials consumed	83.06	161.50	137.01	109.39	83.20	15.23
Purchases of stock-in-trade	27.52	71.86	56.37	14.59	16.97	-
Changes in inventories of stock-in-trade	8.59	(6.39)	(13.84)	-	-	-
Employee benefits expense	1,368.07	2,801.70	1,966.25	1,353.43	1,082.41	221.40
Finance costs	161.67	413.00	674.94	622.21	403.39	45.97
Depreciation and amortisation expense	826.92	1,328.19	1,052.40	833.37	701.34	161.05
Other expenses	2,360.74	4,229.82	2,921.39	2,042.70	1,435.04	625.46
Total expenses	**4,836.57**	**8,999.68**	**6,794.52**	**4,975.69**	**3,722.35**	**1,069.11**
Profit / (loss) before income tax	**1,553.43**	**2,533.00**	**1,462.02**	**509.08**	**(149.05)**	**(635.09)**
Tax expense:						
Current tax (including Minimum Alternate Tax (MAT))	601.86	1,317.00	434.54	25.93	-	-
Deferred tax (including MAT entitlement credit)	(52.27)	(289.80)	172.82	154.34	(660.96)	-
Profit / (loss) for the period/ year	**1,003.84**	**1,505.80**	**854.66**	**328.81**	**511.91**	**(635.09)**
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						-
Remeasurements of defined benefit liability	(31.29)	(21.05)	(20.65)	(5.57)	1.15	-
Income tax related to items that will not be reclassified to profit or loss	11.30	7.29	7.15	1.93	(0.39)	-
Total other comprehensive income, net of income tax	**(19.99)**	**(13.76)**	**(13.50)**	**(3.64)**	**0.76**	**-**
Total comprehensive income for the period/ year	**983.85**	**1,492.04**	**841.16**	**325.17**	**512.67**	**(635.09)**
Earnings / (loss) per share						
Basic earnings / (loss) per share	18.94 *	28.41	17.77	9.02	14.67	(18.23)
Diluted earnings / (loss) per share	18.87 *	28.40	16.14	6.25	14.67	(18.23)

** (Not annualised)*

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Restated standalone summary statement of cash flows

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from operating activities:						
Profit / (loss) before tax	1,553.43	2,533.00	1,462.02	509.08	(149.05)	(635.09)
Adjustments for :						
Depreciation and amortisation	826.92	1,328.19	1,052.40	833.37	701.34	161.05
Finance costs	161.67	413.00	674.94	622.21	403.39	45.97
Interest income	(29.25)	(174.36)	(195.18)	(102.24)	(41.47)	(6.84)
Interest from income tax	(3.74)	(2.18)	-	-	-	-
Dividend income from non-trade mutual funds	-	(0.03)	(0.06)	(0.40)	(1.76)	(1.36)
Dividend income from long term investments	-	-	-	-	-	(14.23)
Provisions and liabilities no longer required written back	(21.16)	(5.04)	-	(9.78)	(3.06)	-
Profit on sale of business	-	-	-	(1.12)	-	-
Profit on sale of investments	-	-	-	(23.97)	-	-
Gain on sale of property, plant and eqipment	(0.18)	-	-	-	(0.05)	-
Gain on foreign exchange fluctuation, (net)	(1.25)	-	(15.22)	-	-	-
Loss on foreign exchange fluctuation	-	2.21	-	21.61	8.83	-
Provision for impairment no longer required written back	-	(6.47)	-	-	-	-
Provision for doubtful advances and deposits	-	11.54	-	-	0.78	-
Provision for equity settled share based payments	72.62	152.41	37.09	3.74	15.84	-
Provision for doubtful debts	-	-	2.33	35.47	1.43	-
Provision for impairment	210.43	458.96	126.08	40.36	20.36	286.83
Provision for doubtful receivables	256.84	-	-	-	-	-
Loss on sale of property, plant and eqipment, (net)	-	-	0.24	0.16	-	-
Changes in fair value of financial assets and liabilities	-	(4.23)	10.45	(6.54)	0.58	-
Property, plant and eqipment written-off	2.83	99.94	23.18	17.49	20.64	-
	1,475.73	**2,273.94**	**1,716.25**	**1,430.36**	**1,126.85**	**471.42**
	3,029.16	**4,806.94**	**3,178.27**	**1,939.44**	**977.80**	**(163.67)**
Adjustments for changes in:						
Inventories	0.48	(8.28)	(20.70)	-	-	-
Trade receivables	(10.11)	(63.54)	(14.24)	(17.09)	(6.00)	(21.34)
Loans and financial assets and other assets	18.09	348.55	(445.55)	(257.49)	601.29	(261.01)
Liabilities and provisions	232.72	1,089.41	834.30	283.10	(90.39)	109.61
	241.18	**1,366.14**	**353.81**	**8.52**	**504.90**	**(172.74)**
Cash generated from / (used in) operations	**3,270.34**	**6,173.08**	**3,532.08**	**1,947.96**	**1,482.70**	**(336.41)**
Income taxes paid, net of refund	(528.33)	(1,012.00)	(265.09)	(15.34)	(50.59)	(11.14)
Net cash generated from / (used in) operating activities (A)	**2,742.01**	**5,161.08**	**3,266.99**	**1,932.62**	**1,432.11**	**(347.55)**
Cash flow from investing activities:						
Acquisition of property, plant and eqipment and intangible assets	(2,044.66)	(3,450.62)	(2,266.30)	(1,675.32)	(1,302.36)	(649.21)
Advance towards equity subscription	-	-	0.37	-	-	(9.00)
Proceeds from sale of property, plant and eqipment and intangible assets	17.67	121.98	42.73	75.83	0.04	0.30
Purchase of mutual funds	-	-	(0.06)	(80.40)	(1,136.76)	(594.86)
Proceeds from sale of mutual funds	-	1.24	-	80.00	1,145.15	610.63
Sale/ (purchase) of shares in subsidiaries	-	-	103.68	94.29	(763.54)	(254.39)
Movement in term deposits, net	(1,030.00)	-	40.17	62.36	(102.54)	-
Advances given to related parties	(401.10)	(637.54)	(719.88)	(604.31)	(1,052.40)	(72.49)
Advances repaid by related parties	154.77	543.63	94.18	306.30	587.17	65.99
Dividend received	-	0.03	0.06	0.40	1.76	15.59
Interest received	287.07	103.03	56.27	59.16	21.10	2.76
Net cash flow used in investing activities (B)	**(3,016.25)**	**(3,318.25)**	**(2,648.78)**	**(1,681.69)**	**(2,602.38)**	**(884.68)**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Restated standalone summary statement of cash flows (continued)

Rs in million

	For the period ended 30 September 2017	For the year ended				
		31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from financing activities:						
Proceeds from issue of equity shares including share premium on exercise of options	-	29.67	-	-	32.14	-
Redemption of preference shares	-	-	(778.33)	-	-	-
Share application money received	-	-	-	-	2,070.00	260.00
Share application money refunded	-	-	(0.02)	-	(2,030.00)	-
Proceeds from issue of debentures	-	-	-	400.00	1,400.00	-
Redemption of debentures	-	-	(2,144.60)	-	-	-
Proceeds from unsecured loans	950.00	200.00	2,762.09	845.63	1,651.79	1,486.43
Repayment of unsecured loans	(413.69)	(1,406.48)	(226.02)	(1,089.32)	(1,282.90)	(407.53)
Finance costs	(159.95)	(418.32)	(524.98)	(321.26)	(310.30)	(45.97)
Net cash provided by / (used in) financing activities (C)	**376.36**	**(1,595.13)**	**(911.86)**	**(164.95)**	**1,530.73**	**1,292.93**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**102.12**	**247.70**	**(293.65)**	**85.98**	**360.46**	**60.70**
Cash and cash equivalents at the beginning	486.53	238.83	532.48	446.50	86.04	25.34
Cash and cash equivalents at the end	**588.65**	**486.53**	**238.83**	**532.48**	**446.50**	**86.04**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 Statement of Cash Flows notified under section 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

2. Figures in bracket indicate cash outflow.

THE OFFER

Equity Shares Offered	
Offer of Equity Shares	Up to [•] Equity Shares
of which	
Fresh Issue (1)	Up to [•] Equity Shares aggregating up to ₹8,000 million
Offer for Sale(2)	Up to 10,351,076 Equity Shares
Employee Reservation Portion(3)	Up to [●] Equity Shares aggregating up to ₹[●] million
Accordingly,	
Net Offer	[•] Equity Shares
of which	
A) QIB Portion(4)(5)	Not more than [•] Equity Shares
of which:	
Anchor Investor Portion	[•] Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[•] Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	[•] Equity Shares
Balance for all QIBs including Mutual Funds	[•] Equity Shares
B) Non-Institutional Portion(5)	Not less than [•] Equity Shares
C) Retail Portion(5)(6)	Not less than [•] Equity Shares
Pre and post Offer Equity	
Equity Shares outstanding prior to the Offer	53,025,033 Equity Shares
Equity Shares outstanding after the Offer	[•] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 98 for information about the use of the Net Proceeds of the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis. For further details, see "*Offer Procedure - Basis of Allotment*" on page 487.

(1) The Fresh Issue has been authorized by a resolution of our Board of Directors dated March 16, 2018 and by a special resolution of our Shareholders in their EGM dated March 17, 2018

(2) The Offer for Sale has been authorised by the Selling Shareholders as follows:

Selling Shareholder	***Number of Equity Shares offered in the Offer for Sale***	***Date of consent/board resolution***
Argan	Up to 6,018,323	March 16, 2018
TA	Up to 3,978,292	March 20, 2018
Bala Subrahmanyam Malladi	Up to 269,590	March 21, 2018
Saurabh Mukherjee	Up to 34,947	March 20, 2018
Hosabettu Venkatesh Bhat	Up to 24,962	March 21, 2018
Shefali Mohapatra	Up to 24,962	March 21, 2018

Each Selling Shareholder severally confirms that the Equity Shares being offered by it in the Offer, have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Offer as required by the SEBI ICDR Regulations

(3) The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under subscription shall be permitted from the Employee Reservation Portion, subject to the Net Offer constituting [●]% of the post-Offer equity share capital of the Company. Employee Discount of ₹[●] to the Offer Price, not being more than 10% of the Offer Price, may be offered to Eligible Employees bidding in the Employee Reservation Portion

(4) Our Company and Promoter Selling Shareholders may, in consultation with the Managers allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The QIB portion will accordingly be reduced from the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion 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. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [•] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be

added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 455

(5) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and Promoter Selling Shareholders in consultation with the Managers and the Designated Stock Exchange. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories

(6) Our Company and Promoter Selling Shareholders may in consultation with the Managers offer a Retail Discount to Retail Individual Bidders in accordance with the SEBI ICDR Regulations

Note: The Employee Discount and the Retail Discount, if any, will be determined by our Company and Promoter Selling Shareholders in consultation with the Managers and will be advertised in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and the [●] edition of the Kannada newspaper [●] (Kannada being the regional language of Karnataka, where the Registered Office of our Company is situated), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. Retail Individual Bidders bidding in the Retail Portion bidding at a price within the Price Band can make payment at the Bid Amount (which will be less Retail Discount, if any), at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion bidding at a price within the Price Band can make payment at the Bid Amount (which will be less Employee Discount), at the time of making a Bid. Retail Individual Bidders bidding in the Retail Portion bidding at the Cut-Off Price have to ensure payment at the Cap Price (less Retail Discount, if any) at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion bidding at the Cut-Off Price have to ensure payment at the Cap Price less Employee Discount at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion must ensure that the Bid Amount (which will be less Employee Discount) does not exceed ₹500,000. Retail Individual Bidders bidding in the Retail Portion must ensure that the Bid Amount (which will be less Retail Discount, if any) does not exceed ₹200,000. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion must mention the Bid Amount while filling the "SCSB/Payment Details" block in the Bid cum Application Form.

GENERAL INFORMATION

Our Company was incorporated as Atria Convergence Technologies Private Limited on June 16, 2000 at Bengaluru, Karnataka as a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company consequent to a special resolution passed by our Shareholders at the EGM held on January 31, 2018 and the name of our Company was changed to Atria Convergence Technologies Limited. A fresh certificate of incorporation consequent upon conversion to a public limited company was issued on March 5, 2018 by the RoC. For details of change in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 149.

For details of the business of our Company, see *"Our Business*" on page 130.

Registered and Corporate Office of our Company

Atria Convergence Technologies Limited
2nd & 3rd Floor
No. 1, Indian Express Building
Queen's Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 4288 4288
Fax: +91 80 4288 4200
E-mail: complianceofficer@actcorp.in
Website: www.actcorp.in

Corporate Identification Number:U72900KA2000PLC027290
Registration Number: 027290

Address of the RoC

Our Company is registered with the RoC situated at the following address:

Registrar of Companies
'E' Wing, 2nd Floor
Kendriya Sadan
Koramangala
Bengaluru 560 034
Karnataka, India

Board of Directors

Our Board comprises the following:

Name	Designation	DIN	Address
Mahendra Kumar Sharma	Chairman and Non-Executive, Independent Director	00327684	192, Centrum Towers-A, Barkhat Ali Road, Near Wadala Flyover, Wadala East, Mumbai 400 037, Maharashtra, India
Chinnaswamy Sunder Raju	Founder and Non-Executive Director	00592212	No. 294, Upper Palace Orchards, Bengaluru 560 080, Karnataka, India
Vishal Gangadhar Nevatia	Non-Executive, Nominee Director	01307857	2702, B- Wing, 27th Floor, Oberoi Sky Heights, Back Road, Lokhandwala, Andheri (West), Mumbai 400 053, Maharashtra, India
Dhiraj Poddar	Non-Executive, Nominee Director	01946905	001, Springs, Island City Centre, (Bombay Dyeing), G. D. Ambedkar Marg, Dadar East, Mumbai 400 014, Maharashtra, India
Pramod Kabra	Non-Executive, Nominee Director	02252403	Planet Godrej, Tower 4, Floor 21, Simplex Mills Compound, Near Jacobs Circle, Mahalaxmi, Mumbai 400 011, Maharashtra, India
Pangulury Mohan Murty	Non-Executive, Independent Director	00011179	Flat No. 102, Ashoka Lake View Apartments, 6-3-1192/A/2 to A/5, Kundanbagh, Begumpet, Hyderabad 500 016, Telangana, India
Nishi Vasudeva	Non-Executive, Independent Director	03016991	21 A, Land Breeze, 52 Pali Hill, Bandra, Mumbai 400 050, Maharashtra, India

For further details of our Directors, see "*Our Management*" on page 163.

Company Secretary and Compliance Officer

Jithesh Chathambil
Atria Convergence Technologies Limited
2nd & 3rd Floor
No.1, Indian Express Building
Queen's Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 4288 4288
Fax: +91 80 4288 4200
E-mail: complianceofficer@actcorp.in

Chief Financial Officer

Eashwar Iyer
Atria Convergence Technologies Limited
2nd & 3rd Floor
No.1 Indian Express Building
Queen's Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 4288 4288
Fax: +91 80 4288 4200
E-mail: cfo@actcorp.in

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the Managers or the Registrar to the Offer or the respective SCSBs in case of any pre-Offer or post-Offer related problems, such as non receipt of letters of Allotment, non credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non receipt of funds by electronic mode.

All grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid-cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of Bid cum Application Form, and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Managers where the Bid cum Application Form was submitted by the Anchor Investor.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

Further, the Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Global Co-ordinators and Book Running Lead Managers	
ICICI Securities Limited ICICI Center H.T. Parekh Marg Churchgate Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 E-mail: act.ipo@icicisecurities.com Investor grievance email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Arjun A Mehrotra / Rishi Tiwari / Anurag Byas SEBI Registration No.: INM000011179	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Center C-54 & 55, G-Block, Bandra Kurla Complex Bandra (East), Mumbai 400 098 Maharashtra, India Tel: +91 22 6175 9999 Fax: +91 22 6175 9961 E-mail: act.ipo@citi.com Investor grievance e-mail: investors.cgmib@citi.com Website:www.online.citibank.co.in/rhtm/citigr oupglobalscreen1.htm Contact person: Lakshay Manchanda SEBI Registration No: INM000010718
J.P. Morgan India Private Limited J.P. Morgan Tower, Off. C.S.T. Road Kalina, Santacruz (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 6157 3000 Fax: +91 22 6157 3911 E-mail: act-ipo@jpmorgan.com Investor grievance e-mail: investorsmb.jpmipl@jpmorgan.com Website: www.jpmipl.com Contact person: Prateeksha Runwal SEBI registration number: INM000002970	

Book Running Lead Manager

HDFC Bank Limited
Investment Banking Group
Unit No 401& 402, 4^{th} floor, Tower B
Peninsula Business Park, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 3395 8021
Fax: +91 22 3078 8584
E-mail: act.ipo@hdfcbank.com
Investor Grievance E-mail: investor.redressal@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Rakesh Bhunatar/ Sakshi Jain
SEBI Registration No: INM000011252

Syndicate Members

[●]

Indian Legal Counsel to the Company

Cyril Amarchand Mangaldas
201, Midford House, Midford Garden
Off M.G. Road
Bengaluru - 560 001
Karnataka, India
Tel: +91 80 2558 4870
Fax: +91 80 2558 4266

Indian Legal Counsel to the GCBRLMs and BRLM

AZB & Partners
Plot No. A-8
Sector 4, Noida 201 301
Uttar Pradesh, India
Tel: +91 120 4179999
Fax: +91 120 417 9900

International Legal Counsel to the GCBRLMs and BRLM

Latham & Watkins LLP
9 Raffles Place
#42-02 Republic Plaza
Singapore 048619
Singapore
Tel: +65 6536 1161
Fax: +65 6536 1171

Statutory Auditors to the Company

B S R & Associates LLP
Chartered Accountants
Maruti Info-Tech Centre, 11-12/1, Inner Ring Road
Koramangala, Bengaluru - 560 071
Karnataka, India
Email: rmuthreja@bsraffiliates.com
Fax no: +91 80 7134 7999
Tel: +91 80 7134 7000
Firm Registration No.: 116231W/W-100024
Peer Review No.: 009059 dated June 30, 2016

Registrar to the Offer

Karvy Computershare Private Limited
Selenium Tower B
Plot No. 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad 500 032
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
E-mail:actcorp.ipo@karvy.com
Investor grievance email: einward.ris@karvy.com
Website: www.karisma.karvy.com
Contact Person: Murali Krishna M.
SEBI Registration No.: INR000000221

Bankers to the Offer and/or Escrow Collection Banks

[●]

Refund Bankers

[●]

Bankers to our Company

Indusind Bank Limited
Unit No. 101, Embassy Heights, 'B' Block
Magrath Road, next to Hosmat Hospital
Bengaluru 560 025
Karnataka, India
Tel: +91 80 4667 7341
E-mail: vachan.anand@indusind.com
Website: www.indusind.com
Contact Person: Vachan Anand

The Federal Bank Limited
Branch Bengaluru/ Koramangala, No. 7
Maruthi Arcade, 20th Main Road
Koramangala, Bengaluru 560 095
Karnataka, India
Tel: +91 90082 51800
E-mail: rameshchandranm@federalbank.co.in
Website: www.federalbank.co.in
Contact Person: Ramesh Chandran M

HDFC Bank Limited
Unit No. 501 & 502
5th floor, Tower – B
Peninsula Business Park
Lower Parel, Mumbai 400 013
Maharashtra, India
Tel: +91 22 3395 8630
E-mail: sharman.dandekar@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Sharman Dandekar

Indian Bank
IND Mid Corporate Branch
386, Block No.1, Veer Savarkar Marg
Opp. Siddhivinayak Temple
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: +91 22 2431 3733
E-mail: mcb.mumbai@indianbank.co.in
Website: www.indianbank.in
Contact Person: Rajeev Kumar

Designated Intermediaries

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the Self Certified Syndicate Banks **(**the "SCSBs") for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For the list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors namely, B S R & Associates LLP, Chartered Accountants, to include its name as an "expert" under Section 2(38) read with Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and in relation to the examination report dated March 17, 2018 on the Restated Financial Statements of our Company, the statement of special tax benefits dated March 24, 2018, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Further, our Company has received written consent from Media Partners Asia, to include its name as an expert under Section 2(38) read with Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and in relation to its report titled "India Broadband Market Overview – 2017" dated February 19, 2018 and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Monitoring Agency

Our Company shall appoint a Monitoring Agency for monitoring the utilization of the Net Proceeds of the Fresh Issue prior to the filing of the Red Herring Prospectus in terms of Regulation 16(2) of SEBI ICDR Regulations.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Inter-se allocation of Responsibilities:

The following table sets forth the *inter-se* allocation of responsibilities for various activities among the Managers for the Offer:

S. No.	Activity	Responsibilities	Co-ordination
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	I-Sec, Citi, J.P. Morgan, HDFC	I-Sec
2.	Due diligence of Company's operations / management / business plans / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus including memorandum containing salient features of the Prospectus. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC, SEBI and other regulators including finalization of Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	I-Sec, Citi, J.P. Morgan, HDFC	I-Sec
3.	Drafting and approval of all statutory advertisement	I-Sec, Citi, J.P. Morgan, HDFC	I-Sec
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 3 above including media monitoring, corporate advertisement, brochure etc. and filing of media compliance report after the issue	I-Sec, Citi, J.P. Morgan, HDFC	J.P. Morgan
5.	Appointment of other intermediaries viz., Registrar's, Printers, Advertising Agency and Bankers to the Offer, Monitoring Agency	I-Sec, Citi, J.P. Morgan, HDFC	Citi
6.	International institutional marketing strategy • Finalize the list and division of investors for one to one meetings, in consultation with the Company, and • Finalizing the International road show schedule and investor meeting schedules	I-Sec, Citi, J.P. Morgan, HDFC	Citi
7.	Preparation of research analyst presentation, road show presentation and frequently asked questions	I-Sec, Citi, J.P. Morgan, HDFC	J.P. Morgan
8.	Domestic institutions / banks / mutual funds marketing strategy • Finalize the list and division of investors for one to one meetings, institutional allocation in consultation with the Company. • Finalizing the list and division of investors for one to one meetings, and • Finalizing investor meeting schedules	I-Sec, Citi, J.P. Morgan, HDFC	J.P. Morgan
9.	Non-Institutional marketing of the Offer, which will cover, inter alia, • Formulating marketing strategies for Non-institutional Investors • Finalize media and public relations strategy	I-Sec, Citi, J.P. Morgan, HDFC	I-Sec
10.	Retail marketing of the Offer, which will cover, inter alia, • Formulating marketing strategies, preparation of publicity budget • Finalize media and public relations strategy • Finalizing centers for holding conferences for press and brokers • Finalising collection centres; • Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Offer material	I-Sec, Citi, J.P. Morgan, HDFC	I-Sec
11.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading.	I-Sec, Citi, J.P. Morgan, HDFC	J.P. Morgan
12.	Finalization of pricing, in consultation with the Company	I-Sec, Citi, J.P. Morgan, HDFC	Citi
13.	Post-issue activities, which shall involve essential follow-up steps including: • Follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self	I-Sec, Citi, J.P. Morgan, HDFC	Citi

S. No.	Activity	Responsibilities	Co-ordination
	Certified Syndicate Banks etc. including responsibility for underwriting arrangements, as applicable. • Payment of the applicable Securities Transaction Tax ("**STT**") on sale of unlisted equity shares by the Other Selling Shareholders and the Promoter Selling Shareholders under the Offer for Sale included in the Offer to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004 • Coordination with Stock-Exchanges for payment of 1% security deposit through cash and bank guarantee		

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

IPO Grading

No credit agency registered with SEBI has been appointed in respect of grading for this offer.

Trustees

As this is an offer of Equity Shares, the appointment of trustees is not required.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Form within the Price Band, which will be decided by our Company and Promoter Selling Shareholders, in consultation with the Managers, and advertised in [•] edition of [•], [•] edition of [•] and [•] edition of [•], which are widely circulated English, Hindi and Kannada newspapers (Kannada being the regional language of Karnataka where our Registered and Corporate Office is located) at least five Working Days prior to the Bid/Offer Opening Date. The Offer Price shall be determined by our Company and Promoter Selling Shareholders, in consultation with the Managers after the Bid/Offer Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the Selling Shareholders;
- the Managers;
- the Syndicate Members;
- the SCSBs;
- the Registered Brokers;
- the Registrar to the Offer;
- the Escrow Collection Bank(s);
- the RTAs; and
- the Collecting Depository Participants.

All Bidders, except Anchor Investors, are required to mandatorily participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

Except allocation to Retail Individual Bidders and the Anchor Investors, allocation in the Offer will be on a proportionate basis.

Our Company confirms that it will comply with the SEBI ICDR Regulations and any other directions issued by SEBI for this Offer. Each of the Selling Shareholders, severally and not jointly, confirm that such Selling

Shareholder will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to them as the Selling Shareholder and their respective portion of the Offered Shares.

The process of Book Building under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

For further details on the method and procedure for Bidding, see "*Offer Procedure*" on page 455.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and price discovery process, see "*Offer Procedure – Part B – Basis of Allocation - Illustration of Book Building Process and Price Discovery Process*" on page 486.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the Managers will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC).

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in millions)
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of the Offer Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on representations made by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors/Committee of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The underwriting arrangements mentioned above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Red Herring Prospectus is set forth below:

(In ₹ except share data)

		Aggregate value at face value	Aggregate value at Offer Price
A	**AUTHORIZED SHARE CAPITAL**(1)		
	125,000,000 Equity Shares of face value of ₹10 each	1,250,000,000	
B	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL BEFORE THE OFFER**		
	53,025,033 Equity Shares of face value of ₹10 each	530,250,330	
C	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Fresh Issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹8,000 million (2)	[●]	[●]
	Offer for Sale of up to 10,351,076 Equity Shares of face value of ₹10 each aggregating up to ₹[●] (3)	103,510,760	[●]
	Which includes		
	Employee Reservation Portion of up to [●] Equity Shares(4)	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value ₹10 each (assuming full subscription in the Offer)	[●]	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	3,445,585,428	
	After the Offer	[●]	

(1) For details in relation to the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters" on page 149

(2) The Fresh Issue has been authorized by a resolution of our Board of Directors dated March 16, 2018 and a special resolution of our Shareholders in their EGM dated March 17, 2018

(3) The Equity Shares being offered by each Selling Shareholder have been held by it/them for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the SEBI ICDR Regulations and are eligible for being offered. For details of consents/ authorisations received for the Offer for Sale, see "The Offer" on page 66

(4) Eligible Employees bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount (which will be less Employee Discount) does not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (which will be less Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (which will be less Employee Discount), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (which will be less Employee Discount)

Notes to the Capital Structure

1. **Equity Share Capital History of our Company**

The history of the Equity Share capital of our Company is provided in the following table:

Date of allotment	No. of equity shares allotted	Face Value per equity share(₹)	Issue price/ per equity share (₹)	Nature of consideration	Nature of transaction	Cumulative number of equity shares
Class A equity shares of face value of ₹10 each						
June 17, 2000	5,000	10	10	Cash	Subscription to MoA(1)	5,000
October 24, 2001	450,000	10	10	Cash	Private Placement(2)	455,000
Sub Total						**455,000**
Class B equity shares of face value of ₹100 each						
October 24, 2001	155,000	100	100	Cash	Private Placement(3)	155,000
Sub Total						**155,000**

Date of allotment	No. of equity shares allotted	Face Value per equity share(₹)	Issue price/ per equity share (₹)	Nature of consideration	Nature of transaction	Cumulative number of equity shares
Class C equity shares of face value of ₹1 each						
December 31, 2007	788,000	1	100	Cash	Conversion of 12% cumulative redeemable convertible preference shares held by Adithya Constructions	788,000
Sub Total						**788,000**
Pursuant to a resolution dated April 15, 2008, the Shareholders approved the consolidation and conversion of the authorised share capital of the Company by converting (i) 500,000 class A equity shares of face value of ₹10 each into stock and reconverting such stock into 500,000 Equity Shares of face value of ₹10 each; (ii) 160,000 class B equity shares of face value of ₹100 each into stock and reconverting such stock into 1,600,000 Equity Shares of face value of ₹10 each; and (iii) 79,000,000 class C equity shares of ₹1 each into stock and reconverting such stock into 7,900,000 Equity Shares of face value of ₹10 each. Accordingly, the total issued and paid up capital of the Company was reclassified to 2,083,800 Equity Shares of face value of ₹10 each aggregating ₹20,838,000[4]						
April 15, 2008	7,801,200	10	35.94	Cash	Private Placement[5]	9,885,000
July 1, 2008	17,972,681	10	55.64	Cash	Private Placement to India Value Fund – IIIA represented by its sole trustee True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited)	27,857,681
January 25, 2010	6,971,585	10	55.64	Cash	Private Placement[6]	34,829,266
March 15, 2014	1,629,530	10	27.82	Cash	Allotment pursuant to the ESOP 2014[7]	36,458,796
June 30, 2015	15,485,716	10	133.67	Cash	Rights issue to India Value Fund – IIIA represented by its sole trustee True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited)	51,944,512
April 7, 2016	1,066,385	10	27.82	Cash	Allotment pursuant to the ESOP 2014[8]	53,010,897
March 16, 2018	14,136	10	500.00	Cash	Allotment pursuant to the ESOP 2016 to Hosabettu Venkatesh Bhat	53,025,033

(1) 2,500 Class A equity shares were allotted to Chinnaswamy Sunder Raju and 2,500 Class A equity shares were allotted to K. Nagaraju

(2) 225,000 Class A equity shares were allotted to Roopa P. Raju beneficially on behalf of R.B.S & Co., representing the association of persons M/S Aprameya Constructions, and 225,000 Class A equity shares were allotted to Savithramma beneficially on behalf of J.S.G. & Co., representing the association of persons M/S Seshachala Enterprises

(3) 15,000 Class B equity shares were allotted to K. Nagaraju, beneficially on behalf of N.K.G. & Co., representing the association of persons M/S. Madhusudhan Constructions Co., 52,500 Class B equity shares were allotted to Roopa P. Raju, beneficially on behalf of R.B.S & Co., representing the association of persons M/S Aprameya Constructions, 10,000 Class B equity shares were allotted to Pradeep G. Raju, beneficially on behalf of P.S.R. & Co., representing the association of persons M/S. Srinivasa Engineering Construction Co., 62,500 Class B equity shares were allotted to Savithramma, beneficially on behalf of J.S.G. & Co. representing the association of persons M/S. Seshachala Enterprises, and 15,000 Class B equity shares were allotted to K Nagaraju, beneficially on behalf of N.K. & Co. representing the association of pesons, M/S. Karthik Enterprises

(4) Pursuant to the consolidation and conversion of Class A, Class B and Class C equity shares to stock and reconversion of such stock to equity shares, Chinnaswamy Sunder Raju came to hold 2,500 Equity Shares, K. Nagaraju came to hold, 2,500 Equity Shares, Roopa R. Raju came to hold 750,000 Equity Shares beneficially on behalf of RBS & Co. on behalf of association of persons M/S Apraneya Constructions, Shashikala G. Raju came to hold 850,000 Equity Shares beneficially on behalf of J.S.G. & Co., representing the association of persons M/S Seshachala Enterprises, K. Nagaraju came to hold 150,000 Equity Shares beneficially on behalf of N.K. & Co. representing the association of persons M/S Karthik Enterprises Pradeep G. Raju came to hold 100,000 Equity Shares, beneficially on behalf of PSG & Co., representing the association of persons Srinivasa

Engineering Construction Co., K. Nagaraju came to hold 150,000 Equity Shares beneficially on behalf of M/S N.K.G. & Co., representing association of persons M/S Madhudhan Construction Co., and A.C. Chandrashekar Raju came to hold 78,800 Equity Shares

(5) *3,606,450 Equity Shares were allotted to Chinnaswamy Sunder Raju and K. Nagaraju, beneficially on behalf of Perpetual Investments,102,900 Equity Shares were allotted to Thejvati S. Raju, 50,500 Equity Shares were allotted to Bharati N. Raju, beneficially on behalf of Bharathi & Thejavathi Associates, 33,350 Equity Shares were allotted to C.S. Sunder Raju, beneficially on behalf of Sudarshan Enterprise and 4,008,000 Equity Shares were allotted to Chinnaswamy Sunder Raju*

(6) *6,290,439 Equity Shares were allotted to India Value Fund – IIIA represented by its sole trustee True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited) and 681,146 Equity Shares were allotted to Chinnaswamy Sunder Raju and K. Nagaraju beneficially on behalf of Perpetual Investments*

(7) *1,078,360 Equity Shares were allotted to Bala Subrahmanyam Malladi, 125,810 Equity Shares were issued to Hosabettu Venkatesh Bhat, 209,680 Equity Shares were allotted to Saurabh Mukherjee, 119,820 Equity Shares were allotted to Shefali Mohapatra, 47,930 Equity Shares were allotted to Prakash Harjivandas Thakrar and 47,930 Equity Shares were allotted to Anurag Gupta*

(8) *539,180 Equity Shares issued to Bala Subrahmanyam Malladi, 98,845 Equity Shares were allotted to Hosabettu Venkatesh Bhat, 104,840 Equity Shares were allotted to Saurabh Mukherjee, 104,835 Equity Shares were allotted to Shefali Mohapatra, 23,970 Equity Shares were allotted to Prakash Harjivandas Thakrar, 23,970 Equity Shares were allotted to Anurag Gupta, 35,945 Equity Shares were allotted to Prasanna Gokhale, 26,960 Equity Shares were allotted to Santosh Cherian, 26,960 Equity Shares were allotted to Hara Prasad Kar, 26,960 Equity Shares were allotted to Sukhbir Singh Bhatia, 26,960 Equity Shares were allotted to R. Krishnaswamy and 26,960 Equity Shares were allotted to Kishore Divvela*

2. Preference Share Capital History of our Company

The history of preference share capital of our Company is provided in the following table:

Date of allotment	No. of preference shares allotted	Face value per preference share (₹)	Issue price per preference share (₹)	Consideration	Nature of transaction	Cumulative number of preference shares
September 1, 2001	788,000	100	100	Cash	Private Placement of 12% cumulative redeemable convertible preference shares to A.S.K. Brothers Limited(1)	788,000
October 8, 2014	920,842	10	10	Consideration other than cash	Allotment of one 0.0001% optionally convertible redeemable preference share(2) for every equity share of Beam Telecom Private Limited held by the allottees pursuant to the scheme of amalgamation between the Company and Beam Telecom Private Limited approved by the High Court of Karnataka and the High Court of Judicature of Andhra Pradesh. For further details, see "*History and Certain Corporate Matters*" on 149	920,842

(1) *The 12% cumulative redeemable convertible preference shares were converted to Class C Equity Shares on December 31, 2007*

(2) *843,340 optionally convertible redeemable preference shares allotted to Brijesh Chandwani, 34,101 optionally convertible redeemable preference shares were allotted to Anju Brijesh, 9,575 optionally convertible redeemable preference shares were allotted to Subram Kapoor, 33,826 optionally convertible redeemable preference shares were allotted to Mohammed Rafathullah. Pursuant to a Board Resolution dated April 7, 2015, 543,623 optionally convertible redeemable preference shares were redeemed on April 15, 2015; 118,367 optionally convertible redeemable preference shares were redeemed on June 16, 2015, and the remaining 258,852 optionally convertible redeemable preference shares were redeemed on October 7, 2015*

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding preference shares.

3. **Issue of shares for consideration other than cash**

Our Company has not issued any Equity Shares out of its revaluation reserves.

Except as set out below, we have not issued shares for consideration other than cash:

Date of allotment	Number of preference shares allotted	Face Value per preference share (₹)	Allotees and reason for allotment	Benefit accrued to our Company
October 8, 2014	920,842	10	Allotment of one 0.0001% optionally convertible redeemable preference share for every equity share of Beam Telecom Private Limited held by the allottees pursuant to the scheme of amalgamation between the Company and Beam Telecom Private Limited approved by the High Court of Karnataka and the High Court of Judicature of Andhra Pradesh. For further details, see "*History and Certain Corporate Matters*" on 149	Amalgamation of Beam Telecom Private Limited with our Company

4. Except as disclosed below, our Company has not issued any shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus:

Date of allotment	No. of equity shares allotted	Face Value per equity share (₹)	Issue price/ share (₹)	Nature of consideration	Nature of transaction
March 16, 2018	14,136	10	500	Cash	Allotment pursuant to the ESOP 2016 to Hosabettu Venkatesh Bhat

5. **History of the Equity Share Capital held by our Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters hold 50,251,168 Equity Shares, equivalent to 94.77% of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) *Build-up of our Promoters' shareholding in our Company*

Set forth below is the build-up of the shareholding of our Promoters since incorporation of our Company:

Date of allotment/ transfer	Nature of transaction[(1)]	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post- Offer capital (%)
Argan							
May 6, 2016	Transfer from Chinnaswamy Sunder Raju	1,393,204	Cash	10	619.94	2.63	[●]
May 6, 2016	Transfer from K. Nagaraju	1,505	Cash	10	619.94	0.00*	[●]
May 6, 2016	Transfer from A. Chandrashekar Raju	47,440	Cash	10	619.94	0.09	[●]
May 6, 2016	Transfer from Chinnaswamy Sunder Raju and K. Nagaraju (on behalf of Perpetual	3,835,841	Cash	10	619.94	7.23	[●]

Date of allotment/ transfer	Nature of transaction[(1)]	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
	Investment)						
May 6, 2016	Transfer from Thejavathi Raju	61,950	Cash	10	619.94	0.12	[●]
May 6, 2016	Transfer from India Value Fund – IIIA represented by its sole trustee True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited)	23,930,234	Cash	10	619.94	45.13	[●]
May 6, 2016	Transfer from Bala Subrahmanyam Malladi	324,606	Cash	10	619.94	0.61	[●]
May 6, 2016	Transfer form Saurabh Mukherjee	63,117	Cash	10	619.94	0.12	[●]
May 6, 2016	Transfer from Shefali Mohapatra	45,083	Cash	10	619.94	0.09	[●]
May 6, 2016	Transfer from Hosabettu Venkatesh Bhat	45,083	Cash	10	619.94	0.09	[●]
May 6, 2016	Transfer from Prakash Thakrar	43,286	Cash	10	619.94	0.08	[●]
May 6, 2016	Transfer from Anurag Gupta	43,286	Cash	10	619.94	0.08	[●]
May 6, 2016	Transfer from Prassana Gokhale	21,640	Cash	10	619.94	0.04	[●]
May 6, 2016	Transfer from Hara Prasad Kar	16,231	Cash	10	619.94	0.03	[●]
May 6, 2016	Transfer from Sukhbir Singh Bhatia	16,231	Cash	10	619.94	0.03	[●]
May 6, 2016	Transfer from R. Krishnaswamy	16,231	Cash	10	619.94	0.03	[●]
May 6, 2016	Transfer from Kishore Divvela	16,231	Cash	10	619.94	0.03	[●]
May 6, 2016	Transfer from Santosh Cherian	16,231	Cash	10	619.94	0.03	[●]
May 9, 2017	Transfer from Bala Subrahmanyam Malladi	162,303	Cash	10	694.33	0.31	[●]
May 9, 2017	Transfer from Hosabettu Venkatesh Bhat	45,083	Cash	10	694.33	0.09	[●]
May 9, 2017	Transfer from Saurabh Mukherjee	63,117	Cash	10	694.33	0.12	[●]
May 9, 2017	Transfer from Shefali Mohapatra	45,083	Cash	10	694.33	0.09	[●]
Total		**30,253,016**				**57.05**	**[●]**
TA							
May 6, 2016	Transfer from Chinnaswamy Sunder Raju	920,947	Cash	10	619.94	1.74	[●]
May 6, 2016	Transfer from K. Nagaraju	995	Cash	10	619.94	0.00*	[●]
May 6, 2016	Transfer from A. Chandrashekar Raju	31,360	Cash	10	619.94	0.06	[●]

Date of allotment/ transfer	Nature of transaction(1)	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
May 6, 2016	Transfer from Chinnaswamy Sunder Raju and K. Nagaraju (on behalf of Perpetual Investment)	2,535,605	Cash	10	619.94	4.78	[●]
May 6, 2016	Transfer from Thejavathi Raju	40,950	Cash	10	619.94	0.08	[●]
May 6, 2016	Transfer from India Value Fund – IIIA represented by its sole trustee True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited)	15,818,602	Cash	10	619.94	29.83	[●]
May 6, 2016	Transfer from Bala Subrahmanyam Malladi	214,574	Cash	10	619.94	0.40	[●]
May 6, 2016	Transfer form Saurabh Mukherjee	41,723	Cash	10	619.94	0.08	[●]
May 6, 2016	Transfer from Shefali Mohapatra	29,802	Cash	10	619.94	0.06	[●]
May 6, 2016	Transfer from Hosabettu Venkatesh Bhat	29,802	Cash	10	619.94	0.06	[●]
May 6, 2016	Transfer from Prakash Thakrar	28,614	Cash	10	619.94	0.05	[●]
May 6, 2016	Transfer from Anurag Gupta	28,614	Cash	10	619.94	0.05	[●]
May 6, 2016	Transfer from Prassana Gokhale	14,305	Cash	10	619.94	0.03	[●]
May 6, 2016	Transfer from Hara Prasad Kar	10,729	Cash	10	619.94	0.02	[●]
May 6, 2016	Transfer from Sukhbir Singh Bhatia	10,729	Cash	10	619.94	0.02	[●]
May 6, 2016	Transfer from R. Krishnaswamy	10,729	Cash	10	619.94	0.02	[●]
May 6, 2016	Transfer from Kishore Divvela	10,729	Cash	10	619.94	0.02	[●]
May 6, 2016	Transfer from Santosh Cherian	10,729	Cash	10	619.94	0.02	[●]
May 9, 2017	Transfer from Bala Subrahmanyam Malladi	107,287	Cash	10	694.33	0.20	[●]
May 9, 2017	Transfer from Hosabettu Venkatesh Bhat	29,802	Cash	10	694.33	0.06	[●]
May 9, 2017	Transfer from Saurabh Mukherjee	41,723	Cash	10	694.33	0.08	[●]
May 9, 2017	Transfer from Shefali Mohapatra	29,802	Cash	10	694.33	0.06	[●]
Total		**19,998,152**				**37.71**	[●]

** Less than 0.01%*

(1) The share transfers have taken place pursuant to the share purchase agreement dated May 10, 2015 entered into amongst our Company, Argan, TA, True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited), Chinnaswamy Sunder Raju and certain other shareholders, as amended on September 30, 2015, December 31, 2015 and May

3, 2016 and the share purchase agreement dated January 20, 2017 entered into amongst our Company, Argan, TA, Bala Subrahmanyam Malladi, Saurabh Mukherjee, Shefali Mohapatra, Hosabettu Venkatesh Bhat, as amended on May 5, 2017. For details, see "History and Certain Corporate Matters" on page 149

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Managers that the Equity Shares held by our Promoters which shall be locked-in for three years as Promoters' contribution have been financed from its respective capital contributions and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

(b) *Details of Promoters' contribution and lock-in*:

(i) Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be locked in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked in for a period of one year.

(ii) As on the date of this Draft Red Herring Prospectus, one of our Promoters, Argan holds 30,253,016 Equity Shares, out of which (i) up to 6,018,323 Equity Shares are being offered by it in the Offer for Sale and (ii) 315,586 Equity Shares were acquired by it within the one year immediately preceding this Draft Red Herring Prospectus at a price that may be lower than the Offer Price. Accordingly, the remaining Equity Shares held by Argan are eligible for Promoters' contribution.

(iii) As on the date of this Draft Red Herring Prospectus, one of our Promoters, TA holds 19,998,152 Equity Shares, out of which (i) up to 3,978,292 Equity Shares are being offered by it in the Offer for Sale and (ii) 208,614 Equity Shares were acquired by it within the one year immediately preceding this Draft Red Herring Prospectus at a price that may be lower than the Offer Price. Accordingly, the remaining Equity Shares held by TA are eligible for Promoters' contribution.

(iv) Details of the Equity Shares to be locked-in for three years are as follows:

Name	Date of transaction and when made fully paid-up	Nature of transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of post-Offer paid-up capital (%)	Date up to which the Equity shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total						[●]		

(v) The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the body corporate defined as 'promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of SEBI ICDR Regulations.

(vi) In this connection, we confirm the following:

- The Equity Shares offered for Promoters' contribution do not include (a) Equity Shares acquired in the last three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

- The Promoters' contribution does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

- All the Equity Shares of our Company held by the Promoters are in dematerialised form; and

- The Equity Shares forming part of the Promoters' contribution are not pledged with any creditor.

(c) *Other lock-in requirements:*

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company, except (i) the Offered Shares Allotted pursuant to the Offer for Sale and (ii) the Equity Shares held by persons, who are employees of our Company, (who continue to be employees as on the date of Allotment) pursuant to allotment under ESOP 2014 and ESOP 2016 will be locked-in for a period of one year from the date of Allotment.

(ii) The Equity Shares held by our Promoters which are locked-in may be transferred to and amongst the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

(iii) Pursuant to Regulation 39(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

(iv) The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

(d) *Lock in of Equity Shares to be Allotted, if any, to Anchor Investors*

Any Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

(e) *Other requirements in respect of lock-in*

In terms of Regulation 40 of SEBI ICDR Regulations, the Equity Shares held by the Shareholders prior to the Offer, and which are locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferee for the remaining period and compliance with the Takeover Regulations.

6. **Selling Shareholders' Shareholding in our Company**

The total number of Equity Shares held by the Selling Shareholders in our Company as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Selling Shareholder	Pre-Offer		Post Offer	
	No. of Equity Shares	Percentage %)	No. of Equity Shares*	Percentage (%)
Argan	30,253,016	57.05	24,234,693	[•]
TA	19,998,152	37.71	16,019,860	[•]
Bala Subrahmanyam Malladi	808,770	1.53	539,180	[•]
Saurabh Mukherjee	104,840	0.20	69,893	[•]
Shefali Mohapatra	74,885	0.14	49,923	[•]
Hosabettu Venkatesh Bhat	89,021	0.17	64,059	[•]
Total	**51,328,684**	**96.80**	**40,977,608**	[•]

**Assuming full subscription in the Offer*

7. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up Equity Shares held (IV)*	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)*	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)*	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								No of Voting Rights						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class: Equity	Class: N/A	Total	Total as a % of (A+B+C)							
(A)	Promoter & Promoter Group	2	50,251,168	-	-	50,251,168	94.77	50,251,168	-	50,251,168	94.77	-	-	-		-		50,251,168
(B)	Public	5	2,773,865	-	-	2,773,865	5.23	2,773,865	-	2,773,865	5.23	-	-	-		1,696,349		2,773,865
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**7**	**53,025,033**	**-**	**-**	**53,025,033**	**100.00**	**53,025,033**	**-**	**53,025,033**	**100.00**	**-**	**-**	**-**		**1,696,349**		**53,025,033**

8. **The list of top 10 Shareholders of our Company and the number of Equity Shares held by them**

(a) The top 10 Shareholders as on the date of filing of this Draft Red Herring Prospectus and 10 days prior to the date of filing of this Draft Red Herring Prospectus are as follows are as follows:

S. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)	No. of Employee Stock Options
1.	Argan	30,253,016	57.05	NA
2.	TA	19,998,152	37.71	NA
3.	Chinnaswamy Sunder Raju	1,696,349	3.20	Nil
4.	Bala Subrahmanyam Malladi	808,770	1.53	1,325,271
5.	Sourabh Mukherjee	104,840	0.20	185,538
6.	Hosabettu Venkatesh Bhat	89,021	0.17	Nil
7.	Shefali Mohapatra	74,885	0.14	185,538
	Total	**53,025,033**	**100.00**	

(b) The top 10 Shareholders 10 days prior to the date of filing of this Draft Red Herring Prospectus are as follows are as follows

S. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)	No. of Employee Stock Options
1.	Argan	30,253,016	57.07	NA
2.	TA	19,998,152	37.72	NA
3.	Chinnaswamy Sunder Raju	1,696,349	3.20	Nil
4.	Bala Subrahmanyam Malladi	808,770	1.53	1,325,271
5.	Sourabh Mukherjee	104,840	0.20	185,538
6.	Hosabettu Venkatesh Bhat	74,885	0.14	14,136
7.	Shefali Mohapatra	74,885	0.14	185,538
	Total	**53,010,897**	**100.00**	

(c) The top 10 Shareholders two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Shareholder	No. of Fully Paid-up Equity Shares	Percentage (%)	No. of Employee Stock Options
1.	India Value Fund – IIIA represented by its sole trustee True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited)	397,48,836	76.52	NA
2.	Perpetual Investment (Partnership firm) represented by Chinnaswamy Sunder Raju and K. Nagaraju	6,371,446	12.27	NA
3.	Chinnaswamy Sunder Raju	4,010,500	7.72	Nil
4.	Bala Subrahmanyam Malladi	1,078,360	2.08	539,180
5.	Saurabh Mukherjee	209,680	0.40	104,840
6.	Hosabettu Venkatesh Bhat	125,810	0.24	98,845
7.	Shefali Mohapatra	119,820	0.23	104,835
8.	Tejavati S. Raju	102,900	0.20	Nil
9.	A.C. Chandrashekhar Raju	78,800	0.15	Nil
10.	Prakash Harjivandas Thakrar	47,930	0.09	23,970
11.	Anurag Gupta	47,930	0.09	23,970
	Total	**51,894,082**	**99.99**	

9. **Details of Equity Shares held by our Directors, Key Management Personnel and directors of our Promoters and members of our Promoter Group**

(i) Set out below are details of the Equity Shares held by our Directors in our Company:

S. No.	Name	No. of Equity Shares	Pre-Offer (%)	Post-Offer (%)	Number of employee stock options outstanding
1.	Chinnaswamy Sunder Raju	1,696,349	3.20	[●]	Nil

(ii) In addition to the Equity Shares held by our Directors, as stated above, set out below are details of the Equity Shares held by Key Management Personnel in our Company:

S. No.	Name	No. of Equity Shares	Pre-Offer (%)	Post-Offer (%)	Number of employee stock options outstanding
1.	Bala Subrahmanyam Malladi	808,770	1.53	[●]	1,325,271

(iii) The directors of our Promoters and the members of our Promoter Group do not hold any Equity Shares in our Company.

10. None of the Managers or their respective associates (in accordance with the definition of 'associate company' under Section 2(6) of the Companies Act, 2013) hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus. The Managers and their associates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

11. There are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus and all Equity Shares were fully paid up as on the date of allotment.

12. Except as disclosed above, our Company has not allotted any shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.

13. Except as disclosed in this section, our Company has not made any public or rights issue of any kind or class of securities since its incorporation.

14. Our Company has not made any bonus issue of any kind or class of securities since incorporation.

15. No payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us, our Promoters or the Selling Shareholders to the persons who receive Allotment.

16. Our Company, pursuant to resolutions passed by our Shareholders on February 25, 2014, has adopted ESOP 2014. The aggregate number of Equity Shares, which was issued under ESOP 2014, could not exceed 3,000,000 Equity Shares. The ESOP 2014 was closed pursuant to the Board resolution dated March 9, 2018.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>As on the date of this Draft Red Herring Prospectus, our Company has granted 2,695,915 options
<table>
<tr><th>Financial Year/ Period</th><th>Total No. of Options Granted</th><th>Cumulative No. of Options Granted</th></tr>
<tr><td>Financial Year 2014</td><td>2,444,295</td><td>2,444,295</td></tr>
<tr><td>Financial Year 2015</td><td>Nil</td><td>2,444,295</td></tr>
<tr><td>Financial Year 2016</td><td>251,620</td><td>2,695,915</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td><td>Nil</td></tr>
<tr><td>April 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Pricing formula</td><td>All the options have been granted at an exercise price of Rs. 27.82</td></tr>
<tr><td>Vesting period</td><td>- The vesting period shall start from the date of grant and shall not exceed beyond five years from the date of grant. The vesting may occur in tranches as may be decided by the compensation committee/ authorised officer, which shall be stated in the grant letter.
- The exact vesting period applicable to each grant shall be as stated in the grant letter.
In case the eligible employee does not exercise the options within the exercise period, the options will lapse, without any obligations whatsoever on the Company/ the Board, and no rights or claims will subsist after the date.</td></tr>
<tr><td>Options vested and not exercised</td><td><table>
<tr><th>As at the end of financial year/ period</th><th>Cumulative No. of Options vested and not exercised</th></tr>
<tr><td>Financial Year 2014</td><td>Nil</td></tr>
<tr><td>Financial Year 2015</td><td>Nil</td></tr>
<tr><td>Financial Year 2016</td><td>Nil</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td></tr>
<tr><td>April 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Options exercised</td><td><table>
<tr><th>Financial year / period ended</th><th>Number of Options Exercised</th></tr>
<tr><td>Financial Year 2014</td><td>1,629,530</td></tr>
<tr><td>Financial Year 2015</td><td>Nil</td></tr>
<tr><td>Financial Year 2016</td><td>Nil</td></tr>
<tr><td>Financial Year 2017</td><td>1,066,385</td></tr>
<tr><td>April 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>The total number of Equity Shares arising as a result of exercise of options</td><td>2,695,915</td></tr>
<tr><td>Options forfeited / lapsed</td><td><table>
<tr><th>Financial Year / Period Ended</th><th>Number of Options Lapsed</th></tr>
<tr><td>Financial Year 2014</td><td>Nil</td></tr>
<tr><td>Financial Year 2015</td><td>Nil</td></tr>
<tr><td>Financial Year 2016</td><td>Nil</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td></tr>
<tr><td>April 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Variation of terms of options</td><td>No variations in the terms of options</td></tr>
<tr><td>Money realized by exercise of options</td><td>₹75,000,355</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Total number of options in force</td><td>
<table>
<tr><th>As at the end of financial year/ period</th><th>Cumulative no. of Options in force</th></tr>
<tr><td>Financial Year 2014</td><td>814,765</td></tr>
<tr><td>Financial Year 2015</td><td>814,765</td></tr>
<tr><td>Financial Year 2016</td><td>1,066,385</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td></tr>
<tr><td>April 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>Nil</td></tr>
</table>
</td></tr>
<tr><td>Employee-wise detail of options granted to</td><td></td></tr>
<tr><td>i. Senior managerial personnel</td><td>
<table>
<tr><th>Name</th><th>No. of Options</th><th>Percentage of total options granted</th></tr>
<tr><td>Bala Subrahmanyam Malladi</td><td>1,617,540</td><td>60.00%</td></tr>
<tr><td>Saurabh Mukherjee</td><td>314,520</td><td>11.67%</td></tr>
<tr><td>Shefali Mohapatra</td><td>224,655</td><td>8.33%</td></tr>
<tr><td>Prasanna Gokhale</td><td>35,945</td><td>1.33%</td></tr>
<tr><td>Hara Prasad Kar</td><td>26,960</td><td>1.00%</td></tr>
</table>
</td></tr>
<tr><td>ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td>
<table>
<tr><th>Name</th><th>No. of Options</th><th>Percentage of Total Options Granted during the Financial Year 2014</th></tr>
<tr><td>Hosabettu Venkatesh Bhat</td><td>188,715</td><td>7.72%</td></tr>
</table>
<table>
<tr><th>Name</th><th>No. of Options</th><th>Percentage of Total Options Granted during the Financial Year 2016</th></tr>
<tr><td>Hosabettu Venkatesh Bhat</td><td>35,940</td><td>14.28%</td></tr>
<tr><td>Kishore Divvela</td><td>26,960</td><td>10.71%</td></tr>
<tr><td>Krishnaswamy</td><td>26,960</td><td>10.71%</td></tr>
<tr><td>Santosh Cherian</td><td>26,960</td><td>10.71%</td></tr>
<tr><td>Sukhbir Bhatia</td><td>26,960</td><td>10.71%</td></tr>
</table>
</td></tr>
<tr><td>iii. Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td>
<table>
<tr><th>Name</th><th>No. of Options</th><th>Percentage of Options Granted during the Financial Year 2014 to the Paid Up Equity share capital of the Company as on the date of Grant.</th></tr>
<tr><td>Bala Subrahmanyam Malladi</td><td>1,617,540</td><td>4.64%</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Fully diluted Earnings per Equity Share – (face value ₹10 per Equity Share) pursuant to issue of Equity Shares on exercise of options calculated in accordance with Ind AS 33 'Earnings per Share'</td><td>The reported diluted earnings per equity share calculated in accordance with relevant accounting standards is as follows:
<table>
<tr><th>Year</th><th>Reported Diluted EPS as per Standalone Restated Financial Information</th><th>Reported Diluted EPS as per Consolidated Restated Financial Information</th></tr>
<tr><td>Financial Year 2014</td><td>14.67</td><td>9.99</td></tr>
<tr><td>Financial Year 2015</td><td>6.25</td><td>5.80</td></tr>
<tr><td>Financial Year 2016</td><td>16.14</td><td>13.78</td></tr>
<tr><td>Financial Year 2017</td><td>28.40</td><td>28.09</td></tr>
<tr><td>Half Year ended September 30, 2017*</td><td>18.87</td><td>22.70</td></tr>
</table>
*Not Annualised</td></tr>
<tr><td>Lock-in</td><td>As per the scheme after the options are converted into Equity Shares, the Equity Shares so converted shall not be subject to lock in.</td></tr>
<tr><td>Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and its impact on profits and on the Earnings per Equity Share – (face value ₹10 per Equity Share)</td><td>In accordance with the Restated Standalone Financial Information the Company has adopted the following accounting policy with respect to Share Based Payment consequent to adoption of Ind AS.

"The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards".

As on September 30, 2017 no options under this scheme are outstanding.</td></tr>
<tr><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>The weighted average exercise price, fair value and intrinsic value for the options outstanding are as follows:
<table>
<tr><th>Financial Year/ Period</th><th>Weighted average Intrinsic value of options as on date of grant</th><th>Weighted average exercise price as on the date of grant</th><th>Weighted average fair value of Options as on the date of grant</th></tr>
<tr><td>Financial Year 2014</td><td>7.43</td><td>27.82</td><td>13.76</td></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>130.28</td><td>27.82</td><td>132.54</td></tr>
<tr><td>Financial Year 2017</td><td>Not Applicable</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Six Months ended September 30, 2017</td><td>Not Applicable</td><td>Not Applicable</td><td>Not Applicable</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>For Estimating the fair value of options the company has adopted the Black Scholes method with the following assumptions as stated in the Sub Note C of Note 11 of the Restated Standalone Financial Information:

<table>
<tr><th>Particulars</th><th>Financial Year 2014</th><th>Financial Year 2015</th><th>Financial Year 2016</th><th>Financial Year 2017</th></tr>
<tr><td>Risk Free Interest Rate</td><td>8.23%</td><td>Not Applicable</td><td>8.23%</td><td>Not Applicable</td></tr>
<tr><td>Expected Life of Options (in Years)</td><td>3.55 years</td><td>Not Applicable</td><td>3 years</td><td>Not Applicable</td></tr>
<tr><td>Expected Volatility</td><td>18.39%</td><td>Not Applicable</td><td>18.39%</td><td>Not Applicable</td></tr>
<tr><td>Expected Dividend</td><td>0%</td><td>Not Applicable</td><td>0%</td><td>Not Applicable</td></tr>
<tr><td>Share Price on the Date of the Grant</td><td>Rs. 35.25</td><td>Not Applicable</td><td>Rs. 158.10</td><td>Not Applicable</td></tr>
<tr><td>Exercise Price</td><td>Rs. 27.82</td><td>Not Applicable</td><td>Rs. 27.82</td><td>Not Applicable</td></tr>
</table></td></tr>
<tr><td>Impact on profit and Earnings per Equity Share – (face value ₹10 per Equity Share) of the last three years if the accounting policies prescribed in the SEBI ESOP Regulations had been followed in respect of options granted in the last three years</td><td>In accordance with the Restated Standalone Financial Information the Company has adopted the following accounting policy with respect to Share Based Payment consequent to adoption of Ind AS.

“The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards”.

The above accounting policy is in accordance with Ind AS 102 – Share Based Payments. Hence the same is in accordance with Regulation 15 of SEBI (Share Based Employee Benefits) regulations.

<table>
<tr><th>Financial Year/ Period</th><th>Effect on Profits</th><th>Effect on EPS</th></tr>
<tr><td>Financial Year 2014</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Financial Year 2015</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Financial Year 2016</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Half year period ended September 30, 2017</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Intention of the holders of Equity Shares allotted on exercise of options granted to sell their shares within three months after the date of listing of Equity Shares pursuant to the Offer</td><td>Nil</td></tr>
<tr><td>Intention to sell Equity Shares arising out of the ESOP 2014 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of ESOP 2014 amounting to more than 1% of the issued capital</td><td>Nil</td></tr>
</table>

Particulars	Details
(excluding outstanding warrants and conversions), which inter alia shall include name, designation and quantum of the equity shares issued under the ESOP 2016 and the quantum they intend to sell within 3 months.	

17. Our Company, pursuant to resolutions passed by our Shareholders on May 6, 2016 has adopted ESOP 2016. ESOP 2016 has been amended pursuant to resolutions passed by our Shareholders dated August 16, 2016, January 31, 2018 and March 17, 2018 respectively. The aggregate number of Equity Shares, which may be issued under ESOP 2016, may not exceed 6% of the fully paid up Equity Shares of face value of ₹10 each of the Company as on the effective date of the ESOP 2016. The ESOP 2016 is compliant with the SEBI ESOP Regulations and the Companies Act, 2013.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>As on the date of this Draft Red Herring Prospectus, the Company has granted 28,36,083 options

<table>
<tr><th>Financial Year/ Period</th><th>Total No. of Options Granted</th><th>Cumulative No. of Options Granted</th></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2017</td><td>2,597,532</td><td>2,597,532</td></tr>
<tr><td>Six months period ended September 30, 2017</td><td>-</td><td>2,597,532</td></tr>
<tr><td>October 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>238,551</td><td>2,836,083</td></tr>
</table></td></tr>
<tr><td>Pricing formula</td><td>The Exercise price of the Equity Shares under this scheme will be as determined by the Board/ Nomination and Remuneration Committee, at the time of grant of such options, provided that the option exercise price shall not be less than the face value of equity shares of the Company on the date of grant of options as determined in accordance with the SEBI guidelines.

The option exercise price will be specified in the relevant option agreement given to the grantee at the time of grant of options.

The exercise price under ESOP 2016 is ₹500 per option</td></tr>
<tr><td>Vesting period</td><td>- The options granted would vest not earlier than one year from the respective grant date(s) or such other period or manner as may be provided in SEBI guidelines or determined by the Board/ Nomination and remuneration Committee from time to time on the grant date in accordance with the vesting schedule communicated in the option agreement.
- Notwithstanding the above, the Board/ Nomination and Remuneration Committee may (i) not vest any of the options already granted or (ii) vest such lesser number of options than as already granted, based on the performance of the company and/ or in the event it is found that the grantee has not satisfied any vesting condition or has not performed up to the expectations or has not been regularly attending the office for a substantial period of time without any valid reason or authority or has been put on a modified employment arrangement such as part-time working, reassignment to lower accountability, sabbatical, leave without</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td></td><td>pay, or is found to be guilty of fraud or misconduct or has violated the company policies/ terms of employment or the company code of conduct or on account of such other circumstances as the Board/ Nomination and Remuneration Committee may in its absolute discretion decide.</td></tr>
<tr><td>Options vested and not exercised</td><td><table>
<tr><th>As at the end of financial year/ period</th><th>Cumulative No. of Options vested and not exercised</th></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td></tr>
<tr><td>Six months ended September 30, 2017</td><td>434,686</td></tr>
<tr><td>October 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>438,220</td></tr>
</table></td></tr>
<tr><td>Options exercised</td><td><table>
<tr><th>Financial year / period ended</th><th>Number of Options Exercised</th></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td></tr>
<tr><td>Six months ended September 30, 2017</td><td>Nil</td></tr>
<tr><td>October 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>14,136</td></tr>
</table></td></tr>
<tr><td>The total number of Equity Shares arising as a result of exercise of options</td><td>14,136 Equity Shares</td></tr>
<tr><td>Options forfeited / lapsed</td><td><table>
<tr><th>Financial Year / Period Ended</th><th>Number of Options Lapsed</th></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td></tr>
<tr><td>Six months ended September 30, 2017</td><td>22,382</td></tr>
<tr><td>October 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>130,761</td></tr>
</table></td></tr>
<tr><td>Variation of terms of options</td><td>The terms of options of ESOP 2016, has been amended on January 31, 2018 and March 17, 2018 in accordance with the provisions of the Companies Act, 2013, the rules made thereunder, and all other applicable provisions, the SEBI (Share Based Employee Benefits) Regulations, 2014, SEBI ICDR Regulations and any other applicable laws for the time being in force, to inter-alia amend the exercise period for option holders who cease to be an employee of the Company, to revise the nomenclature of the performance linked options to “Individual Performance-linked Options” and “Company Performance-linked Options” and such other amendments to the ESOP 2016 to ensure compliance with the requirements under Applicable Laws</td></tr>
<tr><td>Money realized by exercise of options</td><td>₹7,068,000</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Total number of options in force</td><td>
<table>
<tr><th>As at the end of financial year/ period</th><th>Cumulative no. of Options in force*</th></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2017</td><td>2,597,532</td></tr>
<tr><td>Six months ended September 30, 2017</td><td>2,575,150</td></tr>
<tr><td>October 1, 2017 to the date of this Draft Red Herring Prospectus</td><td>2,668,804</td></tr>
</table>
*Options in Force= Options outstanding at the beginning+ Options Granted during the period-Options lapsed or forfeited during the period- Options exercised during the period
</td></tr>
<tr><td>Employee-wise detail of options granted to</td><td></td></tr>
<tr><td>i. Senior managerial personnel</td><td>
<table>
<tr><th>Name</th><th>No. of Options</th><th>Percentage of total options granted</th></tr>
<tr><td>Bala Subramanyam Malladi</td><td>1,325,271</td><td>46.73</td></tr>
<tr><td>Saurabh Mukherjee</td><td>185,538</td><td>6.54</td></tr>
<tr><td>Shefali Mohapatra</td><td>185,538</td><td>6.54</td></tr>
<tr><td>Eashwar Iyer</td><td>132,528</td><td>4.67</td></tr>
<tr><td>Prasanna Gokhale</td><td>132,528</td><td>4.67</td></tr>
<tr><td>Sandeep Gupta</td><td>132,528</td><td>4.67</td></tr>
<tr><td>Hara Prasad Kar</td><td>106,023</td><td>3.74</td></tr>
<tr><td>Partha Biswas</td><td>106,023</td><td>3.74</td></tr>
</table>
</td></tr>
<tr><td>ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td>
<table>
<tr><th>Name</th><th>No. of Options</th><th>Percentage of Total Options Granted during the Financial Year 2016-17</th></tr>
<tr><td>Hosabettu Venkatesh Bhat</td><td>159,033</td><td>6.12%</td></tr>
</table>
</td></tr>
<tr><td>iii. Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td>
<table>
<tr><th>Name</th><th>No. of Options</th><th>Percentage of Options Granted during the Financial Year 2017 to the Paid Up Equity share capital of the Company as on the date of Grant.</th></tr>
<tr><td>Bala Subrahmanyam Malladi</td><td>1,325,271</td><td>2.50%</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Fully diluted Earnings per Equity Share – (face value ₹10 per Equity Share) pursuant to issue of Equity Shares on exercise of options calculated in accordance with Ind AS 33 ‘Earnings per Share’</td><td>As on September 30, 2017, no shares are issued pursuant to exercise of Options granted under this scheme.

The reported diluted earnings per equity share calculated in accordance with relevant accounting standards is as follows:

<table>
<tr><th>Year</th><th>Reported Diluted EPS as per the Standalone Restated Financial Information</th><th>Reported Diluted EPS as per the Consolidated Restated Financial Information</th></tr>
<tr><td>Financial Year 2015</td><td>6.25</td><td>5.80</td></tr>
<tr><td>Financial Year 2016</td><td>16.14</td><td>13.78</td></tr>
<tr><td>Financial Year 2017</td><td>28.40</td><td>28.09</td></tr>
<tr><td>Half Year ended September 30, 2017*</td><td>18.87</td><td>22.70</td></tr>
</table>
Not Annualised</td></tr>
<tr><td>Lock-in</td><td>As per the scheme there will be no lock-in period in respect of the Equity Shares, which may be issued and allotted on exercise of the options pursuant to this scheme unless otherwise provided under other applicable laws. The Board/ Nomination and Remuneration Committee may impose such other additional conditions (including but not limited to performance conditions) as may be deemed appropriate for vesting of options issued under this scheme.</td></tr>
<tr><td>Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and its impact on profits and on the Earnings per Equity Share – (face value ₹10 per Equity Share)</td><td>In accordance with the Restated Standalone Financial Information the Company has adopted the following accounting policy with respect to Share Based Payment consequent to adoption of Ind AS.

“The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards”.

Hence for the stock options outstanding as on September 30, 2017 there is no difference in the employee cost and earning per share as the share based employee compensation is calculated as per fair value method.</td></tr>
<tr><td>Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>As per the Restated Financial Information the weighted average exercise price, fair value and intrinsic value for the options outstanding are as follows:

<table>
<tr><th>Financial Year/ Period</th><th>Weighted average Intrinsic value of options as on date of grant</th><th>Weighted average exercise price as on the date of grant</th><th>Weighted average fair value of Options as on the date of grant</th></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>Not Applicable</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2017</td><td>Not Applicable</td><td>500</td><td>201.16 for the Options granted for which vesting is linked to time and individual performance.</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td></td><td><table>
<tr><td></td><td></td><td></td><td>263 for the Options granted for which vesting is linked to Company Performance</td></tr>
<tr><td>Six Months ended September 30, 2017</td><td>Not Applicable</td><td>Not Applicable</td><td>Not Applicable</td></tr>
</table></td></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>For estimating the fair value of options the company has adopted the Black Scholes method with the following assumptions as stated in the Sub Note C of Note 11 of the Restated Standalone Financial Information:
<table>
<tr><th>Particulars</th><th>Financial Year 2017</th><th>Six Months ended September 30, 2017</th></tr>
<tr><td>Risk Free Interest Rate</td><td>7.4% to 7.6%</td><td>Nil</td></tr>
<tr><td>Expected Life (in Years)</td><td>Ranging from 4.50 years to 7.96 Years</td><td>Nil</td></tr>
<tr><td>Expected Volatility</td><td>47.3% to 52.3%</td><td>Nil</td></tr>
<tr><td>Expected Dividend Yield</td><td>0%</td><td>Nil</td></tr>
<tr><td>Share Price at the Grant Date</td><td>417.00</td><td>Nil</td></tr>
<tr><td>Exercise Price</td><td>500.00</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Impact on profit and Earnings per Equity Share – (face value ₹10 per Equity Share) of the last three years if the accounting policies prescribed in the SEBI ESOP Regulations had been followed in respect of options granted in the last three years</td><td>In accordance with the Restated Standalone Financial Information the Company has adopted the following accounting policy with respect to Share Based Payment consequent to adoption of Ind AS.

“The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards”.

The above accounting policy is in accordance with Ind AS 102 – Share Based Payments. Hence the same is in accordance with Regulation 15 of SEBI (Share Based Employee Benefits) regulations.
<table>
<tr><th>Financial Year/ Period</th><th>Effect on Profits</th><th>Effect on EPS</th></tr>
<tr><td>Financial Year 2015</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2016</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Financial Year 2017</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Half year period ended September 30, 2017</td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Intention of the holders of Equity Shares allotted on exercise of options granted to sell their shares within three months after the date of listing of Equity Shares pursuant to the Offer</td><td>Nil</td></tr>
<tr><td>Intention to sell Equity Shares arising out of the ESOP 2014 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having</td><td>Nil</td></tr>
</table>

Particulars	Details
Equity Shares arising out of ESOP 2016 amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions), which inter alia shall include name, designation and quantum of the equity shares issued under the ESOP 2016 and the quantum they intend to sell within 3 months.	

18. None of the members of our Promoter Group, our Promoters, directors of our Promoter, our Directors or their immediate relatives have purchased or sold any securities of our Company or the Subsidiaries during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.

19. As of the date of the filing of this Draft Red Herring Prospectus, the total number of our Shareholders is seven.

20. Our Company, our Directors and the Managers have not made any or entered into any buy-back arrangements, safety net or standby arrangements for purchase of the Equity Shares to be offered as a part of the Offer.

21. All Equity Shares issued pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus.

22. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearer multiple of minimum Allotment lot.

23. Except pursuant to ESOP 2016, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer.

24. Except the sale of the Offered Shares in the Offer for Sale by our Promoters, our Promoters, our Promoter Group and Group Companies will not participate in the Offer.

25. Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of the Red Herring Prospectus with RoC and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

26. There have been no financing arrangements whereby, our Promoter Group, our Directors, and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business during a period of six months preceding the date of filing of this Draft Red Herring Prospectus.

27. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Offer; and (b) any issuance, offer, sale or any other transfer or transaction of a kind referred to above of any Equity Shares under or in connection with the exercise of any employee stock options or similar securities, as disclosed in this Draft Red Herring Prospectus and as will be disclosed in the Red Herring Prospectus and the Prospectus, provided they have been approved by our Board. Provided further that if our

Company enters into acquisitions or joint ventures or if the business needs otherwise arise, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares for participation in such acquisitions or joint ventures or other arrangements.

28. Except for any issue of Equity Shares pursuant to exercise of employee stock options granted under ESOP 2016, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges.

29. Only Eligible Employees would be eligible to apply in the Offer under the Employee Reservation Portion on a competitive basis. Bids by Eligible Employees can also be made in the Net Offer and such Bids shall not be treated as multiple Bids. The Employee Reservation Portion will not exceed 5% of the post-Offer capital of our Company, subject to the Net Offer constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company.

30. Any unsubscribed Equity Shares in the Employee Reservation Portion shall be added to the Net Offer. Under-subscription, if any, in any category, in the Net Offer, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders in consultation with the Managers and the Designated Stock Exchange. Such *inter-se* spillover, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines. Undersubscription, if any, in the QIB Portion will not be allowed to be met with spill-over from any category or combination thereof.

31. The Offer is being in made in terms of Rule 19(2)(b) of the SCRR. The Offer is being made in terms of Regulation 26(1) of the SEBI ICDR Regulations and through a Book Building Process wherein 50% of the Net Offer shall be Allotted on a proportionate basis to QIBs. Our Company may, in consultation with the Managers and Promoter Selling Shareholders, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third shall be available for allocation to domestic Mutual Funds only. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs, to participate in the Offer. Our Company and the Promoter Selling Shareholders may in consultation with the Managers offer a Retail Discount and an Employee Discount in accordance with the SEBI ICDR Regulations. For further details, see "*Offer Procedure*" on page 455.

32. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

33. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

34. No person connected with the Offer, including, but not limited to, the Managers, the members of the Syndicate, our Company and our Directors the Promoters, members of our Promoter Group and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

35. Except options granted pursuant to ESOP 2016, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue.

Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale, excluding their respective portion of the Offer related expenses.

Requirement of Funds

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Capital expenditure towards continued expansion of our underground network infrastructure;

2. Repayment and/or pre-payment of debt; and

3. General corporate purposes (collectively, referred to herein as the "**Objects**").

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

The main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue.

Net Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below:

(₹ in million)

Particulars	Amount
Gross Proceeds	8,000.00
(Less) Fresh Issue related expenses(1)	[●]
Net Proceeds	**[●]**

(1) To be finalised upon determination of the Offer Price

Utilization of Net Proceeds and Schedule of Implementation and Deployment

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

(In ₹ million)

Particulars	Total Estimated Cost	Amount which will be financed from Net Proceeds(1)	Estimated Utilisation of Net Proceeds		
			Fiscal 2019	Fiscal 2020	Fiscal 2021
Capital expenditure towards continued expansion of our underground network infrastructure	3,039.09	3,039.09	1,177.80	1,122.00	739.29
Repayment and/or pre-payment of debt	3,119.80	3,119.80	3,119.80	-	-
General corporate purposes(1)	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]

(1) To be finalised upon determination of Offer Price. The amount shall not exceed 25% of the Gross Proceeds of the Fresh Issue

Means of Finance

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management. Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 4(4) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated costs of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Offer.

The above fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution and are based on quotations received from vendors and suppliers, which are subject to change in the future. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see "*Risk Factors*" on page 18.

The fund requirements set out below are proposed to be entirely funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable internal accruals as required under the SEBI ICDR Regulations.

Details of the Objects of the Fresh Issue

1. **Capital expenditure towards continued expansion of our underground network infrastructure**

As part of our strategy to further invest in network infrastructure and technology to continue to offer reliable and consistent high-speed wired broadband services and the expansion of our fiber network, we propose to continue to develop our underground network infrastructure in the cities that we currently operate. For further details see "*Our Business – Our Strategies*" on page 134.

Our Company estimates to incur a capital expenditure of ₹3,039.09 million towards expanding our underground network infrastructure on the cost of procurement of optic fiber cables, ducts and accessories required for such expansion plans along with the labour cost involved in laying such cables underground. A brief description of the cable, accessories and equipment proposed to be purchased is set out below:

A. Armoured and unarmoured Optical Fiber Cables

Optic fiber cables (OFC) are bare fibers wrapped with tubes of polyethylene/poly vinyl chloride (PE/PVC) plastic and strengthening material. These cables can be of two types i.e. armoured and unarmoured, the basic difference between the two being an extra layer of metal sheath surrounding the armoured cable. The cables are used to carry light from one location to another location and can range from a single core of fiber, i.e., 1F OFC to multiples of 1028F OFC

B. Ducts and Accessories

The optical fiber cables are required to be laid inside high density polyethylene (HDPE) ducts. These conduits have smooth outside walls with internal longitudinal ribs for added strength and can be installed using open trench methods, horizontal directional drilling, or by way of ploughing, or pulling into conduit. The HDPE conduits have an outer diameter of 44mm and the inner diameter varies basis the size of the OFC being pulled inside the cable. Accessories such as end plugs and couplers are required to join the ducts as required. These accessories are also made from HDPE and are used at every joining point or end point of the conduit.

C. Joint Enclosures

Joint enclosures are required to split the various cores of the optic fiber cables in multiple directions. The joint enclosure have splicing trays inside it which are used to house the bare fiber which are spliced and distributed into multiple cables. It has provisions two-three cable entry and exit points with earthing protection. The joint enclosures are also IP68 grade so that it is dust proof and water proof.

D. Racks and fiber management systems/ patch panels

The racks and fiber management systems are used for fiber management and distribution. The racks and fiber management systems are made up of sheath metal having a thickness of 1~ 1.5mm with a powder coating on top of it. These racks are 800mm x 800m x 1,860mm in width, depth and height. These racks are used to mount 19 inch patch panels which are mainly used for splitting fiber cores into multiple directions. The racks provide for cable entry and exit with options for multiple splice trays and connectors.

E. Labour costs

This includes costs proposed to be incurred towards digging and trenching for duct laying and optic fiber laying. We typically employ horizontal directional drilling in certain locations such as Bengaluru and Chennai which is a mechanised process involving specialised machinery. In some locations such as Hyderabad, we undertake trenching which is a more labour intensive process involving more man hours. Depending on the undulations in the trenches/ horizontally drilled paths, we adopt blowing or pulling methods to lay the optic fiber cables.

The estimated costs proposed to be incurred towards each of these heads are set forth below:

Particulars	Per unit cost (in ₹)	Quantity proposed to be purchased/ service rendered	Total estimated cost (in ₹ million)	Amount to be funded from Net Proceeds (in ₹ million)	Quotations received from
Optical fiber cables					
96F single mode G652D multi-tube armoured optical fiber cable (km)	102,300	5,000	511.50	511.50	Sterlite Technologies Limited
144F single mode G652D multi-tube armoured optical fiber cable (km)	200,277	500	100.14	100.14	Sterlite Technologies Limited
288F single mode G652D multi-tube armoured optical fiber cable (km)	325,000	500	162.50	162.50	Sterlite Technologies Limited
24F 3FRP unitube G652D unarmoured optical fiber cable (km)	28,100	5,000	140.50	140.50	Sterlite Technologies Limited
12F 3FRP unitube G652D unarmoured optical fiber cable (km)	15,200	5,000	76.00	76.00	Sterlite Technologies Limited
4F 3FRP unitube G652D unarmoured optical fiber cable (km)	8,800	3,000	26.40	26.40	Sterlite Technologies Limited
Ducts and Accessories					
End plugs	50	63,731	3.19	3.19	Dura Line India Private Limited
Push fit couplers	125	33,723	4.22	4.22	Dura Line India Private Limited
Simple plugs	80	20,873	1.67	1.67	Dura Line India Private Limited

Particulars	Per unit cost (in ₹)	Quantity proposed to be purchased/ service rendered	Total estimated cost (in ₹ million)	Amount to be funded from Net Proceeds (in ₹ million)	Quotations received from
HDPE duct	44,530	7,500	333.98	333.98	Dura Line India Private Limited
Joint Enclosures					
Optical fiber joint enclosures – 96F	1,560	9,890	15.43	15.43	R&M India Private Limited
Racks and fiber management systems/ patch panels					
Fiber management systems	10,500	6,500	68.25	68.25	Advanced Fiber Solutions
Racks	15,390	2,000	30.78	30.78	Central Network Systems Inc.
Labour					
Horizontal drilling (km)	900,000	1,700	1,530.00	1,530.00	NCTI LLP
Ring pit excavation	10,000	3,453	34.53	34.53	NCTI LLP
Total			**3,039.09**	**3,039.09**	

All quotations received from the vendors mentioned above are valid as on the date of the Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide services at the same costs. The quantity of equipment and accessories to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment or accessories at the cities in which we currently operate according to the business requirements of such cities and based on the estimates of our management. The quotations received from vendors are exclusive of applicable taxes which will be borne by our Company out of its internal accruals. Similarly, the estimated cost is exclusive of charges which may be attributable towards transportation, freight etc., which will be borne by our Company out of its internal accruals.

Our Company will be required to obtain right of way licenses or other similar approvals from the relevant authorities such as the National Highway Authority of India, the municipal corporations and panchayats in each of the jurisdictions in which we propose to expand our underground network infrastructure. In the city of Bengaluru, for instance, we have entered into a memorandum of understanding with the Bruhath Bangalore Mahanagara Palike (BBMP) in respect of right of way permission for laying optical fiber network within the areas coming under its jurisdiction pursuant to which we approach the BBMP from time to time for right of way permissions for the specific locations in which we propose to expand our network. Similarly, in the city of Chennai, pursuant to the order of the Information Technology Department, dated February 21, 2018, (whereunder District Commissioners were designated as nodal officers for right of way permissions) the Principle Secretary to the Government, Information Technology Department has remitted applications made by various telecom companies including our Company for right of way permissions to the District Commissioners of relevant jurisdictions for necessary action. For details, see "*Government Approvals*" on page 427.

Our Promoters and Directors have no interest in the proposed procurements as stated above.

2. **Repayment or pre-payment in full of certain indebtedness**

Our Company has entered into various financing arrangements with banks and financial institutions which include borrowings in the form of secured loans (long term and short terms loans) and corporate guarantees provided for the benefit of few of our Subsidiaries. For details of these financing arrangements including the terms and conditions, see "*Financial Indebtedness*" on page 413. As on December 31, 2017, the amounts outstanding from the loan agreements (fund based) entered into by our Company was ₹3,952.76 million.

Our Company intends to utilize the Net Proceeds aggregating up to ₹3,119.80 million towards full repayment and/or pre-payment of the following borrowings availed by our Company. The selection of borrowings proposed to be repaid/pre-paid from our facilities provided is based on various factors, including (i) any conditions attached to the borrowings restricting our ability to pre-pay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of, such requirements, (ii) receipt of consents for pre-payment from the respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any pre-payment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of pre-payment penalty, if any, shall be made out of the Net Proceeds of the Fresh Issue. In the event that the Net Proceeds of the Fresh Issue are insufficient for the said payment of pre-payment penalty, such payment shall be made from the internal accruals of our Company.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund our potential business development opportunities. The details of the outstanding loans availed by our Company which are proposed to be repaid/ pre-paid from the Net Proceeds are set out below.

Loans availed by our Company

(Amount in millions)

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned	Amount outstanding as on December 31, 2017[1]	Interest Rate (% per annum)	Purpose[2]	Repayment Schedule	Pre-payment Penalty/ Conditions
1.	HDFC Bank Limited	Common loan agreement dated September 28, 2015 and amendment dated November 30, 2015 Deeds of Assignment to the common loan agreement dated December 31, 2015 and March 18, 2016 Deed of Accession dated March 18, 2016	*Tranche A*: 566.60* *Tranche B*: 433.40*	620.62	Base Rate + Spread, i.e., 10.15% per annum, presently	*Tranche A:* (i) Funding 75% of the capital expenditure; and (ii) meeting of expenses related to the Tranche A *Tranche B:* (i) redemption of debentures issued by our Company to the extent permitted by applicable RBI guidelines; and (ii) meeting expenses related to Tranche B	*Tranche A:* To be repaid in 18 structured quarterly payments, commencing from June 30, 2016 *Tranche B:* To be repaid in 10 quarterly repayments commencing from March 31, 2016	Pre-payment premium is payable to the lender at the rate of 1.5% of the amount of the outstanding loan being prepaid by our Company, plus applicable taxes Further, any pre-payment shall be pro-rata to all the lenders (i.e. HDFC Bank Limited, Federal bank Limited and IndusInd Bank Limited) No pre-payment penalty is payable if the pre-payment is made at the instance of the lenders or if the pre-payment is made at the end of nine months from the date of first disbursement and after every six months thereafter if the Company provides a notice of pre-payment of 15 days and pre-pays the amounts within 30 days of the pre-payment
2.	HDFC Bank Limited	Sanction letter dated September 29, 2013	*Term loan 1:* 150.00 *Term loan 2:* 350.00	107.78	Base Rate + 4.20% bps p.a, i.e., 10.50% per annum, presently	*Term loan 1:* reimbursement of capital expenditure incurred by our Company and towards working capital requirements *Term loan 2:* to be used for capital expenditure	Repayable in equal quarterly instalments for both term loans and after an initial moratorium of six months from the date of first disbursement for term loan 2	Nil
3.	HDFC Bank Limited	Sanction letter dated July 30, 2014 Loan agreement dated April 29, 2015	*Term loan 3:* 500.00 *Letter of credit:* 200.00 (sub-limit of the term loan)	277.78	Base rate + 300 bps, i.e., 10.50% per annum, presently	*Term loan 3*: Meeting working capital requirements *Letter of credit:* procurement of raw materials, consumables and capital expenditure	To be repaid in 20 equal quarterly payments, after an initial moratorium of six months from the date of first disbursement	Nil

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned	Amount outstanding as on December 31, 2017[(1)]	Interest Rate (% per annum)	Purpose[(2)]	Repayment Schedule	Pre-payment Penalty/ Conditions
4.	HDFC Bank Limited	Sanction letter dated January 9, 2017 Common loan agreement dated March 8, 2017	*Tranche A:* 625.00**** *Tranche B:* 375.00****	1,000.00	1 year MCLR + spread, i.e., 9.40% per annum, presently	Capital expenditure towards roll out of new network and re-imbursing capital expenditure incurred in the last 12 months	Both tranches to be repaid in nine unequal consecutive semi annual instalments from the last date of the quarter of the first draw down	Pre-payment premium is payable to the lender at the rate of 1.5% of the amount of the outstanding loan being prepaid by our Company, plus applicable taxes. No pre-payment penalty is payable if the pre-payment is made at the instance of the lenders or if the pre-payment is made at the end of nine months from the date of first disbursement and after every six months thereafter if the Company provides a notice of pre-payment of 15 days and pre-pays the amounts within 30 days of the pre-payment
5.	Indus Ind Bank	Sanction letter dated June 13, 2017 Deed of Accession dated July 19, 2017	*Tranche 1:* 375.00*** *Tranche 2:* 375.00***	750.00	1 year MCLR +spread, i.e., 9.40% per annum, presently	Capital expenditure towards roll out of new network and re-imbursing capital expenditure incurred in the last 12 months	Both tranches to be repaid in nine unequal consecutive semi annual instalments from the end of the quarter starting after the moratorium period of 12 months	Pre-payment premium is payable to the lender at the rate of 1.5% of the amount of the outstanding loan being prepaid by our Company, plus applicable taxes. No pre-payment penalty is payable if the pre-payment is made at the instance of the lenders or if the pre-payment is made at the end of nine months from the date of first disbursement and after every six months thereafter if the Company provides a notice of pre-payment of 15 days and pre-pays the amounts within 30 days of the pre-payment
6.	Indian Bank	Sanction letter dated July 10, 2017 Deed of Accession dated August 28, 2017	*Tranche 1:* 125.00 *Tranche 2:* 125.00	250.00	1 Year MCLR +spread, i.e., 9.40%	Capital expenditure towards roll out of new network and re-imbursing capital expenditure incurred in the last 12 months	Nine unequal consecutive semi annual instalments after moratorium period of 12 months	Pre-payment premium is payable to the lender at the rate of 1.5% of the amount of the outstanding loan being prepaid by our Company, plus applicable taxes. No pre-payment penalty is payable if the pre-payment is made at the instance of the lenders or if the pre-payment is made at the end of nine months from the date of first

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned	Amount outstanding as on December 31, 2017(1)	Interest Rate (% per annum)	Purpose(2)	Repayment Schedule	Pre-payment Penalty/ Conditions
								disbursement and after every six months thereafter if the Company provides a notice of pre-payment of 15 days and pre-pays the amounts within 30 days of the pre-payment
7.	Federal Bank Limited	Common loan agreement dated September 28, 2015 and amendment dated November 30, 2015 Deeds of Assignment to the common loan agreement dated December 31, 2015 and March 18, 2016 Deed of Accession dated March 18, 2016	*Tranche A*: 600.00 *Tranche B*: 400.00	645.70	Base Rate + Spread, i.e., 10.00% per annum, presently	Tranche A: (i) Funding 75% of the capital expenditure; and (ii) meeting of expenses related to the Tranche A Tranche B: (i) redemption of debentures issued by our Company to the extent permitted by applicable RBI guidelines; and (ii) meeting expenses related to Tranche B	*Tranche A:* To be repaid in 18 structured quarterly payments, commencing from June 30, 2016 *Tranche B:* To be repaid in 10 quarterly repayments commencing from March 31, 2016	Pre-payment premium is payable to the lender at the rate of 1.5% of the amount of the outstanding loan being prepaid by our Company, plus applicable taxes. No pre-payment penalty is payable if the pre-payment is made at the instance of the lenders or if the pre-payment is made at the end of nine months from the date of first disbursement and after every six months thereafter if the Company provides a notice of pre-payment of 15 days and pre-pays the amounts within 30 days of the pre-payment Further, any pre-payment shall be pro-rata to all the lenders (i.e. HDFC Bank Limited, Federal bank Limited and IndusInd Bank Limited)
8.	IndusInd Bank Limited	Common loan agreement dated September 28, 2015 and amendment dated November 30, 2015 Deeds of Assignment to the common loan agreement dated December 31, 2015 and March 18, 2016	*Tranche A*: 583.40** *Tranche B*: 416.60**	300.88	1 Year MCLR i.e., 10.00% per annum, presently	*Tranche A:* (i) Funding 75% of the capital expenditure; and (ii) meeting of expenses related to the Tranche A *Tranche B:* (i) redemption of debentures issued by our Company to the extent permitted by applicable RBI guidelines; and (ii) meeting expenses related to Tranche B	*Tranche A:* To be repaid in 18 structured quarterly payments, commencing from June 30, 2016 *Tranche B:* To be repaid in 10 quarterly repayments commencing from March 31, 2016	Pre-payment premium is payable to the lender at the rate of 1.5% of the amount of the outstanding loan being prepaid by our Company, plus applicable taxes Further, any pre-payment shall be pro-rata to all the lenders (i.e. HDFC Bank Limited, Federal bank Limited and IndusInd Bank Limited) No pre-payment penalty is payable if the pre-payment is made at the instance of the lenders or if the pre-payment is

S. No.	Name of the lender	Particulars of documentation	Amount Sanctioned	Amount outstanding as on December 31, 2017(1)	Interest Rate (% per annum)	Purpose(2)	Repayment Schedule	Pre-payment Penalty/ Conditions
		Deed of Accession dated March 18, 2016 Letter dated August 24, 2016						made at the end of nine months from the date of first disbursement and after every six months thereafter if the Company provides a notice of pre-payment of 15 days and pre-pays the amounts within 30 days of the pre-payment

** Total sanction amount was ₹ 3,000 million out of the same amounts of ₹ 1,000 million was syndicated to Federal Bank Limited and IndusInd Bank Limited each resulting in net term loan sanction from HDFC Bank Limited of ₹ 1,000 million*

*** The original sanctioned amount for the facility was ₹1,000 million which was reduced to ₹430.80 million based on the outstanding balance vide letter dated June 13, 2017. Also includes sub limit of forward cover/ derivative limit to the tune of ₹ 430.80 million*

**** Includes sub limit of forward cover/ derivative limit to the tune of ₹750.00 million*

***** Total sanction amount was ₹2,000 million out of the same amounts of ₹750 million and ₹250 million was syndicated to IndusInd Bank Limited and Indian Bank respectively, resulting in net term loan sanction from HDFC Bank Limited of ₹ 1,000 million*

(1) As certified by Manian and Rao, pursuant to its certificate dated March 24, 2018

(2) As per the certificate dated March 24, 2018 issued by Manian and Rao, the facilities have been utilised for the purposes for which they were sanctioned

Given the nature of these borrowings and the terms of pre-payment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are pre-paid or further drawn-down prior to the completion of the Offer, we may utilize the Net Proceeds towards repayment/pre-payment of such additional indebtedness.

3. **General Corporate Purposes**

We will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds in accordance with Regulation 4(4) of the SEBI ICDR Regulations, including but not restricted towards strategic initiatives and acquisitions, investment in Subsidiaries, funding initial stages of equity contribution towards our projects, working capital requirements, part or full debt repayment, strengthening of our marketing capabilities and towards repayment and pre-payment penalty on loans as may be applicable. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of our Company.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object i.e., the utilization of Net Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options including utilizing our existing identifiable internal accruals or seeking debt from future lenders, subject to compliance with applicable laws. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. The Offer expenses includes listing fees, fees payable to the Managers, underwriting fees, selling commission, legal counsel, advisors to the Offer, Registrar to the Offer, Bankers to the Offer including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. The fees and expenses relating to the Offer shall be shared, upon successful completion of the Offer, in the proportion mutually agreed among the Company and the Selling Shareholders in proportion to the respective Equity Shares offered by each of them in the Offer in accordance with Applicable Law. The Selling Shareholders shall reimburse the Company for all expenses incurred by the Company in relation to the Offer for Sale on each of their behalf. The break-up for the estimated Offer expenses are as follows:

Activity	Amount [(1)] (₹ in million)	As a % of total estimated Offer related expenses[(1)]	As a % of Offer size[(1)]
Fees payable to the Managers (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission and processing fees for SCSBs[(2)]	[●]	[●]	[●]
Selling commission and Processing / uploading charges for members of the Syndicate, Registered Brokers, RTAs and CDPs[(3)(4)]	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses			
Advertising and marketing expenses			
Others: i. Listing fees; ii. SEBI, BSE and NSE processing fees; iii. Fees payable to Legal Counsels; and iv. Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) Amounts will be finalised at the time of filing the Prospectus and on determination of Offer Price and other details. The details of commission and processing fees shall be incorporated at the time of filing the Red Herring Prospectus.

(2) SCSBs will be entitled to a processing fee of ₹ [●] per ASBA Form for processing the ASBA Forms procured by Members of the Syndicate, sub-syndicate/agents, Registered Brokers, RTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs.

(3) Members of the Syndicate including Sub-Syndicate Members, RTAs, CDPs and SCSBs (for the forms directly procured by them) will be entitled to selling commission as below:

- *Portion for Retail Individual Bidders: [●]% of the Amount Allotted**
- *Portion for Non-Institutional Bidders: [●]% of the Amount Allotted**

(4) Registered Brokers will be entitled to a commission of ₹[●] per every valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchange.

(All of the above are exclusive of applicable taxes)

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by the Company with the respective Designated Intermediary.

Monitoring Utilization of Funds

Our Company shall appoint a Monitoring Agency for monitoring the utilization of Net Proceeds of the Fresh Issue prior to the filing of the Red Herring Prospectus. Our Board and the Monitoring Agency will monitor the utilization of Net Proceeds and submit its report to us in terms of Regulation 16(2) of the SEBI ICDR Regulations.

Pursuant to the Listing Regulations, our Company shall on a quarterly basis disclose to the Audit and Risk Management Committees the uses and application of the Net Proceeds. Additionally, the Audit and Risk Management Committees shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit and Risk Management Committees. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with Regulation 32 of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit and Risk Management Committees. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Kannada the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price as prescribed by SEBI, in this regard.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Directors, our Key Management Personnel or Group Companies except in the normal course of business and in compliance with applicable law.

There are no existing or anticipated transactions in relation to the utilization of the Net Proceeds with the Promoters, Directors, Key Management Personnel, Associates or Group Companies.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and Promoter Selling Shareholders in consultation with the Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. Investors should also see "*Our Business*", "*Risk Factors*" and "*Financial Statements*" on pages 130, 18, and 186, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

- Largest fiber-focused wired broadband internet service provider in India, a growing and under-penetrated market.
- Our extensive state-of-the-art fiber network, direct-to-customer business model and access to customers provide a strong platform to drive growth.
- Strong brand awareness in the markets in which we operate.
- Attractive value proposition and customer-centric service offerings.
- Our cable TV business complements our wired broadband internet business.
- Track record of robust operational and financial performance, reflected in strong returns.
- Experienced promoters, Key Management Personnel, senior management team, supported by motivated and engaged employees.

For details, see "*Our Business – Our Competitve Strengths*" on page 131.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Standalone Financial Statements and Restated Consolidated Financial Statements for fiscal 2015, 2016 and 2017 and the six months ended September 30, 2017 prepared in accordance with Ind AS and the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations. For details, see "*Financial Statements*" on page 186.

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

A. Basic and Diluted Earnings Per Share ("EPS"):

On a standalone basis:

Fiscal Year ended	**Basic**		**Diluted**	
	EPS (in ₹)	**Weight**	**EPS (in ₹)**	**Weight**
March 31, 2015	9.02	1	6.25	1
March 31, 2016	17.77	2	16.14	2
March 31, 2017	28.41	3	28.40	3
Weighted Average	**21.63**		**20.62**	
September 30, 2017*	**18.94**		**18.87**	

**(Not annualized)*

Note:

1. *Basic and diluted earning per equity share are computed in accordance with Indian Accounting Standard 33 'Earnings per share',notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *The ratios have been computed as below:*
   a. *Basic earnings per share = Net profit attributable to equity shareholders / weighted average number of shares outstanding during the year/period.*
   b. *Diluted earnings per share = Net profit attributable to equity shareholders / weighted average number of diluted shares outstanding during the year/period.*

On a consolidated basis:

Fiscal Year ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2015	8.37	1	5.80	1
March 31, 2016	15.17	2	13.78	2
March 31, 2017	28.11	3	28.09	3
Weighted Average	**20.51**		**19.61**	
September 30, 2017*	**22.78**		**22.70**	

**(Not annualized)*

Note:

1. *Basic and diluted earning per equity share are computed in accordance with Indian Accounting Standard 33 'Earnings per share',notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *The ratios have been computed as below:*
   a. *Basic earnings per share = Net profit attributable to equity shareholders / weighted average number of shares outstanding during the years/period.*
   b. *Diluted earnings per share = Net profit attributable to equity shareholders / weighted average number of diluted shares outstanding during the year/period.*

B. Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

1) P/E based on basic and diluted EPS for the year ended March 31, 2018 at the lower end of the Price Band are [●] and [●] respectively.

2) P/E based on basic and diluted EPS for the year ended March 31, 2018 at the higher end of the Price Band are [●] and [●] respectively.

Industry Peer Group P/E ratio

	Industry P/E*
Highest	33.27
Lowest	33.27
Industry Composite	33.27

** Source: For Industry P/E, P/E figures for the peers are computed based on closing market price as on March 21, 2018 at BSE, divided by Basic EPS (on consolidated basis) based on the annual reports of such companies for the Fiscal Year 2017.*

C. Return on Net Worth ("RoNW")

As per Restated Standalone Financial Statements:

Fiscal Year ended	RoNW (%)	Weight
March 31, 2015	54.59%	1
March 31, 2016	24.07%	2
March 31, 2017	28.82%	3
Weighted Average	**31.53%**	
September 30, 2017*	**15.98%**	

**(Not annualized)*

As per Restated Consolidated Financial Statements:

Fiscal Year ended	RoNW (%)	Weight
March 31, 2015	83.90%	1
March 31, 2016	22.95%	2
March 31, 2017	30.80%	3
Weighted Average	**37.03%**	
September 30, 2017*	**19.81%**	

**(Not annualized)*

Note:

Return on net worth (%) = Net profit attributable to equity shareholders / net worth as at the end of year/ period

D. Minimum Return on Increased Net Worth after Offer needed to maintain Pre-Offer EPS for the year ended March 31, [●]

1) Based on Basic EPS:

At the Floor Price – [●] based on the Restated Financial Statements.

At the Cap Price – [●] based on the Restated Financial Statements.

2) Based on Diluted EPS:

At the Floor Price – [●] based on the Restated Financial Statements.

At the Cap Price – [●] based on the Restated Financial Statements.

E. Net Asset Value ("NAV") per Equity Share of face value of ₹ 10 each

Fiscal year ended/ Period ended	Restated Standalone Financial Statements (₹)	Restated Consolidated Financial Statements (₹)
As on March 31, 2017	98.56	91.22
As on September 30, 2017	118.49	114.99
Offer Price	[•]	[•]
After the Offer	[•]	[•]

Note:
Net asset value (₹) = Net Worth /Number of equity shares outstanding at the end of the year/period

F. Comparison with Listed Industry Peers

Name of the company	Revenue from operations (₹ in million)	Face Value per Equity Share (₹)	P/E	EPS (Basic) (₹)	Return on Net Worth (%)	Net Asset Value/ Share (₹)
Atria Convergence Technologies Limited#	12,084.51	10	NA	28.11	30.80%	91.22
Hathway Cable & Datacom Limited*	13,371.20	2	NA	(2.32)	(21.87)%	10.78
Siti Networks Limited*	11,949.16	1	NA	(2.20)	(33.31)%	6.16
Den Networks Limited*	11,573.40	10	NA	(11.35)	(20.80)%	46.99
GTPL Hathway Limited*	9,090.19	10	33.27	4.10	9.63%	42.27

 # The information presented is based on the Restated Consolidated Financial Statements for the Financial Year ending March 31, 2017
**Source: BSE*
**Note:*
1. *All financials are on a consolidated basis for the financial year ending March 31, 2017*
2. *Revenue indicates Revenue from Operations*
3. *Net Income indicates the Net Profit after Taxes and Exceptional Items*
4. *P/E ratio is calculated as closing share price (March 21, 2018, BSE) / Basic EPS for year ended March 31, 2017*
5. *EPS is as reported in the audit report filed with the stock exchanges*
6. *Net Worth includes Equity Share Capital and Reserves & Surplus (excluding revaluation reserves)*
7. *RoNW is calculated as Net Income (as defined above) / Closing Net Worth (as defined above)*
8. *NAV per share is calculated as Net Worth / Equity Shares Outstanding (both as on March 31, 2017)*

G. The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹[●] has been determined by our Company and Promoter Selling Shareholders, in consultation with the Managers, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 18, 130, 383 and 186, respectively, to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ATRIA CONVERGENCE TECHNOLOGIES LIMITED AND ITS SHAREHOLDERS

To,
The Board of Directors
Atria Convergence Technologies Limited
No. 1, 2nd and 3rd Floor, Indian Express Building,
Queens Road, Bangalore - 560 001

Dear Sirs,

Subject: Statement of possible special tax benefits ("the Statement") available to Atria Convergence Technologies Limited ("the Company") and its Shareholders prepared in accordance with the requirement in Schedule VIII – Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("the Regulations")

We hereby report that the enclosed Annexure prepared by the Company, initialed by us and the Company for identification purpose, states the possible special tax benefits available to the Company and to its shareholders under the Income tax Act, 1961 ("the ACT") and Income tax Rules, 1962 including amendments made by Finance Act 2017 (together "the Tax Laws"), presently in force in India as on the signing date. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax laws. Hence, the ability of the Company or its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover the possible special tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising an offer for sale of equity shares by certain shareholders (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of this Statement are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Act and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

We hereby give consent to include this Statement in the draft red herring prospectus, red herring prospectus, the prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Associates LLP**
Chartered Accountants
ICAI firm registration number: 116231W/W-100024

Rushank Muthreja
Partner
Membership No.: 211386

Bangalore
24 March 2018

ANNEXURE

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE INCOME TAX ACT, 1961 ("THE ACT")

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Act (*i.e.* applicable for the Financial Year 2017-18 relevant to the assessment year 2018-19). These Possible Special Tax Benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE INCOME TAX ACT, 1961 ("THE ACT")

A. Special tax benefits available to the Company

There are no special tax benefits available to the Company under the Act.

B. ***Special tax benefits available to Shareholders***

There are no special tax benefits available to the Shareholders under the Act.

NOTES:

1. The above is as per the current Act as amended by the Finance Act, 2017.

2. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*The information in this section is derived from the report titled "India Broadband Market Overview – 2017," dated February 19, 2018 (the "**MPA Report**"), prepared by Media Partners Asia ("**MPA**"). We commissioned the MPA Report for the purpose of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the MPA Report. Further, the MPA Report was prepared based on information, data and statistics as of specific dates and may no longer be current or reflect current trends. The MPA Report may also be based on sources that base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. MPA has advised that while it has taken due care and caution in preparing the MPA Report based on the information obtained by MPA from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the MPA Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of the MPA Report or the data therein. Further, the MPA Report is not a recommendation to invest/disinvest in any company covered in the report. MPA especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the MPA Report. Prospective investors are advised not to unduly rely on the MPA Report when making their investment decision.*

A Macroeconomic Overview of India

According to the International Monetary Fund (IMF), India's GDP grew 7.1% in FY 2017[2]. The IMF forecasts India's real GDP to increase to 7.4% in FY 2019, with growth accelerating to 8.1% by FY 2022. On a purchasing power parity (PPP) basis, India's GDP is forecast to grow by double digits from 2019- 2021. The IMF also forecasts India's economy to overtake China's growth rate and become the world's fastest growing economy by 2018. The growth of India's nominal GDP per capita is also one of the highest in Asia Pacific, with a CAGR of 8.0% forecast between 2016 to 2021 to US$ 2,563.

Exhibit 1: Macroeconomic Overview of India

India metrics	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Population (million)	1,223.5	1,235.7	1,248.0	1,259.3	1,269.4	1,278.2	1,287.2	1,296.2	1,305.3	1,314.4
India GDP Based on PPP (US$ billion) #	6,209.9	6,713.1	7,346.5	8,021.0	8,700.6	9,446.8	10,339.6	11,384.1	12,545.5	13,843.3
Real GDP Growth (%) #	5.5%	6.4%	7.5%	8.0%	7.1%	6.7%	7.4%	7.8%	7.9%	8.1%
Nominal GDP Growth (%) #	13.8%	13.0%	10.8%	9.9%	11.0%	10.1%	11.9%	12.5%	12.5%	12.6%
Nominal GDP per capita (US$) #	1,481.6	1,485.6	1,607.4	1,629.0	1,741.7	1,852.1	1,989.3	2,164.7	2,354.7	2,563.2
Households (million)	254.7	262.3	269.7	276.9	283.9	290.4	295.9	300.9	305.8	310.4

Note: Data representative of India's fiscal year. For instance, IMF's 2016 data for India indicates fiscal year during 1 April 2016-31 March 2017.
Source: IMF World Economic Outlook Database – October 2017 Edition, Media Partners Asia

MPA identifies the following key factors as the main drivers of economic growth in India:

1. *Fiscal and trade stabilization.*

The country's fiscal and trade situation has improved dramatically under the current government. Impacted by the 2009 global recession, India's fiscal deficit had climbed to 6.1% in 2011, according to the IMF. By 2016, India's fiscal deficit had stabilized to 3.8% due to the government's austerity measures coupled with the decline in crude oil prices. IMF forecasts further downward correction in the country's fiscal deficit over the next five years. Similarly, the current account deficit (CAD) has come down from 4.8% in 2012 to 0.7% in 2016, and is expected to remain within the 1-2% range until 2021. The country's central bank, the Reserve Bank of India (RBI), adjusted monetary policy to bring consumer price inflation (CPI) down to 4.5% in 2016 from 10.0% in 2012.

2. *Growth in number of nuclear households*

The increasing number of households in India and a reduction in household sizes augur well for consumer-oriented industries and services such as broadband and pay-TV. India has the second largest population in the world, forecast to grow at a CAGR of 0.7% from 1.27 billion in 2016 to 1.31 billion by 2021 according to MPA. However, household CAGR will be faster at 1.8% over the period, taking the number of households from 283.9 million in 2016 to 310.4 million by 2021 according to MPA. This is due to the increasing number of nuclear households in the country. According to the 2011 government census,

[2] Note: Data representative of India's fiscal year. For instance, IMF's 2016 data for India indicates fiscal year during 1 April 2016-31 March 2017.

nuclear families comprised 52.1% of India's households, up from 51.7% in 2001. An estimated 16.1% of households in 2011 were joint or extended families, down from 19.1% in 2001, as per the 2011 government census.

3. *Favorable demographics*

India's growth is anchored to a rising middle class and a high percentage of the population under the age of 35. As of 31 December 2016, an estimated 35% of the country's population was between 15-35 years of age according to MPA. This relatively young segment of the population is precipitating growth in the country's digital ecosystem, benefitting industries such as e-commerce, fintech (financial technology) and online video among others.

Although a large proportion of the country is expected to continue residing in rural areas, India is forecast to add an estimated 404 million urban dwellers between 2014 – 2050. The United Nations (UN)[3] expects India's urbanization level to increase from 32.0% of the population in 2014 to 50.0% by 2050.

4. *Strong domestic consumption*

Propelled by rapid economic development, private domestic consumption has increased steadily. Household consumption as a percentage of GDP has grown from 52.7% in 2010 to 59.4% in 2016. This was higher than that of other Asia Pacific markets in 2016 such as Indonesia (55.5%), Korea (48.8%), Japan (56.6%), Malaysia (55.0%), Thailand (46.2%) and China (37.1%) according to MPA.

Higher discretionary spending has also been observed in recent years. The country's private final consumption expenditure (at constant 2011-12 prices) increased at a CAGR of 6.3% from ₹49.1 trillion in FY 2012 to 62.6 trillion in FY 2016. During this period, the share of discretionary spending has risen from 60.3% to 63.5%. This is forecast to increase further to 66.7% by 2020, anchored to rising disposable income and a higher propensity to spend on luxury goods according to MPA.

5. *Digital India initiative by the government to strengthen country's digital infrastructure*

The government launched its Digital India initiative in July 2015, which aims to make all government services electronically available, improve the country's digital infrastructure and increase internet connectivity. This initiative includes the BharatNet program (previously known as the National Optical Fibre Network or NOFN). Initially, the program was designed to connect the country's 250,000 gram panchayats (GPs) by laying 600,000 kilometers of optical fiber cable (OFC). The government has since revised its OFC target to 1 million kilometers for Phase II, which is scheduled for completion by March 2019 at an estimated cost of ₹340 billion/US$5.2 billion. As of 21 January 2018, 101,936 GPs were connected, with 258,635 kilometers of optical fiber having been installed. The government also aims to supplement BharatNet with public Wi-Fi hotspots in all GPs.

The Digital India initiative also includes the Smart Cities Mission, which aims to allocate ₹1 billion/US$15.4 million per city per year over a period of five years. A primary objective is to enable robust IT connectivity and digitalization via extensive implementation of Internet of Things (IoT) technologies. IoT requires high bandwidth and data speeds, typically available on wireline broadband network services such as fiber.

Broadband Internet in India

India's internet market has grown significantly in recent years, with total internet subscribers increasing by a CAGR of 17.9% from 238.7 million subscribers in 2013, to 391.5 million in 2016 according to MPA. Mobile internet has led this growth, driven by the proliferation of internet-enabled mobile devices and 3G/4G network deployments by telecom operators (telcos). Mobile internet subscribers grew at a CAGR of 18.9% from 220.4 million in 2013 to 370.0 million in 2016 according to MPA. Wired internet subscribers grew over the period at a CAGR of 5.5% from 18.3 million subscribers in 2013 to 21.5 million in 2016.

Exhibit 2: Overview of Broadband Internet in India

India metrics	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
India's Internet Subscribers (million)	213.7	238.7	267.4	331.7	391.5	439.4*	423.6	452.8	482.5	509.8
Wireless	188.4	220.4	248.5	311.7	370.0	418.2*	401.4*	429.4	457.3	483.2
Wired	25.3	18.3	18.9	20.0	21.5	21.2*	22.2	23.4	25.2	26.7
Trend of Monthly Internet Traffic for India (Petabytes - PB)	393	600	717	774	1,200	n/a	n/a	n/a	n/a	4,700

3 From the UN Report titled "World Urbanization Prospects The 2014 Revision" published at https://www.un.org/development/desa/publications/ publication last accessed in January 2018.

India metrics	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Broadband penetration (%)										
Mobile broadband (as % of population)	1.3%	2.6%	6.0%	9.9%	17.2%	27.0%	28.3%	31.6%	34.1%	36.3%
Fixed broadband (as % of households)	5.9%	5.5%	5.7%	6.0%	6.4%	6.2%	6.4%	6.7%	7.3%	7.7%
Broadband subscribers in India (million)	31.4	46.2	89.8	141.3	236.1	362.4	382.8	429.7	467.5	501.4
Mobile broadband	16.4	31.6	74.4	124.8	218.0	344.6	363.9	409.4	445.3	477.5
Fixed broadband	15.0	14.5	15.3	16.5	18.1	17.9	19.0	20.3	22.2	24.0

**MPA estimates*
***Note: Mobile internet subscribers are estimated to decline in 2018 owing to commercial shutdown of three telco incumbents*
Source: Cisco Visual Networking Index, TRAI, Media Partners Asia

Broadband Internet penetration in India

While the advent of 3G/4G services has led to a rapid increase in mobile broadband penetration per capita (from 2.6% in 2013 to 17.2% in 2016, based on MPA estimates), fixed broadband penetration has only improved marginally from 5.5% of total households as of 31 December 2013 to 6.4% as of 31 December 2016.

MPA believes both fixed and mobile broadband penetration will expand at a robust pace over the next five years as mobile and fixed broadband incumbents ramp up their existing networks. Mobile broadband penetration will surge from 17.2% of the population in 2016 to 36.3% by 2021. During the same period, the country's fixed broadband penetration of households will increase from 6.4% to 7.7%, driving the growth in India's fixed broadband subscriber base at a CAGR of 5.7% from 18.1 million subscribers in 2016 to 24.0 million subscribers by 2021.

Growth in the Wireless Broadband Internet Industry

Key developments in the last 12-15 months leading up to December 2017 have transformed India's broadband landscape. The launch of Reliance Industries' Jio mobile service in September 2016 triggered rapid growth in mobile broadband. Jio's introductory offer of free unlimited 4G data, bundled with a suite of value-added services, sparked a price war among telecom service providers. As a result, telco industry data realizations have come under pressure. According to TRAI, average data realization per GB in India for GSM (including LTE) declined from ₹180 in 30 September 2016, to ₹19.1 in 31 March 2017. During this time, TRAI reported an increase in wireless data consumption from 248 million GB per month to 1.2 billion GB per month.

Internet Data Usage and Time Spent Online

India's internet traffic or data usage, comprising consumer and business/enterprise data consumption across wired and wireless networks, is forecast to grow significantly between 2016 and 2021. According to Cisco's Visual Networking Index (VNI) 2017 report, India's data consumption is forecast to increase from 1.2EB (exabytes) per month in 2016 to 4.7EB per month by 2021, a CAGR of 32.0%. Fixed internet, which accounted for more than three-fourths of the traffic in 2016, is expected to account for 58.0% by 2021.

According to the Cisco VNI 2017 report, video represented 57.0% of India's total data traffic in 2016 and consumer internet video traffic grew 77.0% during the year. Cisco forecasts video's share of India's total data traffic to increase to 76.0% by 2021. Apart from the growing number of internet video users in the country, growth in video data consumption is also expected to be driven by an increasing user preference toward high-quality video such as High Definition (HD) and Ultra HD, which require higher bandwidth than Standard Definition (SD) video.

Trends in Internet Speeds – Drivers in Growth

Average fixed internet speeds in India have improved in recent years, increasing nearly fivefold from 1.2Mbps as of 31 December 2012 to 5.6Mbps as of 31 December 2016, according to Akamai's State of the Internet Report. Akamai data indicates that this has further improved to 6.5Mbps as of 31 March 2017, but India still lags behind most global markets in terms of fixed internet speeds, at 89th globally and 14th among 15 major economies in Asia Pacific.

Comparison of India's Fixed Broadband Market with Select International Markets

MPA estimates that India's penetration is significantly lower than other major international markets, leaving significant potential for growth in the subscriber base. Fixed broadband penetration as a percentage of households is expected to increase to 7.7% in 2021, driving a growth of 5.8 million subscribers over the period between 2016 to 2021. India's average internet speed for fixed internet and mobile internet is also amongst the lowest amongst the major international markets as highlighted in Exhibit 3, providing significant room for growth in the demand for higher speed amongst the existing subscribers.

Exhibit 3: Comparison of Fixed Broadband Markets

Comparison across select markets	India	US	UK	S. Korea	HK	Singapore	Australia	China	Japan	Thailand	Malaysia	Indonesia
Fixed Broadband Subscription Revenue in Key Markets (2017) (US$ billion)	2.0	59.0	10.1	3.6	0.7	0.4	3.8	29.3	15.3	1.5	1.1	0.7
Average Fixed Internet Speeds in Key Markets (Mbps) (As of Q1 17)	6.5	18.7	16.9	28.6	21.9	20.3	11.1	7.6	20.2	16.0	8.9	7.2
Share of Users with Internet Speeds of 4 mbps or Higher (%) (As of Q1 17)	42.3%	89.9%	92.3%	98.0%	94.0%	94.0%	81.0%	81.4%	93.0%	97.0%	71.9%	75.9%
Average Mobile Internet Speeds in Key Markets (Mbps) (As of Q1 17)	4.9	10.7	26.0	11.8	6.8	8.6	15.7	9.3	15.6	8.6	4.4	12.8
Fixed Broadband Penetration of Total Households (2016) (%)	6.4%	81.8%	84.1%	105.1%	93.0%	87.7%	78.7%	63.5%	75.2%	31.3%	36.6%	7.7%
Fixed Broadband Penetration of Total Households (2021) (%)	7.7%	88.5%	91.0%	107.5%	100.8%	88.3%	84.0%	79.7%	77.2%	40.9%	38.7%	9.8%
Fixed Broadband Subscriber Additions During 2016 – 2021 (million)	5.8	9.3	2.8	0.8	0.3	0.1	0.9	88.8	1.1	2.5	0.4	1.7
Fixed Broadband ARPU in Key Markets (2017) (US$/month)	9.1	47.1	32.5	14.3	24.5	28.6	43.7	7.9	32.9	16.6	34.3	11.4

Source: Akamai State of the Internet Report – Q1 2017, Media Partners Asia

Drivers for the Fixed / Wired Broadband Internet Industry

Limitations of wireless broadband internet

According to MPA, wired broadband internet offers several consumer benefits vis-à-vis wireless broadband and consumers view wireless broadband as a complementary service rather than a substitute service for fixed broadband. This could be attributed to the inherent benefits of wired broadband that include:

(i) *Network speed*: Wired broadband has high speeds compared to wireless broadband. 3G/4G data services currently offer limited speeds compared to wired broadband. While they may be sufficient for less data-intensive applications such as email and social media/messaging, they are not ideal for bandwidth- intensive applications such as video streaming, video calls and online gaming.

(ii) *Data allowances*: Fixed broadband plans usually provide more data than mobile broadband at high speed.

(iii) *Network latency*: Wired broadband networks provide lower latency compared to mobile broadband. Lower latency enhances user experience in applications such as audio and video calls and online gaming.

(iv) *Network coverage and reliability*: In a densely populated country such as India, mobile connections are likely to suffer from network congestion as well as signal degradation caused by obstructions such as buildings, walls and floors.

Mobile broadband services are often unable to match the reliability, coverage and average speeds of fixed broadband connections. Further, the quality of the mobile broadband service depends on availability of sufficient spectrum. MPA believes that 5G services are likely to suffer some of the same limitations as existing 3G/4G mobile technologies.

Enterprise opportunity

Fixed broadband is also better suited to service the needs of the enterprise market. According to Cisco VNI 2017, India's business internet traffic is forecast to grow from 244PB (Petabytes) per month in 2016 to 766PB by 2021, nearly 3.1x growth.

The business sector's fixed internet traffic is expected to grow at a similar pace rising from 216PB per month in 2016 to 567PB per month by 2021. MPA believes that this increase in data traffic will be led by the growing number of small and medium enterprises (SMEs). These SMEs will rely on robust fixed broadband services for data connectivity given the data demands of today's internet-based business applications, such as video-conferencing and cloud solutions.

Rural opportunity

China's internet users grew rapidly between 2008 and 2013 with increased penetration in rural areas. India is poised for a similar trend in the near term. According to the Internet and Mobile Association of India (IAMAI)[4], rural internet penetration in India as of 31 December 2016 was ~17% compared to ~60% in urban India. This is expected to change with the National Association of Software and Services Companies (NASSCOM)[5] forecasting that 75% of India's new internet users between 2015 – 2020 will be coming from rural areas.

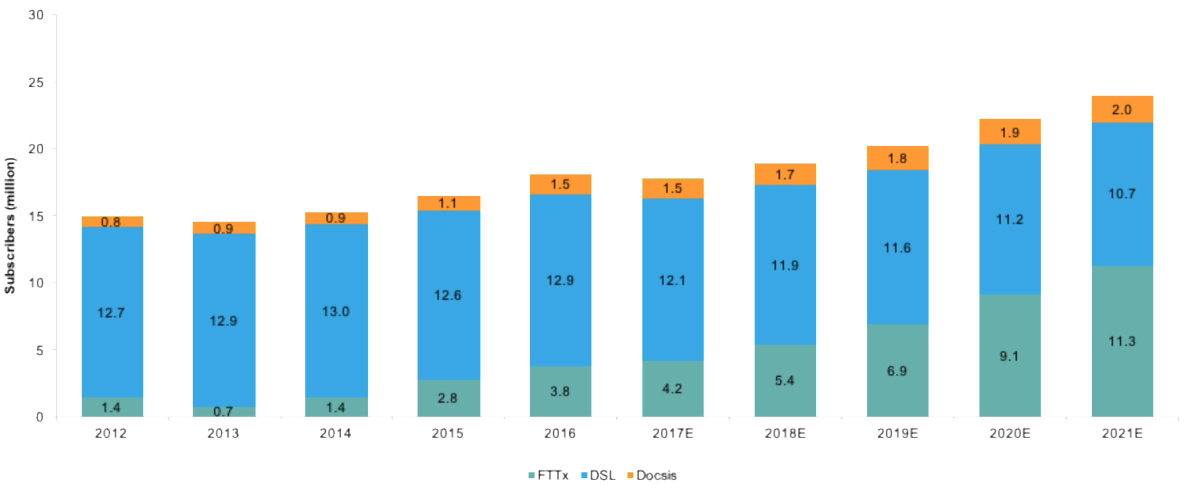
Supply side push

Leading cable MSOs are focusing their efforts on broadband due to its business advantages over pay-TV. According to MPA, as of 31 December 2016, fixed broadband monthly ARPU was at ₹590/US$9.1 per month compared to ~₹210/US$3.2 for pay-TV. Furthermore, operating margins in fixed broadband are typically at 35% or more, significantly higher than the average single-digit margins in standalone pay-TV businesses. As such, MSOs have made sizable investments in fiber rollouts to expand their broadband homes passed. Broadband penetration of homes passed remains within the 15-25% range, indicating potential for future growth. Upselling existing pay-TV subscribers to add broadband services could also boost ARPU. Moreover, MPA believes that cable broadband operators will partner with online video platforms to offer bundled services in a bid to drive subscriber growth.

Mass migration to fiber

MPA sees fiber-based technologies leading broadband deployments in the next five years. MPA forecasts FTTx subscribers to grow threefold from 3.8 million in 2016 to 11.3 million by 2021. FTTx's share of fixed broadband subscribers are forecast to increase from 20.8% in 2016 to 47.1% by 2021. MPA believes that ADSL and HFC customers will opt for fiber technologies whenever available given the disadvantages of both technologies compared to fiber.

Exhibit 4: Fixed Broadband Subscribers by Technology



Source: Media Partners Asia

Key Fixed Broadband Technologies Deployed

In anticipation of impending consumer and enterprise demand, fixed broadband providers are investing in technologies that offer faster broadband services. Telcos are upgrading copper networks from Asymmetric Digital Subscriber Line (ADSL) to

4 From the IAMAI-IMRB Report titled "Internet in India 2016" published at bestmediainfo.com/wp-content/uploads/2017/03/Internet-in-India-2016. pdf last accessed in January 2018.

5 From the NASSCOM-Akamai Report titled "The Future of Internet in India 2016" published at https://content.akamai.com/pg6889-the-future-of-internet-in-india.html?utm_source=T&utm_medium= organic & utm _content=future%20of%20the%20internet%20of%20india&utm_ term=website last accessed in January 2018.

Very-high-bit-rate Digital Subscriber Line (VDSL), while also investing in fiber rollouts. As of 31 December 2016, MPA notes that over 70% of fixed broadband homes in India are still connected through legacy ADSL networks.

Exhibit 5: Key Fixed Broadband Technologies in India

Technology	Description	Download Speeds Offering in India
Fibre-to-the-x (FTTx)	• Any broadband network that uses optical fiber as the primary medium deliver services to end users. • The letter "x" indicates the fiber's point of termination: • FTTH: Fiber-to-the-Home • FTTC: Fiber-to-the-Curb • FTTB: Fiber-to-the-Building • FTTN: Fiber-to-the-Node/Neighborhood • FTTx service speeds (downstream and upstream) can be substantially increased by upgrading the active data transmission equipment rather than the passive fiber network infrastructure. **Metro Ethernet Network (MEN)** • A type of FTTB configuration that uses Category-5e Ethernet copper cables for the last mile. • Supports symmetric upstream/ downstream transmission speeds from 100- 1,000Mbps depending on the number of pairs in the Category-5e cable used. • Costs less than fiber for last-mile connectivity, but signal degrades after 100m from the node.	• Consumer FTTx services in India offer speeds ranging between 20Mbps to 1Gbps. • In developed markets, FTTx deployment is done using underground intra-city fiber. In India, overhead/aerial fiber in the access and metro loops are utilized. • Current speeds offered on MEN range between 2Mbps-1Gbps. • MEN deployment at scale has been pioneered by ACT Fibernet.
Hybrid Fiber Coaxial (HFC) Cable	• A network that combines fiber and coaxial cable. • Fiber is used for backhaul while coaxial cables are used from optical node to the user premises (last mile). • Under the DOCSIS 3.0 standard, up to 152Mbps speeds are achievable. • Upgrading to DOCSIS 3.1 potentially increases speed to 10Gbps but this technology is in the trial stage and remains unproven in large-scale deployments.	• DOCSIS 3.0 speeds in India range between 50Mbps to 100Mbps.
Asymmetric Digital Subscriber Line (ADSL)	• Enables broadband data transmission over copper telephone lines. • Supports downstream speeds of up to 8Mbps, with more advanced standards (ADSL2 and ADSL2+) delivering faster speeds.	• Speeds of up to 8Mbps are being offered by incumbents such as BSNL.
Very-High-Bit-Rate Digital Subscriber Line (VDSL)	• Another type of copper broadband technology that enables faster data rates than ADSL. • VDSL supports 55Mbps downstream and 15Mbps upstream. • VDSL2 supports 100Mbps for both downstream and upstream.	• Speeds offered on VDSL2 range be-tween 16-40Mbps. • VDSL2 has largely been deployed by Airtel with 82% of its wired internet homes being VDSL2-enabled as of 30 September 2017.

Source: Media Partners Asia

MPA believes that future fixed broadband deployments in India will be led by FTTx-based technologies such as GPON and MEN. Both architectures have the capability to deliver broadband speeds of 1Gbps or more and drive better ARPUs, unlike DOCSIS 3.0 which can only support access speeds of 152Mbps. Moreover, the number of concurrent customers at any given point in time has a bearing on the bandwidth. On average, approximately 50 households are connected to a single node. Thus, Docsis 3.0-based plans offered in the market are generally restricted to speeds of up to 50Mbps.

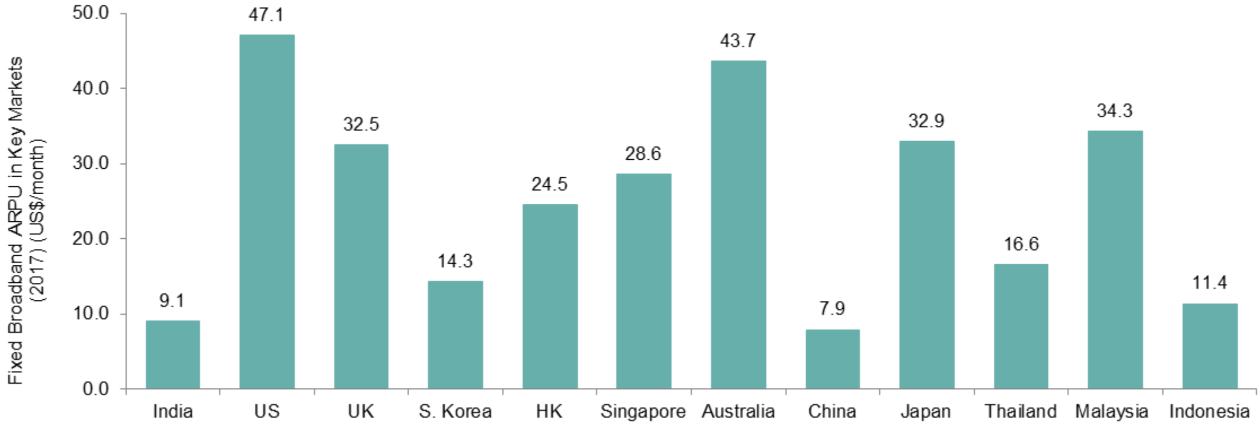
Furthermore, equipment costs for FTTx technologies have declined over time. The capex outlay for such technologies is now in line with DOCSIS 3.0. As such, cable broadband players are now focusing on GPON deployments.

5G wireless technology, which can offer theoretical speeds of up to 1Gbps, is unlikely to pose a threat in the near-term. Although a number of telco operators around the world have completed several 5G trials, the telecom industry has not yet agreed on a common technical architecture for the 5G standard and compatible consumer electronics are yet to be launched. Commercial launches of 5G services are not expected until after the standard is finalized, and the earliest commercial deployments are likely to occur in 2020. Moreover, 5G is likely to suffer some of the same limitations as existing 3G/4G mobile technologies.

Average Revenue Per Unit (ARPU)

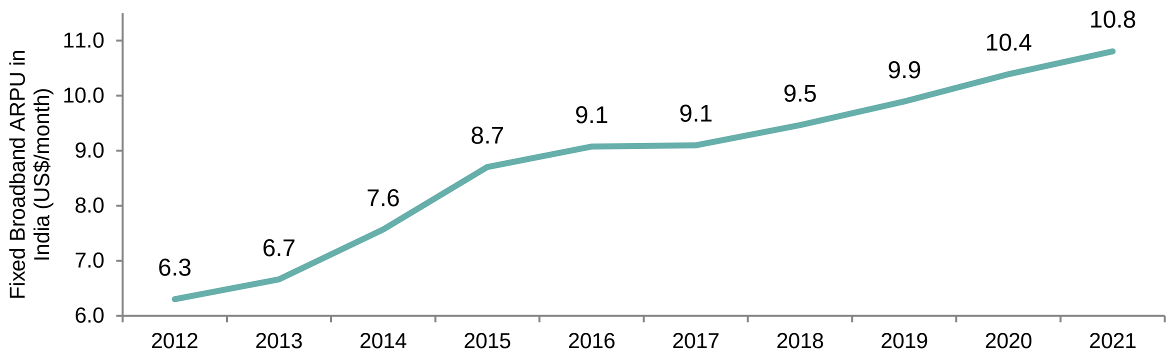
India has one of the lowest broadband ARPUs across Asia Pacific, but the scale of the market puts it in the top five in terms of broadband revenue. MPA forecasts that India will generate US$2.0 billion in revenue in 2017, putting it ahead of more advanced broadband markets such as Thailand and Taiwan. India is a long way away from achieving the revenue levels of markets such as China or Japan. However, India will be the fastest growing fixed broadband market in Asia Pacific during 2017-2021, exhibiting a CAGR of 10.9%.

Exhibit 6: Fixed Broadband ARPU in Key Markets



Source: Media Partners Asia

Exhibit 7: Fixed Broadband ARPU growth in India

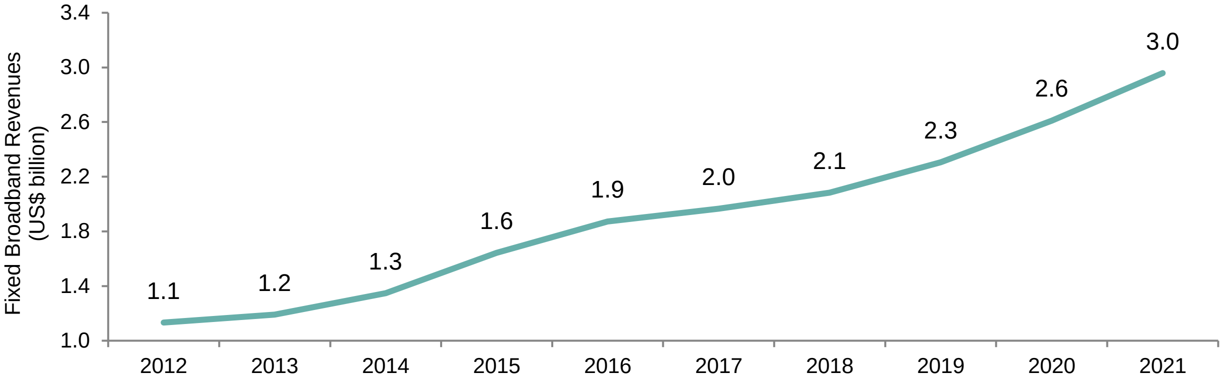


Source: Media Partners Asia

Fixed Broadband Internet Industry Revenue Forecasts

MPA believes that the factors discussed above will contribute to fixed broadband's growth from a ₹122 billion/ US$1.9 billion industry in 2016 into a ₹192 billion/US$3.0 billion market by 2021.

Exhibit 8: Fixed Broadband Revenue growth in India

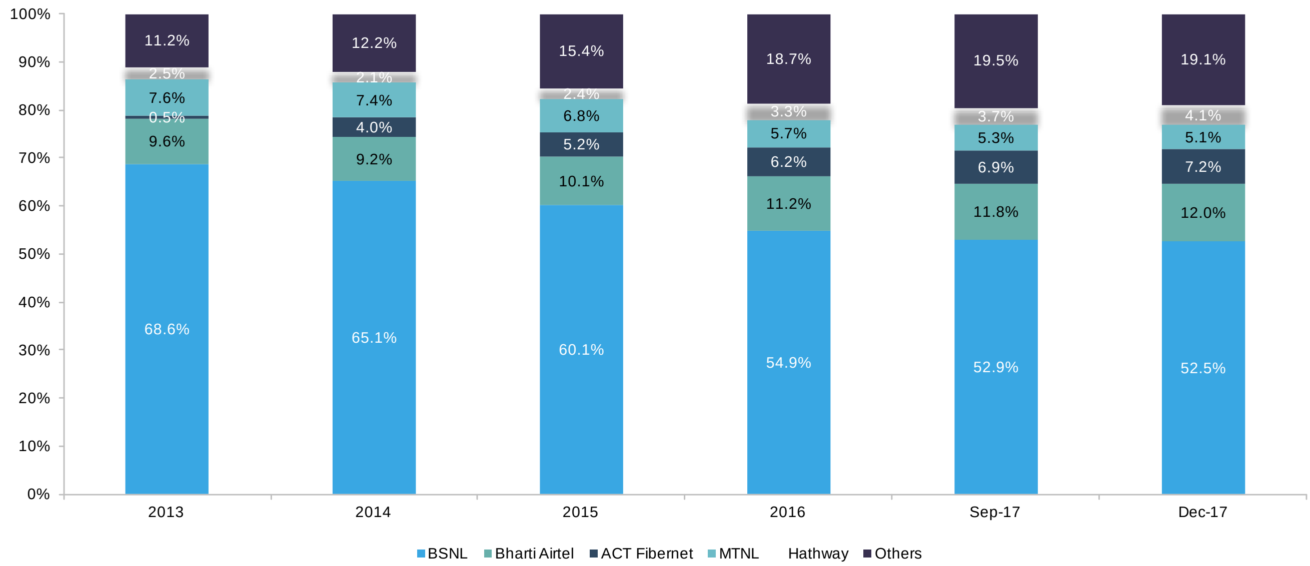


Source: Media Partners Asia

The Competitive Landscape of India's Fixed Broadband Market

India's fixed broadband market is highly competitive, with multiple national and regional players. It is dominated by the state-owned telco BSNL, although the company's market share has been diminishing. MPA estimates that BSNL, along with fellow telco incumbents MTNL and Bharti Airtel, accounted for 70% of total fixed broadband subscribers as of 30 September 2017, with cable operators and ISPs taking up the remainder. According to MPA, ACT Fibernet had the highest share of FTTx subscribers with 1.2 million subscribers as of 30 September 2017. In recent years, cable broadband players have managed to eat into the telco players' share. Telco incumbents have also come under pressure following intense competition in the voice and mobile data business.

Exhibit 9: Market Share of Fixed Broadband Players



Source: TRAI

Exhibit 10: Key Performance Indicators for Fixed Broadband Incumbents

Fixed Broadband KPIs (as of 30 September 2017)	**Hathway**	**Den**	**Siti**	**ACT**	**GTPL**	**Asianet**	**Airtel**	**BSNL**	**MTNL**
Homes passed ('000)	4,800	879	1,620	5,400	1,150	1,100	n/a	n/a	n/a
Subscribers ('000)	700	205	238	1,197	260	185	2,001	9,540	950
Penetration of homes passed (%)	14.6%	23.3%	14.7%	22.1%	22.6%	16.8%	n/a	n/a	n/a
ARPU (₹ per month) #	717	664	513	796	487	724	989*	450**	n/a

 # Monthly ARPU for quarter ending September 2017, ARPU definition may vary for different companies
** Airtel ARPU for Homes Services, which includes landline and broadband services*

*** MPA estimates*
Source: Company Data, Media Partners Asia

The top cities for fixed broadband include Mumbai, Delhi, Bangalore, Hyderabad and Chennai, each with more than 50% penetration of households. While BSNL/MTNL has a large share in all of them, the dominant player is different for each city. For instance, ACT Fibernet, India's third largest fixed broadband operator and the second largest private incumbent, dominates the southern cities of Hyderabad and Bengaluru with 60.0% and 27.6% market share, respectively. In contrast, Delhi, though led by Airtel, is a highly fragmented market with a number of players vying for share.

Barriers to Entry

The wired broadband internet market in India has significant barriers to entry, including:

Capital-intensive and time-consuming nature of network infrastructure development

Rolling out a fixed broadband network is a time consuming process that requires significant capital investments over time. Further, designing a dense network (i.e. a high number of subscribers per coverage area) is crucial to keeping capital expenditure per subscriber at sustainable levels. A significant amount of capital expenditure may be incurred before achieving scale. MPA estimates that new players would take 18-24 months to achieve a 20% or higher penetration of homes passed.

Last mile access to customers

Rolling out a fixed broadband network requires right-of-way permissions from local authorities in respective cities and coordination with building owners, which constrains the ability of a new operator to build and expand its fixed broadband network. Building a door-to-door last mile network is further complicated and time consuming given the constraints in accessing the residences of customers which may support a limited number of telecommunications conduits, which makes it difficult for any new entrant to roll out its last mile.

Brand awareness and customer stickiness

Fixed Broadband internet tends to be a sticky business with a subscription based revenue model and importance of building brand awareness and consumer loyalty. Existing players have the advantage of having the established infrastructure, last mile connectivity and relationships with subscribers, which makes it difficult for new players to catch up.

Quality of Service

In October 2006, TRAI issued the Quality of Service (QoS) standards for broadband services. ISPs are mandated to provide the regulator with quarterly reports monitoring the performance of their broadband services. ISPs are required to comply with standards/ benchmarks prescribed by TRAI. The key parameters are outlined below:

Activation time. 100% activation must be achieved in less than or equal to 15 days (subject to technical feasibility).

Fault repair/restoration time. Faults must be fixed by the next working day in more than 90% of cases, and 99% in the next 3 working days.

Billing performance. There must be less than 2% billing complaints per 100 bills issued. 100% of billing complaints must be resolved within 4 days, and there must be a 100% refund of deposit within 60 days of closure of the account.

Customer care responsiveness. 60% of calls must be answered within 60 seconds, 80% of calls must be answered within 90 seconds.

Connection speed. More than 80% of the subscribed broadband connection speed must be achieved (from the ISP node to user).

Service availability/uptime. Must be at least 98%.

Exhibit 11: QoS Indicators (as of 30 September 2017)

Service Provider	Service Area	Service Availability/ Uptime in %	Fault Restoration Time		Bandwidth utilization/throughput			
			% of Faults Repaired by Next Working Day	% of Faults Repaired Within 3 Working Days	# of Intra Network Links having Bandwidth Utilization >90% During Peak Hours (TCBH)	# of Upstream Links for International Connectivity having Bandwidth Utilization >90% During Peak Hours (TCBH)	% International Bandwidth Utilization During Peak Hours (TCBH) (Enclose MRTG) <90%	Broadband Connection Speed available (download) from ISP node to user
BSNL	All India	99.65%	93.64%	99.69%	NA	0	66.10%	90.63%
Airtel	Andhra Pradesh	99.99%	91.17%	100.00%	0	0	50.82%	98.51%
	Delhi	99.99%	91.86%	99.36%	0	0	81.64%	114.00%
	Gujarat	99.99%	91.75%	99.58%	0	NA	NA	100.00%
	Haryana	99.97%	94.25%	99.60%	0	NA	NA	120.00%
	Karnataka	99.94%	90.14%	99.86%	0	0	66.60%	101.38%
	Kerala	99.99%	93.60%	99.95%	0	NA	NA	102.05%
	Kolkata	100.00%	93.10%	99.78%	0	0	45.75%	100.00%
	Madhya Pradesh	99.95%	90.75%	99.40%	0	0	60.47%	98.17%
	Maharashtra	99.99%	95.56%	99.53%	0	NA	NA	100.00%
	Mumbai	99.96%	95.83%	99.52%	0	0	76.34%	100.00%
	Punjab	99.99%	92.37%	99.45%	0	0	52.00%	100.00%
	Rajasthan	99.98%	90.08%	99.80%	0	NA	NA	100.00%
	Tamil Nadu	99.97%	95.83%	99.98%	0	0	65.19%	102.05%
	Uttar Pradesh - East	99.95%	90.06%	99.20%	0	0	57.80%	105.00%
	Uttar Pradesh - West	99.99%	90.28%	99.18%	0	NA	NA	103.50%
ACT Fibernet	All India	100.00%	88.53%	99.38%	0	0	59.10%	90.00%
MTNL	Delhi and Mumbai	99.84%	83.41%	94.66%	Nil	0	78.67%	89.50%
Hathway Cable	Andhra Pradesh	99.80%	93.14%	99.50%	0	0	86.00%	90.00%
	Delhi	99.99%	96.67%	99.11%	0	0	87.33%	86.00%
	Gujarat	99.70%	93.13%	99.47%	0	0	86.67%	90.00%
	Karnataka	99.99%	90.18%	99.07%	0	0	87.00%	90.00%
	Maharashtra & Goa	99.65%	94.00%	99.00%	0	0	87.00%	90.00%
	Madhya Pradesh	99.85%	100.00%	100.00%	0	0	86.00%	100.00%
	Punjab	99.99%	98.00%	99.00%	0	0	86.00%	85.00%
	Uttar Pradesh - West	99.98%	97.67%	99.00%	0	0	87.00%	85.00%
	Kolkata	99.37%	93.26%	99.34%	0	0	80.44%	100.00%
	Chennai	99.77%	96.00%	99.00%	0	0	77.00%	100.00%
Siti Broadband	All India	99.73%	91.41%	99.28%	0	0	85.00%	90.00%
DEN Networks	All India	98.60%	96.56%	99.83%	Nil	Nil	75.47%	98.00%
You Broadband	All India	99.73%	95.65%	99.80%	0	0	75.30%	87.30%

Source: TRAI

FDI regulations

The Consolidated FDI Policy released in August 2017 enables 100% foreign direct investment (FDI) in internet services. FDI is permitted up to 49% of the paid-up equity capital under the automatic route. FDI beyond 49% requires prior approval of the government and is subject to meeting certain conditions.

An Overview of India's Pay TV Industry

India's media and entertainment (M&E) sector is one of the largest in the world, generating ~US$18 billion in total revenues in 2016. TV, with a 51.5% share, is the largest medium. The country's print industry, buoyed by rising readership in local and regional newspapers, outperforms its global peers. The film and radio industries continue to witness robust growth each year, driven by increasing penetration in tier 2 and tier 3 cities. Higher broadband and smartphone penetration are providing impetus for the online video industry and other emerging segments such as online gaming. MPA forecasts India's M&E sector revenues to reach US$32 billion by 2022.

Cable TV Digitalization

In 2011, the government passed the Cable TV Networks (Regulation) Amendment Bill, paving the way for the mandatory digitalization of cable TV services. The bill aims to overhaul the country's analog-dominated TV distribution landscape and establishing world-class systems and processes. Rolling out in four phases, the mandate aims to switch off analog cable TV and migrate the entire industry to DAS.

Exhibit 12: Digitization Progress

DAS Phases	Parliamentary Approval for Analog Switch-Off	Actual/Revised DAS Implementation Date	Number of Cities	CY 2016 TV Households (millions)
Phase I	30 June 2012	1 November 2012	4	14
Phase II	31 March 2013	1 April 2013	38	23
Phase III	30 September 2014	31 January 2017	Rest of India	144
Phase IV	31 December 2014	31 March 2017		

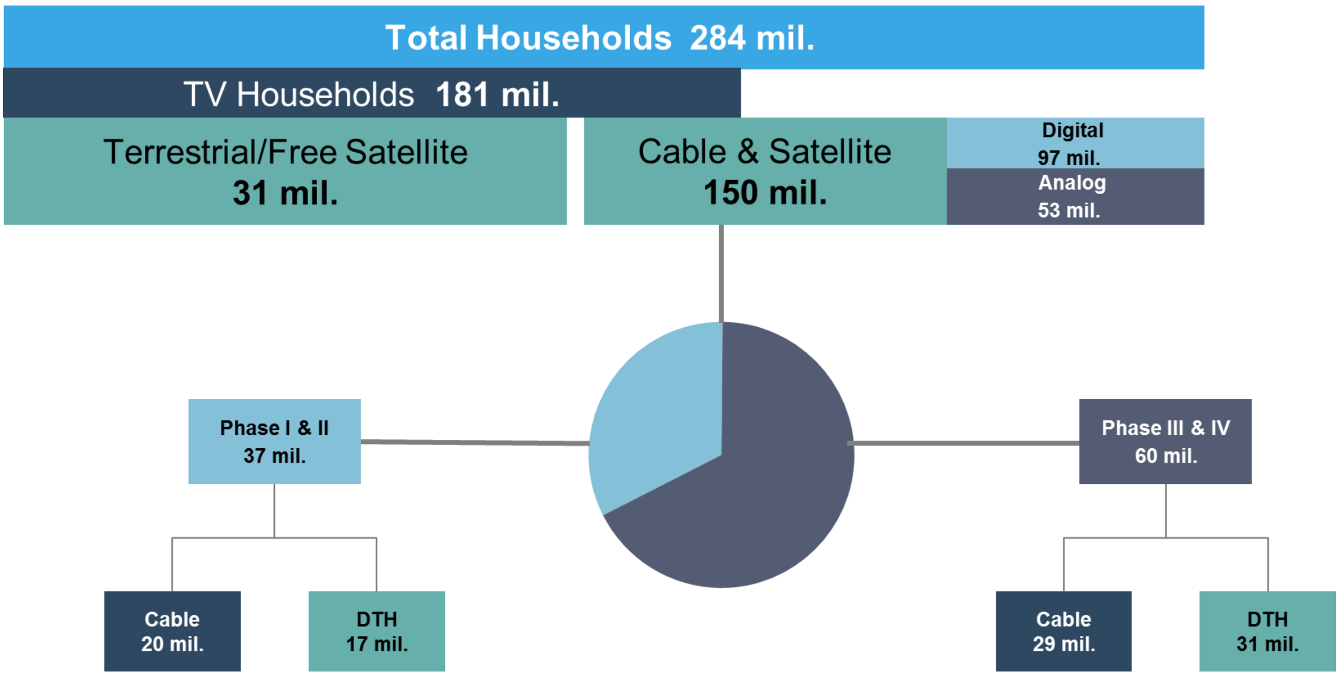
Source: Ministry of Information and Broadcasting, Media Partners Asia

The State of India's Pay-TV Market

India is one of the largest TV markets in the world, with 181 million TV households as of 31 December 2016, according to MPA. Moreover, India continues to add ~5 million new TV homes each year, with TV still at 64% of total household penetration as of 31 December 2016. By comparison, TV penetration rates in other Asian markets such as China and Thailand are much higher at 98% and 97%, respectively.

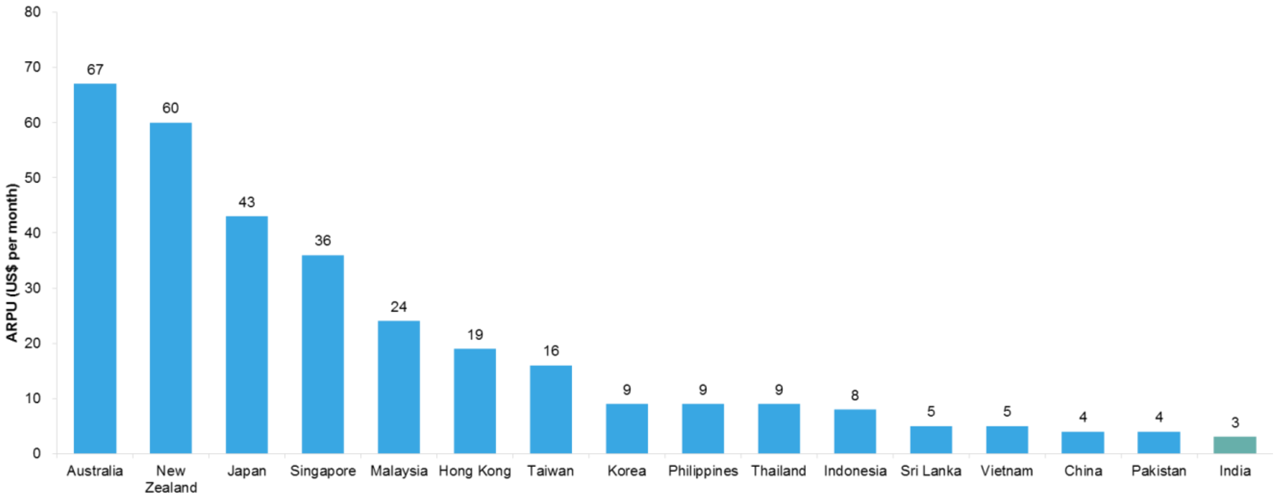
Pay-TV penetration of TV households is high, with 150 million TV households or 83% subscribing to cable or satellite TV services. Cable recovered some lost ground from DTH, with 50 million digital cable subscribers by 31 December 2016, versus 48 million on DTH. An estimated 16.5 million digital cable set-top boxes (STBs) were seeded in 2016. Notably, the deployments were led by regional MSOs and independent cable operators. Having digitalized the majority of their networks, national-level MSO players are increasingly focusing on growing their broadband businesses. By 31 December 2016, an estimated 65 million Indian homes were still watching analog TV, including an estimated 18-20 million non-pay-TV homes on DD Freedish. This represents a major opportunity for traditional as well as new and emerging pay-TV platforms.

Exhibit 13: TV Households and Digitization (2016)



Source: Media Partners Asia

Exhibit 14: Asia Pacific Pay TV ARPU Comparison (2016)



Source: Media Partners Asia

Improving MSO net-realizations

The DAS mandate boosted digital subscription revenues for MSOs from 2012-17. Digitalization has also led to higher transparency, allowing MSOs to mitigate losses from the revenue leakage prevalent in analog systems. Consequently, average net realizations for MSOs have improved to ₹100 (US$1.5) per sub per month in DAS Phase I and II markets as of 30 September 2017. At these levels, however, MSOs' core video businesses are only at breakeven. MSOs are continually working towards implementing packaging and streamlining operations to improve collections. Although regulations prescribe a higher share for MSOs, in practice, it is the LCO community that retains a higher share of the consumer ARPUs.

FDI and cross-media regulations

Following the DAS rollout, the government has gradually raised foreign direct investment (FDI) limits in pay-TV and related sectors. Currently, 100% FDI is permitted in DTH, cable networks, mobile TV and HITS businesses. However, restrictions in cross-media ownership are hindering further investment. For instance, a broadcaster can only directly own up to 20% of a pay-TV platform and vice versa. In August 2014, TRAI released recommendations on cross-media ownership that included removal of the 20% cap, although these regulations had not been approved as of 30 November 2017. New policies on cross-media ownership, which allow for vertical integration but prevent horizontal integration, are needed.

ACT's market share in the cable TV market:

Exhibit 15: Cable TV Market Share of ACT and its Associates

	2013	2014	2015	2016	September, 2017
Cable TV Subscribers (000s) - ACT	714.1	686.7	651.6	974.4	n/a
Cable TV Market Share	0.7%	0.7%	0.6%	1.0%	n/a

Source: Company data, Media Partners Asia

ANNEX

India's Top Broadband Markets

Exhibit 16: Service Area-wise Broadband Subscribers as a Percentage of Internet Users

Service Area	Sep-16		Sep-17	
	Broadband Subs (million)	As % of Internet Subs	Broadband Subs (million)	As % of Internet Subs
Maharashtra	16.7	54%	27.9	80%
Tamil Nadu (incl. Chennai)	17.3	59%	26.2	76%
Andhra Pradesh	14.9	54%	25.1	77%
Karnataka	14.8	62%	23.6	81%
Delhi	14.5	65%	23.5	83%
Gujarat	12.8	55%	22.0	83%
Uttar Pradesh(East)	8.5	35%	18.5	65%
Madhya Pradesh	11.2	51%	16.5	75%
Mumbai	10.3	62%	15.8	81%
Kerala	10.9	67%	15.6	83%
Rajasthan	7.5	41%	15.5	72%
Uttar Pradesh(West)	6.4	38%	15.4	72%
Bihar	7.5	36%	14.3	63%
Punjab	7.7	52%	13.0	79%
West Bengal	8.5	53%	11.8	70%
Kolkata	6.0	59%	9.2	75%
Haryana	4.7	57%	8.1	81%
Orissa	4.1	46%	6.6	67%
Assam	3.7	50%	5.4	64%
North East	2.1	48%	4.6	74%
Jammu & Kashmir	0.8	44%	3.3	70%
Himachal Pradesh	1.5	45%	3.1	75%

Note: Data/information for Andhra Pradesh includes Telangana, Madhya Pradesh includes Chhattisgarh, Bihar includes Jharkhand, Maharashtra includes Goa, Uttar Pradesh includes Uttarakhand, West Bengal includes Sikkim and North-East includes Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland & Tripura states.
Source: TRAI

Exhibit 17: Month-Wise Fixed Broadband Subscribers in India

	BSNL	MTNL	Airtel	ACT	Others	Total FBB subscribers in India
Dec-14	9.98	1.13	1.41	0.61	2.19	15.32
Jan-15	9.98	1.14	1.42	0.63	2.22	15.39
Feb-15	9.98	1.14	1.43	0.65	2.25	15.45
Mar-15	9.96	1.14	1.43	0.67	2.32	15.52
Apr-15	9.92	1.14	1.44	0.68	2.34	15.52
May-15	9.90	1.14	1.45	0.66	2.41	15.56
Jun-15	9.91	1.13	1.47	0.72	2.47	15.70
Jul-15	9.92	1.13	1.50	0.75	2.54	15.84
Aug-15	9.92	1.13	1.54	0.77	2.64	16.00
Sep-15	9.93	1.13	1.58	0.80	2.69	16.13
Oct-15	9.94	1.13	1.61	0.82	2.77	16.27
Nov-15	9.93	1.13	1.64	0.84	2.74	16.28

	BSNL	MTNL	Airtel	ACT	Others	Total FBB subscribers in India
Dec-15	9.92	1.12	1.67	0.86	2.94	16.51
Jan-16	9.90	1.12	1.68	0.89	3.04	16.63
Feb-16	9.91	1.11	1.71	0.91	3.11	16.75
Mar-16	9.94	1.11	1.74	0.94	3.25	16.98
Apr-16	9.91	1.10	1.76	0.96	3.32	17.05
May-16	9.89	1.10	1.79	0.99	3.39	17.16
Jun-16	9.88	1.10	1.82	1.02	3.50	17.32
Jul-16	9.86	1.08	1.88	1.05	3.62	17.49
Aug-16	9.84	1.07	1.91	1.09	3.76	17.67
Sep-16	9.88	1.07	1.94	1.11	3.84	17.84
Oct-16	9.44	1.06	1.95	1.12	4.36	17.93
Nov-16	9.45	1.05	2.03	1.14	4.39	18.06
Dec-16	9.95	1.04	2.04	1.12	3.99	18.14
Jan-17	9.94	1.03	2.05	1.13	3.95	18.10
Feb-17	9.95	1.03	2.07	1.14	3.99	18.18
Mar-17	9.98	1.01	2.08	1.17	4.00	18.24
Apr-17	9.87	1.00	2.09	1.19	4.10	18.25
May-17	9.80	0.99	2.09	1.20	4.15	18.23
Jun-17	9.73	0.98	2.10	1.22	4.30	18.33
Jul-17	9.66	0.97	2.10	1.23	4.18	18.14
Aug-17	9.60	0.96	2.11	1.24	4.20	18.11
Sep-17	9.54	0.95	2.12	1.24	4.19	18.04
Oct-17	9.48	0.94	2.13	1.26	4.17	17.98
Nov-17	9.43	0.92	2.14	1.27	4.09	17.85
Dec-17	9.38	0.91	2.15	1.28	4.14	17.86

Note: FBB means fixed broadband

Source: TRAI

OUR BUSINESS

The following information should be read together with the information contained in the sections titled "Risk Factors," "Industry Overview," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Presentation of Financial, Industry and Market Data" and "Financial Statements" on pages 18, 116, 383, 13 and 186, respectively, of this Draft Red Herring Prospectus. Unless the context requires otherwise, the financial information used in this section is derived from our Restated Consolidated Financial Statements.

Overview

We are the third largest wired broadband internet service provider in India with a market share of 6.9% of the pan-India wired broadband internet market as at September 30, 2017 according to MPA. As at December 31, 2017, we operated in 12 cities and towns across Tamil Nadu, Andhra Pradesh and Telangana, Delhi and Karnataka, which represent four of India's five largest wired broadband markets in terms of number of internet users, and were the market leader in Bengaluru and Hyderabad according to MPA. We had approximately 1.28 million wired broadband internet customers as at December 31, 2017. We are also an established provider of cable TV services in India. As at December 31, 2017, our cable TV services were available to consumers in the cities of Bengaluru, Vijayawada, Visakhapatnam and Eluru. We had approximately 0.71 million cable TV customers as at December 31, 2017.

Our fiber broadband network is extensive, covering more than 5.4 million residential homes in the markets in which we operated as at September 30, 2017 according to MPA. We have invested significantly to develop our fiber broadband network, the majority of which utilizes an advanced Metro Ethernet Active FTTX technology that enables us to provide reliable and high-speed access to our wired broadband internet services to consumers covered by our network. We also utilize GPON technology in certain parts of our network. According to MPA, our network covered the most number of residential homes among fiber-focused wired broadband internet service providers in India as at September 30, 2017. As at September 30, 2017, we had approximately 1.25 million wired broadband internet customers, representing a customer penetration rate of approximately 23.14% of the residential homes covered by our broadband network. Our investments are designed to grow our fiber broadband network, which enables us to drive revenue growth by increasing our customer base and ARPU. Furthermore, our emphasis on fiscal discipline and focus on profitable growth enables us to generate value from our investments. We own the majority of our fiber broadband network and have long-term leases, typically of at least 10 year terms, over the remainder of our network. We believe that our fiber broadband network provides us with a strong platform to grow our market share in India.

As at December 31, 2017, all of the residential homes and enterprise customers covered by our fiber broadband network were installed with network devices which allow us to deliver wired broadband internet services of speeds of up to 100 mbps with minimal modifications to the existing network infrastructure. According to MPA, we were one of the first internet service providers to offer wired broadband internet services with access speeds of up to 1 gbps to retail consumers in India, including in Bengaluru and Hyderabad, which are among the largest wired broadband internet markets in India. We believe that we are well-positioned to meet the under-served and growing demand for wired broadband internet services in India. According to MPA, the wired broadband internet market is expected to grow from 18.1 million subscribers as at December 31, 2016 to 24.0 million by December 31, 2021, driven by the increasing consumption of online digital content in India and increasing demand for high-speed internet access.

Our wired broadband internet services are also differentiated by our high quality customer service. We provide support services to our customers through our dedicated in-house teams, which are supported by automated online platforms (including mobile phone applications) and telephone call centers that allow us to provide support services to our customers in real-time. As of September 30, 2017, our wired broadband internet services were one of the most reliable in India according to MPA, with an average service availability / up-time of 99.97% in 2017, and in the month of December 2017, we resolved 94.76% of our wired broadband internet customers' registered complaints by the next working day.

We are promoted by Argan and TA, and are led by an experienced management team supported by a motivated team of employees. We were recognized as one of best places to work in India by The Great Places to Work Institute and the Economic Times, India, which awarded us the "India's Top 100 Best Companies to Work For 2017 – Rank 43" award in 2017, and by Working Mother & Avatar, which awarded us the "Top 100 – Best Companies for Women in India" award in 2016. We were also awarded the "Regional Best Employer 2016 – 2017" award by the Employer Branding Institute of India in 2017.

Our total income was ₹6,178.72 million, ₹8,741.85 million, ₹12,170.76 million and ₹6,841.13 million in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Our consolidated EBITDA was ₹2,116.75 million, ₹3,234.12 million, ₹4,679.14 million and ₹2,859.70 million in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Revenue from our wired broadband internet service business accounted for 82.77%, 90.31%, 91.61% and 91.38% of our total income for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively, and revenue from our cable TV service business accounted for 11.86%, 6.13%, 4.61% and 5.21% of our total income from operations for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. As at December 31, 2017, we had approximately 1.28 million wired broadband internet customers, with approximately 38% of our wired broadband internet customers subscribing to our services on fixed term contracts of durations longer than one month, and approximately 0.71 million cable TV customers. Our average monthly ARPU from our retail wired broadband internet business was ₹684, ₹756 and ₹813 in fiscals 2015, 2016 and 2017, respectively.

Our Competitive Strengths

Largest fiber-focused wired broadband internet service provider in India, a growing and under-penetrated market.

We are the largest fiber-focused wired broadband internet service provider in India in terms of number of fiber broadband internet subscribers and the third largest wired broadband internet service provider in India, with a market share of 6.9% of the pan-India wired broadband internet market as at September 30, 2017 according to MPA. As at December 31, 2017, we had approximately 1.28 million wired broadband internet customers. Our market share of the pan-India wired broadband internet market has increased year-on-year since 2013 according to MPA. As at December 31, 2017, we operated in 12 cities and towns across Tamil Nadu, Andhra Pradesh and Telangana, Delhi and Karnataka, which represent four of India's five largest wired broadband markets in terms of number of internet users, and were the market leader in Bengaluru and Hyderabad according to MPA.

According to MPA, India's middle-income population has grown from 31.4 million in 2011 to 53.3 million in 2016, with the average disposable income of its population increasing from ₹73,476 in 2012 to ₹118,395 in 2017. MPA expects India's middle-income population will continue to grow to 113.8 million by 2026, which will drive the growth in consumption of digital content and the demand for high-speed internet services in India. The wired broadband internet market in India is under-penetrated compared to the wired broadband internet markets of comparable countries, with a significant proportion of the market in India still utilizing legacy technology (such as DSL or HFC), which typically deliver slower internet access speeds. According to MPA, India's wired broadband internet penetration rate was 6.4%, with 18.1 million consumers subscribing to wired broadband internet services, compared to the wired broadband internet penetration rates of 63.5% and 41.6% in China and Vietnam, respectively, as at December 31, 2016. Given the limitations of the speed of internet services delivered on networks utilizing DSL or HFC technology, as consumption of digital content and demand for high-speed internet services increase, we believe there is significant headroom for growth in the wired broadband internet market in India as consumers seek faster internet access speeds migrate to fiber wired broadband internet services. Furthermore, according to MPA, wired broadband internet is generally adopted by consumers as a complementary, rather than substitute, service to wireless broadband internet. According to MPA, wired broadband internet offers consumers certain advantages over wireless broadband internet, such as generally higher internet access speeds, higher bandwidth internet access quotas, lower network latency, wider network coverage and more reliable and stable internet connections. Additionally, in densely populated areas in India, wireless broadband internet services are more likely to face issues with network congestion and signal degradation as a result of physical barriers to wireless connections, such as buildings and other physical structures. According to MPA, these limitations are also expected to affect newer wireless broadband internet technologies such as 5G services. We believe that the advantages of wired broadband internet will continue to make wired broadband internet services attractive to consumers, particularly as consumers' demand for high-speed internet access and consumption of internet data increase. MPA expects that the wired broadband internet market in India will grow from 18.1 million subscribers as at December 31, 2016 to 24.0 million by December 31, 2021. We believe that the underpenetrated wired broadband internet market in India presents us with a significant opportunity for growth.

The wired broadband internet market in India has significant barriers to entry, including the capital-intensive and time-consuming nature of network infrastructure development, limited last mile access to customers, the right of way restrictions on constructing and installing network infrastructure, a competitive market for building brand awareness, consumer loyalty, high customer-acquisition costs and competitive pricing pressures. As an established and leading player in the wired broadband internet market, we believe that we have a competitive advantage over our competitors, including any potential new entrants into the market. We are well-positioned to take advantage of the growing wired broadband internet market in India. As at December 31, 2017, all of the residential homes and enterprise customers covered by our fiber broadband network were installed with network devices which allow us to deliver wired broadband internet services of speeds of up to 100 mbps with minimal modifications to the existing network infrastructure. According to MPA, we were one of the first internet service providers to offer wired broadband internet services with access speeds of up to 1 gbps to retail consumers in India, including in Bengaluru and Hyderabad, which are among the largest wired broadband internet markets in India.

We believe that our presence in these key internet markets will provide a steady source of revenue and customers that will allow us to maintain our leading market position and enables us to pursue opportunities in other markets.

Our extensive state-of-the-art fiber network, direct-to-customer business model and access to customers provide a strong platform to drive growth.

Our extensive network and direct-to-customer business model enables us to scale our operations quickly and effectively in the markets in which we operate. Our fiber broadband network is extensive, covering more than 5.4 million residential homes in the markets in which we operated as at September 30, 2017 according to MPA. Our network is comprised of last mile distribution switches across India, including over 2,500 km of underground network infrastructure. We own the majority of our fiber broadband network and have long-term leases, typically of at least 10 year terms, over the remainder of our network. As our network and operations are based in cities and towns that have highly concentrated populations of consumers, we believe that we can continue to effectively grow our customer base by leveraging our existing network and operational platforms to deliver our services efficiently to different segments of consumers. Our network provides us with a reliable platform on which we deliver our high-speed wired broadband internet services to our customers. We believe that the scale of our extensive fiber broadband network also provides us with a competitive advantage over our competitors, including any new market entrants, given the substantial time and capital expenditure required for our competitors to build up a comparable network.

We have invested significantly to develop the technology of our fiber broadband network, the majority of which utilizes advanced fiber technology with network solutions customized to the requirements of the physical environment in and other characteristics of the different markets in which we operate. Our network utilizes fiber optics Metro Ethernet Active FTTX technology to enable us to deliver consistent and reliable high-speed wired broadband internet services to our customers. We also utilize GPON technology in certain parts of our network. Our network technology platform also allows us to effectively implement future technological upgrades, thereby enabling us to improve our service offerings and to stay competitive in the markets in which we operate. According to MPA, infrastructure developments in the wired broadband internet market in India in the future are expected to be led by fiber-based technology, such as FTTX and GPON.

To support our fiber broadband network, as at December 31, 2017, we had seven data centers in Bengaluru, Chennai, Coimbatore, Delhi, Hyderabad, Vijayawada and Visakhapatnam. From these data centers, our dedicated operations teams are able to oversee, operate and maintain our fiber broadband network and ensure the reliability of our services. In addition, we have developed a disaster recovery data center in Chennai and we intend to develop two additional disaster recovery data centers in Hyderabad and Bengaluru over the next two years to further enhance the reliability of our services.

Furthermore, substantially all of our customers subscribe to our wired broadband internet services directly as we do not depend on indirect subscriptions or LCOs to deliver our services. Our customer support services and the majority of our customer-facing interactions, including device installations, are also handled by our in-house teams. We believe that our end-to-end control of our customer interactions enables us to scale or adapt our business to cater to new or additional consumer segments quickly and effectively, and to ensure the consistency and quality of our customer support services.

Through our network infrastructure and direct-to-customer business model, we are able to achieve end-to-end management control over our network and the services we deliver to our customers. We also leverage our fiber network to drive our operating efficiency and performance through economies of scale and our high market penetration rates, which we believe provide us with a significant competitive advantage.

Strong brand awareness in the markets in which we operate.

Through our consistent investment in building our brands and leveraging on our existing digital platforms, we have successfully achieved strong brand awareness among consumers. We actively promote our services to consumers through various digital channels, including online advertisements, television advertisements and email advertisements, and physical channels, including billboards, outdoor advertisements and newspaper and other print advertisements. Our marketing materials are designed by our dedicated in-house teams to appeal to our target demographics in the regions in which we operate. Our promotional activities allow us to communicate and market the quality of our service offerings to consumers, including our high quality customer service and high-speed wired broadband internet services. While we actively promote our product brands through various channels, we also rely on word-of-mouth promotion to grow our customer base. This has enabled us to lower our cost of acquiring new customers and gives us a competitive advantage over our competitors.

Attractive value proposition and customer-centric service offerings.

Our services provide consumers with an attractive value proposition in terms of speed and reliability of service, high quality customer service and competitive pricing, which we believe have driven our success in the markets in which we operate. From March 31, 2013 to December 31, 2017, we increased our number of wired broadband internet customers from approximately 0.31 million to approximately 1.28 million, respectively. Our wired broadband internet services offer our customers high-speed and reliable internet services. As the average amount of internet bandwidth used per customer increases in the markets in which we operate, from time to time we also enhance our customers' user experience by proactively providing upgrades to their internet access plans at no additional cost to the customer, which we believe drives our customers' loyalty to our services. Our customers are able to manage their subscriptions to our services through our user-friendly automated digital platforms, including our mobile phone application, which allow our customers to easily and conveniently manage their subscriptions. We also focus on providing our customers with high quality customer support services through our dedicated in-house customer service teams, digital platforms, including an automated online platform, and call centers, which we believe helps to drive the high satisfaction levels among our customers. Furthermore, we also offer our customers bundled value-added services, including entertainment, educational and infotainment services, to supplement our wired broadband internet services which we believe enhances our customers' user experience and drives our value proposition. We believe that the attractive value proposition of our services has helped to increase our number of wired broadband internet customer from approximately 0.31 million as at March 31, 2013 to approximately 1.28 million as at December 31, 2017. The attractive value proposition of our service offerings also drives the effectiveness of our customer acquisition initiatives.

Our cable TV business complements our wired broadband internet business.

Our cable TV business complements our wired broadband internet business. Our experience in acquiring, developing, managing and scaling an established cable TV services in India has provided us with valuable local on-the-ground knowledge and an understanding of consumer behavior and preferences. As at December 31, 2017, we had successfully scaled our cable TV business to a customer base of approximately 0.71 million subscribers. Such knowledge has enabled us to consistently and successfully grow our wired broadband internet business. Furthermore, our cable TV business operations in the cities of Bengaluru, Vijayawada, Visakhapatnam and Eluru also provide us with significant avenues to penetrate these markets more quickly and grow our wired broadband internet business in these cities.

Track record of robust operational and financial performance, reflected in strong returns.

We have consistently grown our number of wired broadband internet customers across all the markets in which we operate. In fiscals 2013, 2014, 2015, 2016 and 2017, our total number of wired broadband internet customers increased year-on-year by 47.18%, 50.50%, 42.32%, 41.13% and 23.90%, respectively. Our total income increased by 41.48% between fiscal 2015 and fiscal 2016 and by 39.22% between fiscal 2016 and fiscal 2017, and our profit after tax margins increased from 5.19% in fiscal 2015 to 12.14% in fiscal 2017. Our growth has been driven primarily by our wired broadband internet service business and has provided us with strong and positive cash flows and returns on our capital investments. During fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, revenue from our wired broadband internet business accounted for 82.77%, 90.31%, 91.61%, and 91.38% of our total income, respectively. We have typically been able to achieve high ARPUs by customizing our service offerings to the demands of consumers from the middle and high-income market segments when entering new markets. In fiscal 2017, our average monthly ARPU from our retail wired broadband internet business was ₹813, compared to an average monthly ARPU of ₹590 among internet service providers in India in 2016, according to MPA. Furthermore, our average monthly retail wired broadband internet customer churn rate in fiscal 2017 was 2.04%, which was lower than the customer churn rate of certain of our competitors during the three month period ended September 30, 2017 according to MPA. We believe that our strong financial profile provides us with a robust platform for growth, and a financial cushion to maintain our competitive advantage as a market leader in the event of competitive pricing pressures or cyclicality in our industry.

Experienced promoters, Key Management Personnel, senior management team, supported by motivated and engaged employees.

We benefit from our experienced and professional promoters, Argan and TA, Key Management Personnel and senior management team. Our management team has an average of approximately 20 years of experience, with a mix of telecommunications, consumer brand-management, technical, business and financial expertise, which we believe are important in enabling us to execute our growth strategy. We also have a stable senior management team, with three of our eight senior management team members, including our Chief Executive Officer, having been with us for over five years. For further details, see "—*Employees*" and "*Our Management*" on pages 143 and 163, respectively. Our management team has a proven track-record of successfully and effectively implementing our growth strategies, which we believe has contributed to driving our increase in total income from ₹6,178.72 million in fiscal 2015 to ₹12,170.76 million in fiscal 2017.

We believe that our employees are a key contributor to our competitive advantage and continued success, and are committed to investing in and developing our employees to support our management team. We have developed various programs to ensure that our employees are motivated and engaged with our business. According to a survey of our employees conducted by Gallup in 2017, 66% of our employees were "engaged" with the success of our business, which sets us in the 66th percentile of Gallup's global database of companies and the 73rd percentile of Gallup's database of companies in India. We were recognized as one of best places to work in India by The Great Places to Work Institute and the Economic Times, India, which awarded us the "India's Top 100 Best Companies to Work For 2017 – Rank 43" award in 2017, and by Working Mother & Avatar, which awarded us the "Top 100 – Best Companies for Women in India" award in 2016. We were also awarded the "Regional Best Employer 2016 – 2017" award by the Employer Branding Institute of India in 2017. We have also implemented a management trainee scheme in collaboration with leading tertiary education business schools in India to develop our employees' skillsets to prepare them to take on managerial positions in our company. We believe that our commitment to developing our employees also promotes a strong level of workplace satisfaction among our employees.

Our Strategies

Prudently maintain and grow our market share in the private sector wired broadband internet industry.

We operate in the highly competitive private sector wired broadband internet industry in India, which has grown significantly in recent years. According to MPA, the wired broadband internet market grew from 14.5 million subscribers as at December 31, 2013 to 18.1 million subscribers as at December 31, 2016, and is expected to grow to 24.0 million by December 31, 2021. MPA expects cable multi-service operators to focus on increasing their footprint in the broadband internet market, which may result in our industry becoming more competitive. We have successfully grown our wired broadband internet customer base from 0.31 million as at March 31, 2013 to 1.17 million as at March 31, 2017, and intend to continue to retain our existing customer base and grow our market share by continuing to offer high speed and reliable wired broadband internet services at competitive prices and providing high-quality customer support services. We believe that our state-of-the-art fiber network, innovative and reliable high-speed wired broadband internet service offerings at competitive prices, strong brand awareness in the markets where we operate and high-quality customer services will allow us to maintain our competitiveness. As the average amount of internet data consumed by our customers increases, from time to time, we also enhance our customers' user experience by proactively upgrading their internet access plans at no additional cost to the customer, which we believe drives loyalty in our customers to our services. We believe that by maintaining our value proposition and high-quality of customer service, and by prudently managing our balance sheet to allow us flexibility to raise funds as necessary to fund the growth of our operations, we will be able to remain competitive, retain our existing customers and increase our customer base within the homes passed by our broadband network.

Drive wired broadband internet service penetration and improve market share within existing homes passed.

We intend to enhance our position in the markets in which we are an incumbent operator by improving our market share in the areas which are covered by our fiber broadband network but where our services have not yet been widely adopted, and increasing the penetration rate of our wired broadband internet services among the homes passed by our fiber broadband network. As at September 30, 2017, we had approximately 1.25 million wired broadband internet customers, representing a customer penetration rate of approximately 23.14% of the residential homes covered by our broadband network. According to MPA, our market share in Hyderabad, Chennai and Bengaluru as at December 2017 was approximately 60%, 27% and 28%, respectively. We intend to leverage our experience in and understanding of these markets, our state-of-the-art fiber network and the strength of our brand to continue to increase our customer penetration rate among the homes passed by our broadband internet network without incurring significant incremental capital investments and to grow our market share. As consumers' consumption of online digital content increases, we believe that demand for high-speed internet access will increase and will in turn drive a migration of consumers subscribed to internet services utilizing DSL or HFC networks to internet services utilizing broadband networks. Furthermore, we intend to continue to customize our broadband internet service offerings to increase the attractiveness of our services to consumers in the middle and higher-income segments of the markets in which we operate. As the majority of our fiber broadband network is less than five years old, we believe that our network provides us with a robust platform to capture the growth in demand for high-speed internet access and grow our penetration rates in these markets. Furthermore, we intend to gradually upgrade our existing customers to higher bandwidth internet access plans and to up-sell bundled valued-added services to drive our revenue growth and profitability.

Extend our fiber network coverage in existing markets to expand our potential market.

We intend to further expand our potential market in the existing cities in which we operate by extending our fiber network and leveraging on our understanding of these markets and the strength of our brands. In particular, we intend to continue to develop and extend our network of homes passed in the markets in which we have entered into in recent years, such as Delhi, and those markets in which we see significant opportunities for growth and expansion, such as Bengaluru and Chennai. Further expanding our network coverage in these markets allows us to leverage on our existing infrastructure and incur relatively lower incremental costs in sales and marketing expenses to grow our customer base. We intend to continue to deepen our coverage in the existing markets in which we operate and improve our market position by focusing on increasing our market share in these wired broadband internet markets. Additionally, we also intend to selectively evaluate opportunities to grow our business by acquiring other wired broadband internet service providers, particularly where such opportunities enable us to consolidate our market position and increase our network and geographical reach.

We believe that there is a significant opportunity for us to develop our share of the enterprise broadband internet market. According to MPA, wired broadband internet services are well suited to service the needs of customers in the enterprise broadband internet market. As enterprise customers demand reliable, high-speed and high-bandwidth internet connectivity, we believe we are well-positioned to capture this market. We intend to develop our share of the enterprise broadband market by leveraging on the strength of our brand and high-quality customer service value proposition. We also intend to develop additional enterprise-focused service offerings, such as hosting and co-location services, which are specifically designed for small and medium-sized enterprise customers, particularly in the existing cities in which we have a strong presence, such as Bengaluru, Hyderabad and Chennai.

Selectively enter new markets in India.

We intend to continue to identify other cities and towns in India which have a high potential for wired broadband internet penetration opportunities or growth, and to expand our business into these markets. We balance our focus on driving revenue growth and expanding our business with a disciplined approach to cost management and capital investments. We evaluate the potential of new market opportunities based on a number of factors which we believe will enable us to maximize our revenue growth and ARPU, including the income levels of consumers in the city, the suitability of the physical environment for developing network infrastructure, the existing competitive dynamics of the local market and the population of the city. In particular, we intend to expand our footprint into new cities in India, including state capitals and other large cities which we believe present opportunities for us to expand our business.

In the past, we have successfully expanded into and effectively grown our market share in new cities and towns in India. In the three years ending December 31, 2017, we have successfully expanded our business into five cities, namely Coimbatore, Tirupati, Delhi, Guntur and Rajahmundry. Our methodical and disciplined approach to entering new markets with high wired broadband penetration opportunities allows us to maintain our financial and competitive strengths. We intend to leverage our past experience and success to enable us to effectively expand our business into new markets, including by implementing our phased expansion plans. We also intend to continue to deliver premium, high-quality services to consumers at affordable price points to attract consumers, particularly retail consumers in the middle and high-income segments of these new markets, and focus on acquiring new customers directly to control the full cycle of our customer relationships.

We have in the past also successfully expanded our operations and consolidated our presence in new markets through acquisitions and strategic partnerships. We may leverage on our acquisition experience to successfully identify, pursue and integrate into our business any new opportunities that may arise in the future if we determine such opportunities would be beneficial to our business.

Further invest in network infrastructure and technology to continue to deliver a differentiated value proposition and expand our fiber network.

We have invested significantly to develop our state-of-the-art fiber broadband network and effectively implement advanced technologies to continue to deliver high-speed and reliable internet services to our customers. We intend to continue to upgrade our network to enable us to deliver internet services with an average speed of 100 mbps throughout the metropolitan areas in which we operate. We will also continue to develop our underground network infrastructure and enhance the security and stability of our overall network infrastructure, including by constructing two additional disaster recovery sites in Hyderabad and Bengaluru over the next two years. We intend to continue to expand our network coverage, including through long-term leasing arrangements where appropriate, to enable us to grow our market share. We believe these investments will provide us with a robust platform to grow our business and maintain our competitive advantage in the markets in which we operate. We believe that our balance sheet allows us the flexibility to raise additional capital which, together with the proceeds we receive from the Offering and any additional equity investments in our Company by our Promoters, will enable us to further increase our capital investments on the growth of our business and development of our network infrastructure. For further details, see "*Objects of the Offer*" on page 98.

We intend to support the future growth of our business by ensuring that our IT systems and technology used in our network and to deliver our services are adaptable to technological advancements. While we utilize a number of advanced technologies to deliver our services and operate our network, we intend to continue to invest in our network and technology infrastructure, including GPON technology, so that we are able to improve our existing technology systems or implement new, more advanced technology systems that may be developed. We believe that this will enable us to continue to deliver high-quality, market leading and competitive service offerings, which will drive our growth.

Enhance service offerings to retain existing customers and drive acquisition of new customers.

We are focused on our core business of delivering premium, high-speed and reliable wired broadband internet services and high-quality cable TV services to our customers. To supplement our core wired broadband internet services, we also intend to introduce innovative new products and promotions to increase the value proposition of our services and to drive customer loyalty. We also intend to continue to offer additional bundled services, such as value-added services, to supplement our internet service offerings. We have focused on implementing a number of value-added services, including entertainment, educational and infotainment services, and intend to continue to do so to improve our customers' experience when using our services. We believe that these value-added services will enable us to retain our competitiveness and continue to address consumers' preferences. From time to time, we also enhance our customers' user experience by proactively upgrading their internet access plans at no additional cost to the customer, which we believe drives loyalty in our customers to our services. Additionally, we also intend to continue to evaluate opportunities to offer innovative services in new and developing market segments, including services supporting the "over the top" and "internet-of-things" market segments.

We also intend to continue to focus on providing our customers with high quality customer service to enhance our customers' user experience. We believe that our focus on developing and motivating our employees has enabled us to deliver high quality customer service to our customers, which has in turn helped us to grow our business and customer base. Our customer-focused strategy enables us to benefit from operational and financial efficiencies and helps to enhance the strength of our brand among consumers. This in turn has enabled us to reduce our customer churn rate and optimize our cost of acquiring new customers. As at December 31, 2017, approximately 38% of our wired broadband internet service customers were on fixed term subscriptions for durations of more than one month and approximately 71% of our wired broadband internet service customers had been subscribed to our services for more than 12 months.

Continue to develop and engage our workforce.

We believe that our employees are a key contributor to our competitive advantage and continued success and are committed to investing in and developing our employees. We intend to continue to invest in and develop our workforce to ensure that we have motivated, engaged and well-trained employees to continue to grow our customer base and deliver high-quality customer support services to our customers. We have developed various training programs, including ongoing refresher training sessions, to ensure that our employees are motivated and engaged with our business. Our employees are trained to focus on providing high quality customer service when they join us, and we constantly monitor our customers' satisfaction levels, feedback on our services and our employees' performance, which we believe enables us to implement an effective employee training program. While our training programs are designed to equip our employees with the necessary skillsets to perform their functions well, we also focus on developing our employees so that they have a long-term and successful career with us. For example, we have implemented a management trainee scheme, in collaboration with leading tertiary education business schools in India, to develop our employees' skillsets in preparation for these employees to take on managerial positions in our company.

Our commitment to investing in and developing our employees enables us to maintain a motivated workforce which is engaged with the success of our business, which we believe has been a key driver to our success and will continue to enable us to meet the challenges of the competitive markets in India. In particular, our ESOPs enable us to align our employees' interests with our Company's long-term interests, and incentivizes our employees to be engaged with the long-term success of our Company. As at September 30, 2017, 2.01% of our Company's equity shares were owned by employees under our employee stock option schemes. For further details, see "*Capital Structure*" on page 76. Additionally, as part of our strategy to motivate our workforce, we have provisioned for and intend to continue to offer deferred incentive compensation to our senior and key management personnel.

Leverage on synergies from our cable TV business operations to grow our wired broadband internet business.

We intend to continue to invest in and develop our cable TV business on an incremental basis in order to leverage on operational synergies from and business opportunities that are available through our cable TV business, which we believe have in the past enabled and will continue to enable us to successfully grow our wired broadband internet business. For example, we have in the past successfully leveraged on our cable TV operations in certain cities, such as Bengaluru, Eluru and Vijayawada, to enable us to establish our broadband internet business in these markets. We also intend to continue to grow our cable TV business through selective strategic acquisitions and investments, including by increasing our shareholding in our certain of our downstream affiliate companies.

Our Services

We provide wired broadband internet services to retail and enterprise consumers and cable TV services to retail consumers in India. Revenue from our wired broadband internet service business accounted for 82.77%, 90.31%, 91.61% and 91.38% of our total income for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively, and revenue from our cable TV service business accounted for 11.86%, 6.13%, 4.61% and 5.21% of our total income for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Wired Broadband Internet Service

As at December 31, 2017, our wired broadband internet services were available in 12 cities and towns across Tamil Nadu, Andhra Pradesh and Telangana, Delhi and Karnataka, which represent four of India's five largest wired broadband markets in terms of number of internet users, and we were the market leader in Bengaluru and Hyderabad according to MPA

Our wired broadband internet service provides our customers with high-speed and reliable wired broadband internet access. Our customers subscribe for our wired broadband internet services under a variety of "access plans" of varying access speeds, ranging from 10 mbps up to 1 gbps, and monthly bandwidth quotas (for downloads and uploads), ranging from 50 gb up to five tb. Our wired broadband internet access plans are designed to cater to the variety of internet usage demands of our customers. Substantially all of our customers subscribe to our wired broadband internet services directly as we do not depend on indirect subscriptions, franchises or LCOs to deliver our services.

While our wired broadband internet access plans are typically for a duration of one month, we also offer longer-term access plans for durations of up to 12 or 24 months, which generally offer a lower subscription price than short-term access plans of a comparable access speed and bandwidth quota. We typically collect the subscription fees for longer-term access plans up-front and in advance.

As at December 31, 2017, the price of our wired broadband internet access plans for our retail customers ranged from ₹410 per month, for our basic wired broadband internet access plan, up to ₹5,999 per month, for our premium wired broadband internet access plan. We also vary our wired broadband internet access plan prices by geography, to reflect the costs and market dynamics in the different markets in which we operate.

The following table sets out the key performance indicators of our wired broadband internet service business for the periods indicated.

	December 2017	**Fiscal**				
		2017	**2016**	**2015**	**2014**	**2013**
Number of wired broadband internet subscribers (in millions, as at March 31 for the fiscal years and as at December 31 for December 31, 2017)	1.28	1.17	0.94	0.67	0.47	0.31
Average number of retail wired broadband internet subscribers for the period (in millions, for the fiscal year and for the nine months period ended December 31, 2017) (1)	1.21	1.04	0.80	0.56	0.39	0.26
Average monthly ARPU from retail wired broadband internet business (for the fiscal year and for the nine month period ended December 31, 2017) (2)	₹798	₹813	₹756	₹684	₹644	₹585
% of Customers on Fixed Term Subscriptions (as at March 31 for the fiscal years and as at December 31 for December 31, 2017) (3)	38%	36%	35%	37%	40%	38%

(1) *The average number of retail wired broadband internet subscribers for a period is calculated as the sum of the number of retail wired broadband internet subscribers at the start of and at the end of such period divided by two.*

(2) *Average monthly ARPU from retail wired broadband internet business is calculated as (i) average revenue per retail broadband internet service customer per month for the period (which is calculated as (a) total revenue from retail broadband internet service customers for the period, divided by (b) in the case of a fiscal year period, 12, and, in the case of a nine month period, nine), divided by (ii) average number of retail wired broadband internet service customers for that period (which is calculated as (x) the sum of the number of retail broadband internet service customers at the beginning and at the end of the period, divided by (y) two).*

(3) *% of Customers on Fixed Term Subscriptions is calculated as (x) the number of wired broadband internet subscribers which were subscribed to our wired broadband internet services on fixed-term contracts of durations of more than one month as at the relevant date, divided by (y) the total number of wired broadband internet subscribers as at that date.*

Cable TV Services

In addition to our core wired broadband internet services, we also provide cable TV services, delivering cable TV content (including television program channels) to consumers in India. We provide our cable TV services to end consumers both directly and through LCOs, who in turn provide cable TV services to end consumers. We pay a portion of the revenue generated from customers subscribed to our services through LCOs to the respective LCO. As at December 31, 2017, we had approximately 0.71 million cable TV service customers, of which approximately 0.09 million were direct subscribers and approximately 0.61 million were subscribers through LCOs.

Customers subscribe to our cable TV services and receive our cable TV content through a "set-top" box that is connected to their television set, which is linked to our network. Our customers typically purchase these set-top boxes for a fee. As at December 31, 2017, our cable TV services were available to consumers in the cities of Bengaluru, Vijayawada, Visakhapatnam and Eluru. Our cable TV services were also available to consumers in the city of Nellore through our associates as at December 31, 2017.

Our customers subscribe to our cable TV services under a variety of "access plans" which allow our customers to choose the number of channels and genre of cable TV content they wish to access. As at December 31, 2017, our cable TV services offered access to more than 500 television program channels.

The price of our cable TV access plans varies from city to city, and depends primarily on the market dynamics of each city. As at December 31, 2017, the price of our cable TV access plans ranged from ₹150 per month, for our basic cable TV access plan, which offers access to our basic tier of cable TV content, to ₹550 per month, for our premium cable TV access plan, which offers access to additional and premium cable TV content. Our cable TV access plans are typically on monthly subscriptions.

The following table sets out the key performance indicators of our cable TV service operations for the periods indicated.

	As at December 31 2017	**(As at March 31)**				
		2017	**2016**	**2015**	**2014**	**2013**
Number of subscribers (in millions)	0.71	0.63	0.57	0.34	0.71	0.97
Number of direct subscribers (in millions)	0.09	0.10	0.10	0.10	0.23	0.23
Number of indirect subscribers (in millions)	0.61	0.52	0.47	0.24	0.48	0.74

Cable TV Content

As part of our cable TV service offering, we deliver a wide variety of high-definition and standard-definition cable TV content (including television program channels) to our customers in the cities of Bengaluru, Vijayawada, Visakhapatnam and Eluru in India. Our cable TV services are also available to consumers in the city of Nellore through our associates. As at December 31, 2017, our cable TV service offered access to more than 500 television program channels.

We procure our cable TV content primarily from leading domestic and international content providers. We typically enter into long-term licensing arrangements with such distributors to ensure that we are able to provide our customers with cable TV content that appeal to our customers. These licensing arrangements are typically granted to us on a non-exclusive basis and require us to pay a fixed annual fee or variable annual fee based on the number of subscribers for our licenses to use our cable TV content.

Our cable TV content generally covers a broad range of content genres. As at December 31, 2017, our cable TV content included the following genres:

- *Devotional.* Religious content channels;
- *Infotainment, Knowledge & Travel.* Educational and informative content;
- *Kids.* A wide variety of channels with content suitable for children;
- *Lifestyle.* General lifestyle content;
- *Language-Specific Channels.* Language-specific content, including Bangla, Gujarati, Hindi, Kannada, Malayalam, Marathi, Tamil, Telugu and Urdu, to cater to the large communities of consumers speaking these languages in the markets in which we operate;
- *Movies & Entertainment.* Movies represent a key component of our cable TV service offering. We offer well-recognized international and national English and Hindi language channels;
- *Music.* Well-recognized English and Hindi language music channels;
- *News.* Some of the most recognized and popular international and national news channels. We also offer Tamil language news channels.
- *Shopping.* Home shopping channels;

- *Sports.* Sports channels; and
- *Regional Channels.* Channels specifically available in certain regions in the markets in which we operate.

In addition, we also operate our own local cable channels, such as "ACT City" and "ACT 24/7," which deliver cable TV content covering the local news and developments, and entertainment in local markets.

Our Network Infrastructure

Our wired broadband internet services are delivered through our extensive fiber broadband network. Our network is comprised of last mile distribution switches across India, including over 2,500 km of underground network infrastructure. Last mile distribution switches on our network are powered by electricity to connect our customers to a cluster of fiber cables, which in turn connect to main trunk fiber cables in our network infrastructure through which we deliver our wired broadband internet services.

Our network allows us to operate in the states of Tamil Nadu, Andhra Pradesh and Telangana, Delhi and Karnataka, which represent four of India's five largest wired broadband markets in terms of number of internet users according to MPA. Our fiber broadband network enabled us to provide access to our wired broadband internet services to more than 5.4 million residential homes across India as at September 30, 2017 according to MPA. As at September 30, 2017, we had approximately 1.25 million wired broadband internet customers, representing a customer penetration rate of approximately 23.14% of the residential homes covered by our broadband network.

We have invested significantly to develop our fiber broadband network, the majority of which utilizes an advanced network architecture comprising Metro Ethernet Active FTTX technology to deliver high-speed and reliable wired broadband internet access to all our customers. We also utilize GPON technology in certain parts of our network. Our customers connect to our fiber broadband network through the fiber distribution points in their premises, which are installed by network engineers engaged by us and through our third-party suppliers.

Our fiber broadband network has enabled us to be one of the first internet service providers to offer wired broadband internet services with access speeds of up to 1 gbps to retail consumers in India. As of September 30, 2017, our wired broadband internet services were one of the most reliable in India according to MPA, with an average service availability / up-time of 99.97% in 2017.

While the majority of our fiber broadband network comprises over-ground network infrastructure, our network also includes underground network infrastructure. We own the majority of our fiber broadband network and have long-term leases, typically of at least 10 year terms, over the remainder of our network.

Our additions to property, plant and equipment and other intangible assets, including movement in capital work in progress, amounted to ₹1,985.71 million, ₹3,075.16 million, ₹3,854.98 million and ₹2,161.85 million in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Our cable TV services are delivered through a fiber and coaxial cable network, which is operated and maintained either by us or our LCO partners.

Metro Ethernet Network (Active FTTX)

A Metro Ethernet network is a metropolitan area network which is based on Ethernet standards. Metro Ethernet technology is a cost-effective technology to provide network access to a large number of users in a single building or cluster of buildings. The population density of the markets in which we operate allow us to utilize Metro Ethernet technology effectively to connect our network to consumers on a large scale. According to MPA, we were the first to use Metro Ethernet network technology at a significant scale in India. We use "Active FTTX" technology on our Metro Ethernet network, which allows our fiber cables to connect our network to consumers' homes and commercial buildings using electricity-powered distribution switches.

We implemented Active FTTX technology into our Metro Ethernet network infrastructure in 2009 in Hyderabad. We believe that using Metro Ethernet Active FTTX technology provides us with a competitive advantage over our competitors who may use older and less efficient technology, such as DSL technology and HFC technology, to deliver their wired broadband internet services on their networks. DSL technology utilizes telephone lines to transmit digital data and HFC technology utilizes combined optical fiber and coaxial television cables to transmit digital data, typically at lower speeds, smaller bandwidth and over shorter distances than Active FTTX technology. Our use of Active FTTX fiber broadband technology provides us with a competitive advantage by allowing us to offer internet access speeds of up to 1 gbps (whereas older technologies may offer access speeds of only up to 152 mbps), allowing multiple users to simultaneously access our network without any compromise in each user's access speed, and allowing our customers to connect to our network without requiring a modem (which is typically required for older technologies).

Gigabit Passive Optic Network (GPON)

As part of our continuing strategy to maintain our competitiveness by utilizing various advanced technology where beneficial, we also utilize GPON technology for a small portion of our network. GPON technology is a FTTX-based passive technology which uses optical wavelength division multiplexing to enable a single fiber to transmit both downstream and upstream data. GPON technology provides our network with the advantages of fiber-based technology without requiring electricity to operate in the last mile connection. We believe that our fiber broadband network provides us with a robust network architecture to capitalize on increases in demand for wired broadband internet services in India.

Our Data Centers

As at December 31, 2017, we had seven data centers in Bengaluru, Chennai, Coimbatore, Delhi, Hyderabad, Vijayawada and Visakhapatnam. Our data centers have enabled us to ensure that our services are up and running and available to our customers with minimal disruption.

Our data centers house our in-house design, implementation and operations teams, and serve as a base from which we oversee, operate and maintain our fiber broadband networks. Our data centers operate in accordance with strict internal operational procedures and internal control systems that are audited by leading third-party audit service providers, which enables us to protect our and our customers' information and personal data. In addition, we have a disaster recovery data center in Chennai and we intend to develop two additional disaster recovery data centers in Hyderabad and Bengaluru over the next two years. In the event any of our data centers experience disruptions or faults in our network operations, our network traffic will be re-routed to our disaster recovery data centers, thereby allowing us to avoid or minimize disruptions to our services. We expect that these additional disaster recovery data centers will enable us to provide uninterrupted services to our customers in the event any natural disasters or other circumstances affect or require us to shut down our data centers.

Maintenance and Monitoring

To ensure the reliability of our fiber wired broadband internet services, we have implemented a comprehensive network monitoring system. We use Active FTTX technology, which enables us to monitor up to the last mile distribution switches on our network and detect faults in our network immediately, which helps us to address any such faults promptly. In addition, we also perform routine maintenance work on our fiber broadband network, which comprise of upgrading the software used by our network equipment, increasing the capacity of our network equipment, and relocating our network distribution switches to optimize our fiber cable network routes.

Our Customers

Wired Broadband Internet Service Customers

Our wired broadband internet service customers comprise primarily of retail and enterprise customers. As at December 31, 2017, we had approximately 1.28 million wired broadband internet service customers, comprised of approximately 1.27 million retail customers and approximately 0.01 million enterprise customers. Substantially all of our customers subscribe to our wired broadband internet services directly as we do not depend on indirect subscriptions, franchises or LCOs to deliver our services.

In 2017, the access plan speeds of our wired broadband internet customers ranged between 10 mbps to 1 gbps.

Although the wired broadband internet markets in which we operate are highly competitive, we have successfully achieved an average monthly retail wired broadband internet customer churn rate (being the number of retail wired broadband internet customers unsubscribing for our services in a period as a percentage of the average number of retail wired broadband internet customers for that period) of 2.09% during the nine month period ended December 31, 2017. In fiscals 2013, 2014, 2015, 2016 and 2017, our average monthly retail wired broadband internet customer churn rate was 2.86%, 2.04%, 1.89%, 1.68% and 2.04%, respectively. As at December 31, 2017, approximately 38% of our wired broadband internet service customers were on fixed term subscriptions for durations of more than one month and approximately 71% of our wired broadband internet service customers had been subscribed to our services for more than 12 months.

Cable TV Service Customers

Our cable TV service customers are comprised of retail customers who subscribe to our cable TV service either directly or indirectly through LCOs. As at December 31, 2017, we had approximately 0.71 million cable TV service customers, of which approximately 0.09 million were direct subscribers and approximately 0.61 million were subscribers through LCOs. As at December 31, 2017, 94.60% and 5.40% of our cable TV customers were based in Andhra Pradesh and Karnataka, respectively.

Marketing, Sales, Distribution and Customer Acquisition

We have an extensive range of sales distribution channels, including through third-party LCOs for our cable TV services, through which we acquire new customers, and we actively promote our services to attract new customers in the markets in which we operate.

Marketing

We actively promote our wired broadband internet and cable TV services to consumers through various digital channels, including online advertisements, television advertisements and email advertisements, and physical channels, including billboards, outdoor advertisements and newspaper and other print advertisements. Our marketing materials are designed by our dedicated in-house teams to appeal to our target demographics in the regions in which we operate. In addition to promoting our services, we also conduct marketing campaigns to promote and raise awareness of our brands, including “ACT Fibernet.”

Sales and Distribution

Our sales and distribution channels include telephone-based sales lines and online digital sales platforms on mobile phone applications and websites where customers can subscribe for our wired broadband internet and cable TV services.

Our customers are able to manage their wired broadband internet subscriptions to our services through our user-friendly automated digital platforms, including our mobile phone application, which allows our customers to easily and conveniently manage their subscriptions.

Customer Acquisition Strategy

As part of our customer acquisition strategy, we customize our wired broadband internet and cable TV service access plans based on our understanding of the demographics, demands and preferences of consumers in the markets in which we operate. For example, our basic access plans for our wired broadband internet services for retail customers in large metropolitan cities, such as Chennai, start from higher access speeds and at correspondingly higher price points than our basic access plans for retail customers in smaller cities, such as Rajahmundry. We also continuously evaluate our access plans based on the competitive dynamics of the markets in which we operate in order to maintain the competitiveness of our service offerings. From time to time, we offer limited-time promotions, such as fixed-term subscriptions or reduced service installation fees, to attract customers. These strategies are designed to enable us to successfully acquire customers, build loyalty among our existing customers, retain our customers and increase our per-customer profitability. We also offer wired broadband internet service access plans that are specifically customized to be attractive to and meet the needs of our enterprise customers, including a “Corporate Broad Band” plan which is designed to be more affordable and accessible to start-ups and small businesses.

Customer Service

We believe that our high quality customer service and support is a key differentiator and driver for our success in attracting and retaining customers. We aim to provide our customers with high-quality pre and post-sales services, while maintaining operational efficiency and cost effectiveness. Our customer service teams are integrated into our operations in all of the markets in which we operate.

We have invested significantly in developing infrastructure and training our employees to provide our customers with a high standard of customer service. We have a dedicated in-house team of well-trained employees focused on providing support services to our customers. Our customer service teams are primarily based in our customer service centers located in the cities and towns in which we operate and utilize an automated online platform and telephone-call center to engage directly with our customers in real time. We also have customer service professionals who are available at our branches who can provide customers with assistance in-person. Finally, we have a team of technically trained professionals whom we deploy to troubleshoot and remedy any technical issues our customers encounter with their physical equipment or network infrastructure. As at December 31, 2017, we had a dedicated customer service team comprising 516 full-time employees. As of September 30, 2017, our wired broadband internet services were one of the most reliable in India according to MPA, with an average service availability / up-time of 99.97% in 2017, and in the month of December 2017, we resolved 94.76% of our wired broadband internet customers’ registered complaints by the next working day.

We have separate dedicated and specialized teams which focus on providing support to our wired broadband internet enterprise customers. Each of our wired broadband internet enterprise customers have an account manager who helps to oversee and manage their services and subscriptions, and our enterprise customers can connect directly to our dedicated customer service team without going through the general call center in the event the customer faces any issues with its access to our services.

Suppliers

Our primary suppliers are providers of fiber cables, last mile switches, upstream bandwidth providers and the related installation and maintenance equipment and services. We maintain a network of a number of suppliers for all our major network materials, including fiber cable and last mile switches, and network services, including installation and maintenance services. In fiscal 2017, the percentage of our purchases attributable to our largest supplier was less than 10%, and the percentage of our purchases attributable to our five largest suppliers was less than 40%. In the event that any one of our suppliers is unable or unwilling to supply us in the future, we believe that we will be able to obtain alternative sources of supply for the equipment and services we require.

We review the performance of each of our suppliers periodically, assessing the quality of work performed and materials supplied by the supplier against the requirements set out in our contractual agreements.

Information Technology and Research & Development

Our business and operations rely on technology developed by our in-house research and development ("**R&D**") team and also on technology developed by third-parties. Our R&D teams are based in Bengaluru and Hyderabad. Our R&D team focuses on evaluating our operational processes and technology systems and identifying and implementing emerging and new technology to develop and improve our online and offline digital platforms, including our customer interfacing platforms such as our ACT website, our mobile phone application and our call centers. Our R&D team helps to ensure that our interactions with our customers, whether relating to sales, customer service or general matters relating to their subscription, are convenient, efficient and effective.

Our in-house R&D team also develops our data analytics technology, which enables us to analyze the effectiveness of our business operations. Our data analytics technology allows us to identify key trends in customer demand and preferences, calculate optimal pricing levels for our services, allocate our resource efficiently and to identify inefficiencies in our operational systems.

We utilize various technology platforms and operating systems to coordinate and optimize our operations, including communication and operational processes between our offices in the different cities and towns in India. For example, we are in the process of implementing a new customer relationship management ("**CRM**") system which we believe will enable us to scale and expand our business effectively. We expect the new CRM system to be implemented in 2018. We also have strict internal operational procedures and internal control systems, which are audited by leading third-party audit service providers, for using our technology platforms, to enable us to protect our and our customers' information and personal data effectively. These systems allow our management team to effectively oversee and manage our operations in the various markets in which we operate, and to ensure that our operations are coordinated.

We also have a credit and collection team which is responsible for invoicing and ensuring prompt payment from our customers. We have successfully implemented an online billing and payment collection system, which has enabled us to transition from processing approximately 48% of our billing and payment collections online in fiscal 2013 to approximately 84% in fiscal 2017. Our online billing and payment collection system provides a flexible platform that allows us to leverage on multiple payment gateways, including digital payment wallets, and has enabled us to transition away from manual payment collections. Our invoices are issued on a monthly basis in advance, with payment typically due within 15 days. We have not experienced any material bad debts during fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017.

Competition

The wired broadband internet industry in India is highly competitive. Our primary competitors in the wired broadband internet market are BSNL, MTNL and Airtel. Our primary competitors in the cable TV market are Hathway and Siti Cable. Furthermore, we may be impacted by new entrants into the markets in which we operate, such as Jio, which entered the wired broadband internet market in 2017.

Although we have a number of competitors, we believe that we can maintain our leading position in the markets in which we operate by leveraging our competitive strengths and continuing to implement our strategies. Our ability to remain competitive is reflected in an increase in our number of wired broadband internet service customers from approximately 0.31 million as at March 31, 2013 to approximately 1.28 million as at December 31, 2017, an increase in our total income from ₹6,178.72 million in fiscal 2015 to ₹12,170.76 million in fiscal 2017, and an increase in our average monthly ARPU from our retail wired broadband internet business from ₹684 in fiscal 2015 to ₹813 in fiscal 2017.

Employees

We believe that our employees are a key contributor to our competitive advantage and continued success. We have a stringent employee onboarding process through which we identify and employ suitable and high-caliber candidates to join our teams. We also have a comprehensive employee induction program, which all of our employees undergo when joining us. Our employee induction program includes a "Basic Orientation" segment, which is designed to provide our new employees with a rigorous understanding with the expectations and responsibilities of their job function in their respective teams, and a "Organizational Induction" segment, which is designed to ensure that our new employees are familiarized with and assimilated into our company's work culture, business values and ethical standards. Depending on the job function of the joining employee, the employee induction program can last for up to 15 days. We also focus on integrating our new employees through our "on-the-job" training program, "Assimilate Program," where our new employees are assigned a "buddy" who is an existing employee in the new employee's team. This provides a platform for our new employees to receive training and learn from our experienced employees. These measures enable us to ensure that our employees are equipped to deliver high quality services to our customers.

We have developed various training programs, including ongoing refresher training sessions, to ensure that our employees are motivated and engaged with our business. While our training programs are designed to equip our employees with the necessary skillsets to perform their functions well, we also focus on developing our employees so that they have a long-term and successful career with us. For example, we have established an in-house training program to ensure that our employees are well equipped with the necessary skills to drive our business. We have also implemented a management trainee scheme, in collaboration with leading tertiary education business schools in India, to develop our employees' skillsets in preparation for these employees to take on managerial positions in our company. We monitor our employees' performance and have stringent performance and qualification standards which our employees are required to meet, which helps us to ensure the quality of our services to our customers. Our employee review processes are also designed to be transparent and objective, which supplements our focus on rewarding our high-performing employees. As at December 31, 2017, the majority of our managerial employees comprised of our employees who had gone through our management trainee scheme.

We also have robust communications systems and processes which help us to ensure that our employees are able to communicate effectively. We utilize various technology platforms which enable our employees to communicate with each other effectively across all of the cities and towns in which we operate and to communicate directly with our senior management team. These communication systems are supplemented by our employee feedback process, which allows our employees to provide us with feedback on our training, integration development programs or to raise any issues which our employees face. This employee feedback process enables us to improve on and better customize our employee training, integration and development programs and to address our employees' needs more effectively.

We were recognized as one of best places to work in India by The Great Places to Work Institute and the Economic Times, India, which awarded us the "India's Top 100 Best Companies to Work For 2017 – Rank 43" award in 2017, and by Working Mother & Avatar, which awarded us the "Top 100 – Best Companies for Women in India" award in 2016. We were also awarded the "Regional Best Employer 2016 – 2017" award by the Employer Branding Institute of India in 2017.

We believe that our commitment to investing in and developing our employees enables us to maintain a motivated and engaged workforce. Our technology systems also help us to ensure that our employees in each of the cities and towns we operate are connected to and able to leverage on the resources available throughout our network of offices. Our employees are also connected to our management team through our technology platforms, which optimize communication and operational processes. According to a survey of our employees conducted by Gallup in 2017, 66% of our employees were "engaged" with the success of our business, which sets us in the 66th percentile of Gallup's global database of companies and the 73rd percentile of Gallup's database of companies in India.

We incentivize our employees to contribute to and share in our success through our employee stock option scheme. For further details, see "*Capital Structure*" on page 76.

As at December 31, 2017, we had 6,170 full-time employees. The following table sets out a breakdown of our employee population as at the dates indicated.

Department/Function	**As at March 31**			**As at December 31**
	2015	**2016**	**2017**	**2017**
On-roll employees[(1)]	3,222	3,806	4,242	4,466
Outsourced employees[(2)]	1,401	1,902	1,908	1,704
Total	**4,623**	**5,708**	**6,150**	**6,170**

(1) On-roll employees are employees directly employed by us.
(2) Outsourced employees are engaged by us through third-party labor suppliers.

Health, Safety and Environmental

We are subject to extensive health, safety and environmental laws, regulations and government-prescribed operating procedures and environmental technical guidelines which govern our services. See "*Regulation and Policies*" on page 145 and "*Risk Factors—If we fail to comply with health and safety standards, we may become subject to liability*" on page 34. In compliance with these requirements and to address the associated risks, we have adopted a number of policies and procedures, including risk management and internal controls policies and procedures.

Intellectual Property

Our brands, including "ACT Fibernet," "Beam Fiber" and "ACT Television" are important to our business. We rely on a combination of trademarks, service marks, domain name registrations, copyright protection and contractual restrictions to establish and protect our brands, logos, marketing designs and internet domain names. As at December 31, 2017, we have registered 70 trademarks, including "ACT Fibernet," "Beam Fiber" and "ACT Television."

Insurance

We maintain insurance policies customary for our industry to cover certain risks, including loss of or damage to our properties and assets, public liability, contractual liability, employment liability.

We believe that our properties are covered with adequate insurance through a combination of direct insurance and reinsurance policies with reputable insurance companies, and that such policies have commercially prudent deductibles and coverage limits. Notwithstanding our insurance policies, we could experience a material loss as a result of unforeseeable events, systemic adverse circumstances or other adverse occurrences not currently foreseeable or which are not commercially insurable.

Properties

Our corporate headquarters is located at Indian Express Building, No. 1, 2nd and 3rd Floor, Queen's Road, Bengaluru, 560 001, India.

As at December 31, 2017, we leased all of the property on which we conduct our operations, including our corporate headquarters.

Corporate Social Responsibility

Corporate social responsibility ("**CSR**") is an integral part of our business. We are focused on engaging in initiatives aimed at addressing social, ethical, environmental and human rights issues faced in the communities in which we operate. As part of our CSR program, we have helped to improve access to education among children in India by sponsoring school fees for children from underprivileged backgrounds, developing infrastructure for schools, sponsoring teaching facilities and classroom equipment for schools, and establishing a "Joy of Giving" program that enables our employees to volunteer on educational initiatives that benefit children from underprivileged backgrounds. We have also used our network infrastructure to support surveillance efforts by local community authorities and the police, including by connecting public surveillance cameras, such as police or traffic cameras, in order to assist the authorities with law enforcement and crime monitoring efforts in various communities in India. Additionally, we have also supported a number of initiatives that are aimed at benefitting communities in a variety of ways, including encouraging healthy activities by sponsoring the Freedom Run marathon, installing playgrounds in public parks, opening gyms in public parks, sponsoring infrastructure improvements in public temples and public community offices, and donating clothing to underprivileged communities. We have also supported initiatives by ANT, a non-governmental organization, by setting up stalls to sell handmade accessories at our offices to raise funds in support of the beneficiaries of the ANT organization which include orphanages and schools in the Chirang administrative district in the Bodoland Territorial Area Districts, Assam. Finally, we have also supported initiatives to improve the environment by sponsoring and committing resources to planting trees, laying water pipes, developing water purification plants, encouraging recycling helping to segregate waste from residential homes and implementing measures to reduce our carbon footprint. In fiscal 2017, we spent ₹12.22 million towards our CSR initiatives.

REGULATIONS AND POLICIES

Given below is an indicative summary of certain relevant laws and regulations applicable to our Company and Subsidiaries. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Key Acts, Regulations and Policies governing our Company and our Subsidiaries:

1. Quality of Service of Broadband Service Regulations 2006 (11 of 2006), as amended

TRAI has laid down the Quality of Service Standards for Broadband Service through the Quality of Service of Broadband Service Regulations, 2006 dated the October 6, 2006. As part of compliance to these regulations the quarterly Performance Monitoring Reports are received from service providers providing broadband service. TRAI also conducts periodic audit and assessment of Quality of Service through independent agencies across the country, to monitor the compliance of prescribed standards/ benchmarks.

Some of the internet service providers ("**ISPs**") parameters required to be complied under the regulations are as follows:

(i) Activation time: 100% activation in less than or equal to 15 working days (subject to technical feasibility).
(ii) Fault Repair/Restoration time: fixed by next working day in more than 90% of cases, and 99% in next 3 working days.
(iii) Billing Performance: less than 2% billing complaints per 100 bills issued, 100% of billing complaints resolved within four weeks, 100% refund of deposit within 60 days of closure of account.
(iv) Customer care responsiveness: 60% of calls answered within 60 seconds, 80% of calls within 90 seconds.
(v) Connection speed: Subscribed Broadband Connection Speed to be met more than 80% from ISP Node to User.
(vi) Service Availability / Uptime: more than 98%.

2. Telecom Consumers Complaint Redressal Regulations, 2012 ("Telecom Complaint Redressal Regulations")

In order to streamline the process of grievance redressal mechanism by the service providers, TRAI has promulgated Telecom Complaint Redressal Regulations which mandates telecom service providers to provide/ set up two tier grievance redressal mechanism. The highlights of the regulations are:

(i) Establishment of a Complaint Centre with a toll-free "Consumer Care Number": The Complaint Centre will be responsible to address all the complaints received by them. Provisions have also to be made at the complaint centre to establish a Customer Care Number which could be accessed from any other service provider's network. Every complaint at the Complaint Center shall be registered by giving a unique docket number, which will remain in the system for at least three months. The docket number along with date and time of registration and the time limit for resolution of the complaint would be communicated to the consumer through SMS. The customer shall also be informed of the action taken through SMS. Every service provide is required to establish a web based complaint monitoring system within 45 days of force of Telecom Complaint Redressal Regulations to monitor the status of consumers complaints. Every service provider is required to also publish a citizen charter, including various information, within 60 days of force of Telecom Complaint Redressal Regulations.

(ii) Establishment of an Appellate Authority: Every service provider shall appoint an appellate authority consisting of one or more persons to deal with grievances. If a consumer is not satisfied with the redressal of his complaint, or his complaint remains unaddressed or no intimation of redressal of the complaint is received within the specified period, he can approach the Appellate Authority for redressal of his complaint.

(iii) Every service provider shall constitute a two member Advisory Committee in each of the service areas: This will comprise of one member from the consumer organization registered with TRAI and another member from the service provider. All appeals of the consumers will be put up before the Advisory Committee which will advice on all such appeals to the Appellate Authority within the timeline specfified therein.

3. The Indian Telegraph Act, 1885 (“Telegraph Act”)

The Telegraph Act governs all forms of the usage of 'telegraph' which means any appliance, instrument, material or apparatus used or capable of use for transmission or reception of signs, signals, writing, images, and sounds or intelligence of any nature by wire, visual or other electro-magnetic emissions, radio waves or hertzian waves, galvanic, electric or magnetic means. Under section 4 of the Telegraph Act, the central government, may grant a license to any person to establish, maintain or work a telegraph within any part of India with such conditions as it may deem fit. If any person establishes, maintains or works a telegraph within India in contravention of the provisions of section 4 or otherwise than as permitted by rules made thereunder, he shall be punished, if the telegraph is a wireless telegraph, with imprisonment which may extend to three years, or with fine, or both, and in any other case, with a fine which may extend to Rs. 1,000. In addition, the Telegraph Act provides that if the holder of a license granted under section 4 contravenes any condition contained in the license, such person shall be punished with fine which may extend to Rs. 1,000, and with a further fine that may extend up to Rs. 500 for every week during which the breach of the condition continues.

4. The Cable Television Networks (Regulation) Act, 1995 ("Cable Television Act")

The Cable Television Act seeks to regulate operation of cable network in India. It mandates that a cable network may be operated only by a registered cable operator. The registering authority is any authority notified by the Central Government. It empowers and authorizes a government officer to seize a cable operator's equipment if the officer has reason to believe that the cable operator is functioning without proper registration. The seized equipment cannot be retained for a period exceeding ten days from the date of seizure, unless a local District Judge, within whose jurisdiction the seizure has been made, approves continued retention of the seized equipment. A first time violation under the Cable Television Act results in an imprisonment term that extends up to two years or a fine up to ₹1000 or both. Every subsequent offence is punishable with imprisonment for a term up to five years and a fine that may extend to ₹5000. It further provides that if a company commits an offence under the statute, the company and any person in charge, or responsible for its business, shall be deemed guilty, proceeded against and punished accordingly. If a company commits an offence with the consent, connivance, or attributable negligence of a director, manager, secretary, or other officer, these officers are deemed guilty, along with the company, and they can be prosecuted, and punished accordingly. Cable Television Network Rules, 1994 requires that cable operator make an application for registration and such registration be renewed every twelve months. It provides that cable operator maintain a register for each month of the year for which registration is granted.

5. The Telecom Regulatory Authority of India Act, 1997 ("TRAI Act")

The main objective of the TRAI Act was to establish the TRAI and the Telecom Disputes Settlement Appellate Tribunal (“**TDSAT**”), to regulate telecommunication services in India, including broadcasting and cable services. The TRAI is vested with major recommendatory, regulatory and tariff setting functions, including (a) making recommendations on the need and timing for introduction of new service providers, (b) on the terms and conditions of license to a service provider, (c) ensuring compliance of terms and conditions of license, (d) effective management of telecom, (e) laying down the standards for quality of service, (f) conducting a periodical survey of such service provided by the service providers so as to protect interest of consumers, and (g) notifying the rates at which telecommunication services within India and outside India shall be provided under the TRAI Act. In addition, the TRAI Act contains penalty provisions for offences committed by a company under the TRAI Act.

The TDSAT is the sole dispute resolution body in the communication sector. It can adjudicate upon any dispute between:

(a) Licensor (central government) and a licensee;
(b) Two or more service providers; and
(c) a service provider and a group of consumers

In addition, our business may be subject to different state level and municipal level rules and regulations that may be applicable from time to time.

Others

The Information Technology Act, 2000 (the "IT Act") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

Labour related laws

India has extensive labour related legislations. In addition to the shops and commercial establishment legislations, applicable in the states in which establishments are set up, certain other employment related laws and regulations that may be applicable to our Company and our Subsidiaries in India, including:

1. Child Labour (Prohibition and Regulation) Act, 1986;
2. Shops and Establishment legislations as applicable in the various states of our operation;
3. Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
4. The Contract Labour (Regulation and Abolition) Act, 1970;
5. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
6. The Employees' State Insurance Act, 1948;
7. The Employees Compensation Act, 1923;
8. The Equal Remuneration Act, 1976;
9. The Factories Act, 1948;
10. The Industrial Disputes Act, 1947;
11. The Industrial Employment (Standing Orders) Act, 1946;
12. The Maternity Benefit Act, 1961;
13. The Minimum Wages Act, 1948;
14. The Payment of Bonus Act, 1965;
15. The Payment of Gratuity Act, 1972; and
16. The Payment of Wages Act, 1936.

Laws relating to taxation

The tax related laws that are pertinent include the Income Tax Act 1961, the Customs Act 1961, the Central Sales Tax Act 1956, the Central Goods and Services Tax Act, 2017and various service tax notifications.

Laws relating to foreign investments in India

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign direct investment into companies engaged in telecom services (including Telecom Infrastructure Providers Category – I) such as our Company is permitted up to 100% of the equity capital of the company. While foreign direct investments up to 49% are permitted under the automatic route, foreign direct investments in excess of 49% requires the approval of the government. Similarly, in case of companies engaged in broadcasting carriage services (including multi system operators) foreign direct investment are permitted under the automatic route up to 100% of the equity capital. However, infusion of foreign investment beyond 49% in a company (engaged in broadcasting carriage services) not seeking permission/license from the sectoral ministry, resulting in a change in the ownership pattern or transfer of stake by existing investors to new foreign investors will require the approval of the government. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. For details of the subsisting approvals in relation to foreign direct investment into our Company, see "*Government Approvals*" on page 427. Further for details of other restrictions on foreign ownership of Indian securities, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 497.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as Atria Convergence Technologies Private Limited on June 16, 2000 at Bengaluru, Karnataka, India as a private limited company under the Companies Act, 1956. Our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the EGM held on January 31, 2018 and the name of our Company was changed to Atria Convergence Technologies Limited. A fresh certificate of incorporation consequent upon conversion to a public limited company was issued by the Registrar of Companies, Karnataka on March 5, 2018.

Changes in Registered Office

The details of changes in the registered office of our Company are given below:

Date of change of Registered Office	Details of the address of Registered Office
December 1, 2007	From No. 99/A/113 A, Manorayanapalya, R.T. Nagar, Bengaluru – 560 032 to No. 1, Palace Road, Bengaluru – 560 001
April 7, 2015	From No. 1, Palace Road, Bengaluru – 560 001 to 2nd and 3rd floor, No. 1, Indian Express Building, Queen's Road, Bengaluru – 560 001

The changes in the Registered Office were made to ensure greater operational efficiency and to meet growing business requirements.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

"1. To carry on business(es) as Owner, Operator, Distributor, Dealer, Lessor, Lessee, Investor, Promoter, Franchiser, Franchisee, Service Provider, in the areas of Telecommunications, Entertainment, Education, Travel and Leisure, Information Technology, Dot Com Services, Web page and/ or portal or vortal designing, hosting and mapping services, Convergence Technology, Wireless Technology, Satellite Technology, Satellite Communication and distribution networks, Telecom Services, Internet Technology and Internet Services, equipments in any of these areas and all other allied value added services and engage in consultancy services in respect of software and hardware development, networking and to act as the Internet services providers (ISP) for retail, enterprises and corporate business solutions.

2. To manufacture or design or formulate products or systems or technologies relating to the above objects either on its own or through sub-contracting, leasing, franchising, co-branding, collaborating, joint-ventures and to build, own, operate, maintain, franchise, sub-contract, lease, Multi System Networks, cable networks, computer networks, virtual networks and other state-of-art computer and communication technologies and to merge, de-merge, collaborate, invest and through any legal framework execute the above objects.

3. To carry on the business of installers, maintainers, buyers, sellers, hires, exporters, importers, distributors, agents, dealers of and in the business of telecom services, VSat services, information technology relating to the business of communication controls, computers, software, developments, business networking, provide comprehensive business solutions through networking, recruit, train, and provide communication software professionals for software and hardware business, integrate provide consultancy services, creation of websites, and any business which is directly or indirectly related to the business of software development, internet services, and to run the said activities, by itself and or in joint venture in association with any private public or foreign organisation

4. To carry on in India or elsewhere the business to establish, develop, set, arrange, undertake, manage, promote, organise, conduct, control, provide, install and maintain cable T.V. network, cable internet system, and for the purpose to act as franchiser, license holder, representative, and to carry on the activities related to Infrastructure Provider category – I, and to establish assets such as dark fiber, right of way, duct space and tower for the purpose to grant on lease/ rent/ sale basis only to the telecom service provider licensed under section 4 of Indian Telegraph Act, 1885 on mutually agreed terms and conditions.

5. To carry on business(es) of providing services such as conception, design, drawing, mapping, structuring, construction, operation, maintenance in the areas of Computers and software technology, Cable, Internet, Telecommunications, Electronic Commerce, Mobile Telephones, Wireless, Data and/or Voice networks and to undertake any type of projects or execute and/or manage projects in the areas of civil, mechanical and/or electrical engineering or consultancy services. Computers and/or Software technology, Telecommunications and to provide human resources in the above areas of business(es) on such commercial terms as may be suitable or expedient."

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, see "*Objects of the Offer*" on page 98.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association since the incorporation of our Company.

Date of Shareholders' Resolution	Particulars
June 22, 2001	Clause V of the Memorandum of Association was amended to reflect the increase in authorised capital from ₹2,500,000 comprising of 100,000 Class A equity shares of face value of ₹10 each and 15,000 Class B equity shares of face value of ₹100 each to ₹100,000,000 comprising of 500,000 Class A equity shares of face value of ₹10 each, 160,000 Class B equity shares of face value of ₹100 each and 790,000 12% cumulative redeemable convertible preference shares of face value of ₹100 each
December 31, 2007	Clause V of the Memorandum of Association was amended to reflect the reclassification of authorised capital from ₹100,000,000 comprising of 500,000 Class A equity shares of face value of ₹10 each, 160,000 Class B equity shares of face value of ₹100 each and 790,000 12% cumulative redeemable convertible preference shares of face value of ₹100 each to ₹100,000,000 comprising of 500,000 Class A equity shares of face value of ₹10 each, 160,000 Class B equity shares of face value of ₹100 each and 79,000,000 Class C equity shares of face value of ₹1 each
April 15, 2008	The Shareholders approved the consolidation and conversion of the authorised share capital of the Company by converting (i) 500,000 Class A equity shares of face value of ₹10 each into stock and reconverting such stock into 500,000 Equity Shares of face value of ₹10 each; (ii) 160,000 Class B equity shares of face value of ₹100 each into stock and reconverting such stock into 1,600,000 Equity Shares of face value of ₹10 each; and (iii) 79,000,000 Class C equity shares of face value of ₹1 each into stock and reconverting such stock into 7,900,000 Equity Shares of face value of ₹10 each. Accordingly, Clause V of the Memorandum of Association was amended to reflect the reclassification of authorised capital from ₹100,000,000 comprising of 500,000 Class A equity shares of face value of ₹10 each, 160,000 Class B equity shares of face value of ₹100 each and 79,000,000 Class C equity shares of face value of ₹1 each to ₹100,000,000 comprising of 10,000,000 equity shares of face value of ₹10 each
April 15, 2008	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹100,000,000 comprising of 10,000,000 Equity Shares of face value of ₹10 each to ₹600,000,000 comprising of 60,000,000 Equity Shares of face value of ₹10 each
September 23, 2014*	Pursuant to the scheme of amalgamation between Beam Telecom Private Limited and our Company, Clause V of the Memorandum of Association was amended to reflect the increase in authorised capital from ₹600,000,000 comprising of 60,000,000 Equity Shares of face value of ₹10 each to ₹700,000,000 comprising of 60,000,000 Equity Shares of face value of ₹10 each and 10,000,000 0.0001% optionally convertible redeemable preference shares of face value of ₹10 each
December 11, 2014	Clause IIIA, of the Memorandum of Association were amended pursuant to the scheme of amalgamation between Beam Telecom Private Limited and our Company
January 31, 2018	Clause V of the Memorandum of Association was amended to reflect: (i) the reclassification of authorised share capital from ₹700,000,000 comprising of 60,000,000 Equity Shares of face value of ₹10 each and 10,000,000 0.0001% optionally convertible redeemable preference shares of face value of ₹10 each to ₹700,000,000 comprising of 70,000,000 Equity Shares of face value of ₹10 each; (ii) increase in authorised capital from ₹700,000,000 comprising of 70,000,000 Equity Shares of face value of ₹10 each to ₹1,250,000,000 comprising of 125,000,000 Equity Shares of face value of ₹10 each; and (iii) the change in name of our Company from 'Atria Convergence Technologies Private Limited' to 'Atria Convergence Technologies Limited' and to delete the word "private" wherever it appeared in the Memorandum of Association

**The Shareholders of the Company have approved the scheme of amalgamation between Beam Telecom Private Limited and our Company pursuant to letters dated March 13, 2014 and October 24, 2013. The amendment is effective from September 23, 2014*

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Year	Particulars
2008	Commenced video business in Nellore, Indore and Vijaywada
2009	• Acquisition of Beam Telecom Private Limited, Hyderabad • Commenced video business in Eluru
2011	Commenced operations as an ISP in Bengaluru
2014	Acquired half a million wired broadband subscribers across all locations
2015	Acquired 500,000 wired broadband subscribers in Hyderabad

Year	Particulars
2016	• Commenced operations as an ISP in Delhi • Commenced operations as an ISP in Tirupati • Acquired one million wired broadband subscribers across all locations
2017	• Our Company was ranked as the third largest wired ISP in India in terms of number of subscribers • Launch of internet service plans with speeds up to 1 Gbps for retail customers in Hyderabad and Bengaluru

Awards and Accreditations

We have been given the following awards and accreditations:

Year	Awards and Accreditations
2015	• Company of the Year – Broadband by Silicon India Magazine
2016	• 'Top 100 - Best companies for Women in India' award from Working Women and Avtar • Ranked 43rd – India's Top 100 Best Companies to Work for 2017 by 'Great Places to Work' and the Economic Times
2017	• Regional Best Employer – 2016-2017 from the Employer Branding Institute – India • Telangana Best Employer Brand Award from the Employer Branding Institute – India • Leadership Recognition Award in the 'Marketing' category from Voice Data • Leadership Recognition Award in the 'Internet and Broadband Services' category from Voice Data

Other Details Regarding our Company

For details regarding the description of our activities, the growth of our Company, technology, the standing of our Company in relation to the prominent competitors with reference to its products, management, major suppliers and customers, segment, capacity/facility creation, market capacity build-up, environmental issues, marketing and competition, see "*Our Business*" and "*Industry Overview*" on pages 130 and 116, respectively.

For details regarding our management and its managerial competence, see "*Our Management*" on page 163.

Strikes and Lock-outs

We have not experienced any material strikes or lock-outs in respect of our operations.

Common Pursuits

There are common pursuits between our Company and our Subsidiaries and Associates. For details, see "*Our Business*" and "*Risk Factors*" on pages 130 and 18. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise. For further details of related business transactions and their significance on the financial performance of our Company, see "*Related Party Transactions*" on page 184.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, if any

Except as disclosed below, our Company has neither acquired any entity, business or undertaking nor undertaken any merger, amalgamation or revaluation of assets:

Scheme of Amalgamation of Beam Telecom Private Limited with our Company as approved by the High Court of Karnataka and the High Court of Judicature of Andhra Pradesh

Pursuant to orders dated June 26, 2014 and July 21, 2014, the High Court of Karnataka and the High Court of Judicature of Andhra Pradesh, respectively have approved the scheme of amalgamation of Beam Telecom Private Limited with our Company effective from April 1, 2013 pursuant to which the entire business and undertaking of Beam Telecom Private Limited has vested with the Company. In consideration thereof, the shareholders of Beam Telecom Private Limited (excluding our Company) were allotted 920,842 0.0001% optionally convertible redeemable preference shares of our Company (i.e. one 0.0001% optionally convertible redeemable preference share for every equity share that they held in Beam Telecom Private Limited). Such 0.0001% optionally convertible redeemable preference shares have since been converted to Equity Shares. For further details, see "*Capital Structure*" on page 76.

Revaluation of assets

Our Company has not undertaken any revaluation of its assets.

Capital raising activities through equity and debt

Except as mentioned in "*Capital Structure*" on page 76, our Company has not raised any capital through equity. For details of the outstanding debt facilities of our Company, see "*Financial Indebtedness*" and "*Financial Statements*" on pages 413 and 186.

Defaults or rescheduling of borrowings with financial institutions/banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. Further, none of our outstanding loans have been converted into equity shares.

Time and cost overruns

There have been no significant time and cost overruns in the implementation of any of our business propositions.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profit/loss account of our Company including discontinuance of line of business, loss of agencies or markets and similar factors.

Accumulated Profits or Losses

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Statements.

Injunction or restraining order

Our Company is not operating under any injunction or restraining order.

Partnership Firms

Our Company is not a partner in any partnership firm.

Interest in our Company

None of our Subsidiaries have any interest in our Company's business other than as stated in "*Our Business*" and "*Financial Statements*" on page 130 and 186, respectively.

Our Shareholders

Our Company has seven Shareholders, as of the date of this Draft Red Herring Prospectus. For further details regarding our Shareholders, see "*Capital Structure*" on page 76.

Strategic or Financial Partners

Our Company does not have any strategic or financial partners as on the date of this Draft Red Herring Prospectus.

Our Holding Company

Argan is the holding company of our Company, in terms of Section 2(46) of the Companies Act, 2013. For details of our holding company, see "*Our Promoters and Promoter Group*" on page 176.

Our Subsidiaries

Our Company has nine Subsidiaries. Unless stated otherwise, information in relation our Subsidiaries is as on the date of this Draft Red Herring Prospectus.

1. ***ACT Digital Home Entertainment Private Limited ("ACT Digital")***

   Corporate Information

   ACT Digital was incorporated on July 7, 2008 under the Companies Act, 1956 as a private limited company under the name of 'Excite Digital Home Entertainment Private Limited'. The name of the company was changed to 'ACT Digital Home Entertainment Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued on August 17, 2012. It has its registered office at Trade Center, Fourth Floor, No. 29/4 Race Course

Road, Bengaluru – 560 001.

ACT Digital is authorized to *inter-alia* engage in the business of down linking and distributing channels to last mile cable operators through cables such as fiber optic and co-axial cables and distributing and providing internet services, related value added services to subscribers and digital television broadcasting.

Capital Structure

The authorised share capital of ACT Digital is ₹35,000,000 divided into 3,500,000 equity shares of face value of ₹10 each and the issued and paid up share capital of ACT Digital is ₹3,846,160 divided into 384,616 equity shares of face value of ₹10 each.

Shareholding

Our Company directly holds 284,616 equity shares of face value of ₹10 each aggregating to 74.00% of the issued and paid up share capital of ACT Digital. Pursuant to the share purchase agreement dated March 20, 2018 entered into amongst our Company, ACT Digital, V. Janakirama Raju, V. Srinivasa Raju and V.V. Digital Communications LLP, our Company has agreed to acquire the remaining 100,000 equity shares of face value of ₹10 each aggregating to 26.00% of the issued and paid up share capital of ACT Digital pursuant to the completion of certain conditions precedent. For details, see "- *Summary of Key Agreements*" on page 157.

2. ***Chitradurga Entertainment Private Limited ("CEPL")***

Corporate Information

CEPL was incorporated on May 26, 2010 under the Companies Act, 1956 as a private limited company. It has its registered office at 2nd Floor, Indian Express Building, No. 1, Queen's Road, Bengaluru – 560 001, Karnataka, India.

While CEPL is presently not carrying out any operations, it is authorized to *inter-alia* engage in the business of distribution of entertainment, information and knowledge, and the production and publishing of data, and the provision of electronic commerce services and social services on cable TV networks, whether by setting up cable TV networks or through carriage arrangements or through such other business understandings with cable networks in India or abroad, or through any other existing and emerging mode of distribution.

Capital Structure

The authorised share capital of CEPL is ₹100,000 divided into 10,000 equity shares of face value of ₹10 each and the issued and paid up share capital of CEPL is ₹100,000 divided into 10,000 equity shares of face value of ₹10 each.

Shareholding

Our Company directly holds 9,999 equity shares of face value of ₹10 each aggregating to 99.99% of the issued and paid up share capital of CEPL.

3. ***HCV Digital Entertainment Private Limited ("HCV Digital")***

Corporate Information

HCV Digital was incorporated on January 5, 2009 under the Companies Act, 1956 as a private limited company. It has its registered office at 2nd and 3rd Floor, Indian Express Building, No. 1, Queen's Road, Bengaluru– 560 001, Karnataka, India.

HCV Digital is authorized to *inter-alia* engage in the business of buying, selling, hiring, importing or exporting and otherwise carrying on the business of film communication, entertainment and distribution or redistribution through cable network or otherwise directly or through franchises, leasing or licensing, subject to the approvals, if any, required from the appropriate authority.

Capital Structure

The authorised share capital of HCV Digital is ₹500,000 divided into 50,000 equity shares of face value of ₹10 each and the issued and paid up share capital of HCV Digital is ₹384,620 divided into 38,462 equity shares of face value of ₹10 each.

Shareholding

ACT Digital, a Subsidiary of our Company, directly holds 28,462 equity shares of face value of ₹10 each aggregating to 74.00% of the issued and paid up share capital of HCV Digital.

4. ***Kable First India Private Limited ("Kable First")***

Corporate Information

Kable First was incorporated on November 20, 2006 under the Companies Act, 1956 as a private limited company. It has its registered office at 2nd Floor, Indian Express Building, No. 1, Queen's Road, Bengaluru – 560 001, Karnataka, India.

Kable First is authorized to *inter-alia* engage in planning, establishing, developing, providing, operating, maintaining cable including optic fiber cable or satellite based communications or their emergent forms and or maintaining telecommunication networks, systems, services including telephone, telex, message, relay, data transmission, facsimile, television, telematics, value added network services, paging, cellular, mobile, ecommerce, and other telecommunications services and to act as satellite based service provider and to carry on the business of generation, distribution, redistribution, receiver, transmitter of audio, video and radio signals, or any such other media and entertainment related business in India and abroad.

Capital Structure

The authorised share capital of Kable First is ₹2,000,000 divided into 200,000 equity shares of face value of ₹10 each and the issued and paid up share capital of Kable First is ₹1,000,000 divided into 100,000 equity shares of face value of ₹10 each.

Shareholding

Our Company directly holds 70,000 equity shares of face value of ₹10 each aggregating to 70.00% of the issued and paid up share capital of Kable First.

5. ***Kable First Davanagere Private Limited ("Kable First Davanagere")***

Corporate Information

Kable First Davanagere was incorporated on March 20, 2008 under the Companies Act, 1956 as a private limited company. It has its registered office at 2nd Floor, Indian Express Building, No. 1, Queen's Road, Bengaluru – 560 001, Karnataka, India.

While Kable First Davanagere is currently not carrying on any operations, it is authorized to *inter-alia* engage in planning, establishing, developing, providing, operating, maintaining cable including optic fibre cable or satellite based communications or their emergent forms, and or maintaining telecommunication networks, systems, services including telephone, telex, message, relay, data transmission, facsimile, television, telematics, value added networks services, paging, cellular, mobile, ecommerce, audio and video services, maritime and aeronautical communication services and other telecommunications services and to act as satellite based service provider and to carry on the business of generation, distribution, redistribution, receiver, transmitter of audio, video and radio signals, or any such other media entertainment related business in India and abroad.

Capital Structure

The authorised share capital of Kable First Davanagere is ₹1,000,000 divided into100,000 equity shares of face value of ₹10 each and the issued and paid up share capital of Kable First Davanagere is ₹100,000 divided into 10,000 equity shares of face value of ₹10 each.

Shareholding

Kable First directly holds 5,999 equity shares of face value of ₹10 each aggregating to 59.99% of the issued and paid up share capital of Kable First Davanagere. Further, our Company also holds one share of Kable First Davanagere.

6. ***Mandapeta Digital Entertainment Private Limited ("Mandapeta Digital")***

Corporate Information

Mandapeta Digital was incorporated on April 29, 2010 under the Companies Act, 1956 as a private limited company. It has its registered office at 2nd Floor, Indian Express Building, No. 1, Queen's Road, Bengaluru – 560 001, Karnataka, India.

Mandapeta Digital is authorized to *inter-alia* engage in the business of distribution of entertainment, information and knowledge, and the production and publishing of data, and providing services of electronic commerce, social services on cable TV networks, whether by setting up cable TV networks or through carriage arrangements or through such other business understandings with cable networks in India or abroad, or through any other existing and emerging mode of distribution.

Capital Structure

The authorised share capital of Mandapeta Digital is ₹1,000,000 divided into 100,000 equity shares of face value of ₹10 each and the issued and paid up share capital of Mandapeta Digital is ₹400 080 divided into 40,008 equity shares of face value of ₹10 each.

Shareholding

ACT Digital directly holds 29,206 equity shares of ₹10 each aggregating to 73.00% of the issued and paid up share capital of Mandapeta Digital.

7. ***Sri Venkateshwara Digital Home Entertainment Private Limited ("SVDHEPL")***

Corporate Information

SVDHEPL was incorporated on May 4, 2010 under the Companies Act, 1956 as a private limited company. It has its registered office at Indian Express Building, No. 1, 2nd Floor, Queen's Road, Bengaluru – 560 001, Karnataka, India.

SVDHEPL is authorized to *inter-alia* engage in the business of down linking and distributing channels to last mile cable operators (LCOs) through cables such as fiber optic and co-axial cables and distributing and providing internet services, related value added services to subscribers and digital television broadcasting.

Capital Structure

The authorised share capital of SVDHEPL is ₹400,000 divided into 40,000 equity shares of ₹10 each and the issued and paid up share capital of SVDHEPL is ₹400,000 divided into 40,000 equity shares of ₹10 each.

Shareholding

ACT Digital directly holds 29,200 equity shares of ₹10 each aggregating to 73.00% of the issued and paid up share capital of SVDHEPL.

8. ***Sree Digital Home Entertainment Private Limited ("Sree Digital")***

Corporate Information

Sree Digital was incorporated on February 17, 2011 under the Companies Act, 1956 as a private limited company. It has its registered office at Indian Express Building, No. 1, 2nd Floor, Queen's Road, Bengaluru – 560 001, Karnataka, India.

Sree Digital is authorized to *inter-alia* engage in the business of distribution of entertainment, information and knowledge, and the production and publishing of data, and providing services of electronic commerce, social services on cable TV networks, whether by setting up cable TV networks or through carriage arrangements or through such other business understandings with cable networks in India or abroad, or through any other existing and emerging mode of distribution.

Capital Structure

The authorised share capital of Sree Digital is ₹500,000 divided into 50,000 equity shares of face value of ₹10 each and the issued and paid up share capital of Sree Digital is ₹400,000 divided into 40,000 equity shares of face value of ₹10 each.

Shareholding

ACT Digital holds 29,200 equity shares of face value of ₹10 each aggregating to 73.00% of the issued and paid up share capital of Sree Digital.

9. ***SR Cable TV Private Limited ("S.R. Cable")***

Corporate Information

S.R. Cable was incorporated on March 31, 2008 under the Companies Act, 1956 as a private limited company. It has its registered office at 234 Mangal Nagar, Indore - 452 016, Madhya Pradesh, India.

While S.R. Cable is presently not carrying out any operations, it is authorized to *inter-alia* engage in producing, transmitting, receiving, recording, reproducing, relaying television broadcast, exhibit or otherwise distributes and facilities and transmission and receiving by means of television, wireless, radio telegraphy, telephony or any other means of transmission of reception whatsoever whether visual and/or sound or otherwise.

Capital Structure

The authorised share capital of S.R. Cable is ₹500,000 divided into 50,000 equity shares of face value of ₹10 each and the issued and paid up share capital of S.R. Cable is ₹100,010 divided into 10,001 equity shares of face value of ₹10 each.

Shareholding

Our Company directly holds 10,000 equity shares of ₹10 each aggregating to 99.99% of the issued and paid up share capital of S.R. Cable.

Our Associates

1. ***A.C.N. Cable Private Limited ("A.C.N. Cable")***

Corporate Information

A.C.N. Cable was incorporated on March 17, 2008 under the Companies Act, 1956 as a private limited company. It has its registered office at Trade Centre, Fourth Floor, No. 29/4 Race Course Road, Bengaluru – 560 001.

A.C.N. Cable is authorized to *inter-alia* engage in the business of providing digital clarity cable TV network and other advanced services like internet, IP telephony, IP TV, movies on demand and such other services associated with cable TV operation.

Capital Structure

The authorised share capital of A.C.N. Cable is ₹1,600,000 divided into 160,000 equity shares of ₹10 each and the issued and paid up share capital of A.C.N. Cable is ₹304,770 divided into 30,477 equity shares of ₹10 each.

Shareholding

Our Company directly holds 14,496 equity shares of ₹10 each aggregating to 47.56% of the issued and paid up share capital of A.C.N. Cable.

2. ***Atria Broadband Services Private Limited ("ABSPL")***

Corporate Information

ABSPL was incorporated on July 26, 2000 under the Companies Act, 1956 as a private limited company. It has its registered office at No. 1, Palace Road, Bengaluru – 560 001, Karnataka, India.

ABSPL is authorized to *inter-alia* engage in the business as owner, operator, distributor, dealer, lessor, lessee, investor, promoter, franchiser, franchisee, service provider etc. in the areas of telecommunications, entertainment, education, travel, leisure, information technology, dot com services, web page and or portal or vortal designing, hosting and mapping services, convergence technology, wireless technology, satellite technology, satellite communication and distribution networks, telecom services, internet technology and internet services and all other allied value added services.

Capital Structure

The authorised share capital of ABSPL is ₹500,000 divided into 50,000 equity shares of ₹10 each and the issued and paid up share capital of ABSPL is ₹102,000 divided into 10,200 equity shares of ₹10 each.

Shareholding

Our Company directly holds 4,998 equity shares of ₹10 each aggregating to 49% of the issued and paid up share capital of ABSPL.

3. ***I.B. Communications Network Private Limited ("IBCNPL")***

Corporate Information

IBCNPL was incorporated on July 2, 2010 under the Companies Act, 1956 as a private limited company. It has its registered office at Indian Express Building, No. 1, 2nd and 3rd Floor, Queens Road, Bengaluru – 560 001, Karnataka, India.

IBCNPL is authorized to *inter-alia* engage in the business of distribution of entertainment, information and knowledge, and the production and publishing of data, and to provide services of electronic commerce (E-commerce), provide social services on cable TV networks, whether by setting up cable TV networks or through carriage arrangements or through such other business understandings with cable networks in India or abroad, or through any other existing and emerging mode of distribution.

Capital Structure

The authorised share capital of IBCNPL is ₹500,000 divided into 50,000 equity shares of ₹10 each and the issued and paid up share capital of IBCNPL is ₹384,620 divided into 38,462 equity shares of ₹10 each.

Shareholding

ACT Digital directly holds 18,842 equity shares of ₹10 each aggregating to 48.99% of the issued and paid up share capital of IBCNPL.

4. ***Raja Rajeshwari Entertainment Private Limited ("RREPL")***

Corporate Information

RREPL was incorporated on June 25, 2010 under the Companies Act, 1956 as a private limited company. It has its registered office at Indian Express Building, No. 1, 2nd Floor, Queens Road, Bengaluru – 560 001, Karnataka, India.

RREPL is authorized to *inter-alia* engage in the business of down linking and distributing channels to last mile cable operators (LCOs) through cables such as fiber optic and co-axial cables and distribute to the subscribers and provide internet services, related Value Added Services (VAS) and Digital Television broad casting.

Capital Structure

The authorised share capital of RREPL is ₹1,000,000 divided into 1,00,000 equity shares of ₹10 each and the issued and paid up share capital of RREPL is ₹100,000 divided into 10,000 equity shares of ₹10 each.

Shareholding

A.C.N. Cable directly holds 9,999 equity shares of ₹10 each aggregating to 99.99% of the issued and paid up share capital of RREPL and our Company holds 1 Equity Share of ₹10 each aggregating to 0.01% of the issued and paid up share capital of RREPL.

Summary of Key Agreements

Shareholders' agreement dated May 10, 2015 entered into amongst our Company, Argan and TA

Our Company and our Promoters, namely, Argan and TA have entered into a shareholders' agreement *inter-alia* recording their rights and obligations in relation to the operation and management of our Company. Pursuant to the terms of this agreement, the Promoters have agreed, that they shall not directly or indirectly compete with the business of the Company for as long as they are shareholders in the Company. It has also been agreed that the such non-compete restrictions will not be applicable to any situation where the Promoters or their respective affiliates own or control not more than 10.00% of the shareholding of a competitor or in respect of investment which do not confer on them any representation on the board. Pursuant to the agreement, TA is entitled to appoint two directors on the Board of the Company and Argan is entitled to appoint the majority of the directors on the Board of the Company. The presence of at least one representative of each Promoter is required to constitute valid quorum at Board and Shareholders' meetings. Each Promoter is also entitled to appoint one member in each committee constituted by the Board. Further, TA is also entitled to certain affirmative rights including in respect of issuance of securities, amending the business plan, entering into related party transactions etc. Each Promoter is also entitled to pre-emptive rights in respect of any issuance of securities, periodic information rights in respect of the activities and performance of the Company. Transfer of Equity Shares by Argan is also subject to the consent of TA for a period of two years from the closing date under the agreement. Further, sale of shares by either Promoter is subject to certain transfer restrictions including right of first offer, tag along rights, etc. in favour of the other Promoter.

Termination Agreement dated January 29, 2018 entered into amongst our Company, Argan and TA

Our Company had entered into a termination agreement dated January 29, 2018 with our Promoters, Argan and TA in order to terminate the shareholders' agreement dated May 10, 2015, as amended from time to time, entered into amongst our Company, Argan and TA. Pursuant to the terms of this agreement, the shareholders agreement shall stand terminated from such date on which our Company receives the final listing and trading approvals from the Stock Exchanges. However, non-compete obligations placed upon Argan and TA shall survive the termination of the shareholders agreement until such time that Argan and TA each continue to hold at least 10.00% of the share capital of our Company on a fully diluted basis. Further, parties have also agreed that Argan shall have the right to appoint two nominee directors on the board of the Company so long as Argan holds 26.00% of the issued and paid up share capital of the Company on a fully diluted basis. In the event that Argan's shareholding falls below 26.00%, it will be entitled to nominate one director to the board of our Company until such time that it holds 10.00% of the issued and paid up share capital of the Company on a fully diluted basis. Similarly, TA is entitled to nominate one director to the board of our Company until such time that it holds 10% of the issued and paid up share capital of our Company on a fully diluted basis. Pursuant to the terms of this agreement, the parties have consented to the issue and transfer of Equity Shares pursuant to the Offer and waived all pre-emptive, anti-dilutive and other rights that they have been granted in this regard. The termination agreement shall *ipso facto* terminate if listing of the Equity Shares is not completed on or before September 30, 2018 or an earlier date on which our Board decides to not undertake the Offer, or such other mutually acceptable date. In the event that the termination agreement is terminated, the parties have *inter-alia* agreed that the provisions of the shareholders' agreement shall survive and continue.

Shareholders' agreement dated September 30, 2015 entered into amongst our Company, Argan, TA and Chinnaswamy Sunder Raju

Our Company, Argan, TA, and Chinnaswamy Sunder Raju have entered into a shareholders' agreement *inter-alia* recording the rights and obligations of Chinnaswamy Sunder Raju as a shareholder of our Company. Pursuant to the terms of this agreement, any transfer of shares by Chinnaswamy Sunder Raju will be subject to a right of first offer in favour of the Promoters. Further, Chinnaswamy Sunder Raju is entitled to a tag along right in the event of a sale of shares by Argan. Further, the Promoters are also entitled to a drag along right in respect of Chinnaswamy Sunder Raju in the event of a transfer of shares by them which would constitute a change of control of the Company. Further, Chinnaswamy Sunder Raju is also bound by certain non-compete obligations during the term of the agreement.

Termination Agreement dated January 29, 2018 entered into amongst our Company, Argan, TA and Chinnaswamy Sunder Raju

Our Company had entered into a termination agreement dated January 29, 2018 with Argan, TA and Chinnaswamy Sunder Raju in order to terminate the shareholders' agreement dated September 30, 2015 entered into amongst our Company, Argan, TA and Chinnaswamy Sunder Raju. Pursuant to the terms of this agreement, the shareholders' agreement shall stand terminated from such date on which our Company receives the final listing and trading approvals from the Stock Exchanges. However, non-compete obligations placed upon Chinnaswamy Sunder Raju shall survive the termination of the shareholders' agreement until such time that Chinnaswamy Sunder Raju continues to be a Director of our Company. Pursuant to the terms of this agreement, Chinnaswamy Sunder Raju has consented to the issue and transfer of Equity Shares pursuant to the Offer and waived all pre-emptive, anti-dilutive and other rights that they have been granted in this regard. The termination agreement shall *ipso facto* terminate if listing of the Equity Shares is not completed on or before September 30, 2018 or an earlier date on which our Board decides to not undertake the Offer. In the event that the termination agreement is terminated, the parties have *inter-alia* agreed that the provisions of the shareholders' agreement shall survive and continue.

Share Purchase Agreement dated May 10, 2015 entered into amongst our Company, Argan, TA, True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited), Chinnaswamy Sunder Raju and certain other shareholders, as amended on September 30, 2015, December 31, 2015 and May 3, 2016

Pursuant to the share purchase agreement, as amended (i) True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited) has transferred 39,748,836 Equity Shares aggregating to 74.98% of the share capital of the Company; (ii) Chinnaswamy Sunder Raju has transferred 2,314,151 Equity Shares aggregating 4.40% of the share capital of the Company; (iii) certain individual shareholders of our Company being affiliates of Chinnaswamy Sunder Raju have transferred 6,555,646 Equity Shares aggregating 12.40% of the share capital of the Company; and (iv) certain other shareholders have transferred 1,108,335 Equity Shares aggregating 2.09% of the share capital of the Company to Argan (Mauritius) Limited and TA FVCI Investors Limited such that TA FVCI Investors Limited would hold 19,789,538 Equity Shares and Argan (Mauritius) Limited would hold 29,937,430 Equity Shares on completion of the Transfers. For further details, see "*Capital Structure*" on page 76.

Share Purchase Agreement dated January 20, 2017 entered into amongst our Company, Argan, TA, Bala Subrahmanyam Malladi, Saurabh Mukherjee, Shefali Mohapatra, Hosabettu Venkatesh Bhat, as amended on May 5, 2017

Pursuant to the share purchase agreement, as amended, (i) Bala Subrahmanyam Malladi has transferred 107,287 Equity Shares to TA for a consideration of ₹74.49 million and 162,303 Equity Shares to Argan for a consideration of ₹112.69 million; (ii) Hosabettu Venkatesh Bhat has transferred 29,802 Equity Shares to TA for a consideration of ₹20.69 million, 45,083 Equity Shares have been transferred to Argan for a consideration of ₹31.30 million; (iii) Shefali Mohapatra has transferred 29,802 Equity Shares to TA for a consideration of ₹20.69 million, 45,083 Equity Shares have been transferred to Argan for a consideration of ₹31.30 million; and (iv) Saurabh Mukherjee has transferred 41,723 Equity Shares to TA for a consideration of ₹28.96 million and 63,117 Equity Shares to Argan for a consideration of ₹43.82 million. For further details, see "*Capital Structure*" on page 76.

Share Subscription and Shareholders' Agreement dated July 17, 2008 entered into amongst our Company, ACT Digital, V. Janaki Rama Raju and V. Srinivasa Raju ("ACT Digital Shareholders") read with the addendum dated July 22, 2009, supplemental agreement dated August 25, 2015 and first letter amendment to the supplemental agreement dated September 2, 2016

Our Company has entered into a share subscription and shareholders' agreement with ACT Digital and the ACT Digital Shareholders pursuant to which our Company has subscribed to shares of ACT Digital in multiple tranches. The agreement also sets out the rights and obligations of our Company vis-à-vis ACT Digital and the ACT Digital Shareholders. It has been agreed amongst parties to this agreement that the ACT Digital Shareholders shall be entitled pursuant to employment agreements, to receive an aggregate fixed salary of ₹2,520,000 per annum an a variable compensation of up to ₹1,080,000 per annum linked to performance pursuant to an employment agreement. The ACT Digital Shareholders have *inter-alia* agreed to provide the necessary support to help our Company or ACT Digital obtain relevant regulatory approvals, increase the number of subscribers, manage network security etc. Our Company is entitled to nominate three directors on the board of ACT Digital, whereas the ACT Digital Shareholders are entitled to nominate two directors on the board of ACT Digital for long as they hold at least 20% of the issued and paid up capital of ACT Digital. V. Janaki Rama Raju is the managing director of ACT Digital and is in charge of the day to day operations of ACT Digital subject to the overall supervision of the board of directors of ACT Digital. Our Company is entitled to a pre-emptive right on any transfer of shares by the ACT Digital Shareholders. Further, our Company is also entitled to exercise a drag along right on the ACT Digital Shareholders in the event that our Company proposes to sell any shares in ACT Digital which constitutes a change of control. Further, upon any sale of shares by Argan and TA in our Company such that their combined shareholding falls below 50.00% of our Equity Share capital, our Company is entitled to exercise a call option on the ACT Digital Shareholders, failing which they will be entitled to a put option Further, our Company will be required to either sell all its shares in ACT Digital to the ACT Digital Shareholders at 75.00% of the fair market value of the shares or purchase the shares held by ACT Digital Shareholders at 125% of the fair market value. The ACT Digital Shareholders are also bound by non-compete obligations which inter-alia prevent them from entering into competing businesses in the state of Andhra Pradesh for as long as our Company is a shareholder of ACT Digital and for a period of one year thereafter.

Share Purchase agreement dated March 20, 2018 entered into amongst our Company, ACT Digital, ACT Digital Shareholders and V.V. Digital Communications LLP

Pursuant to a share purchase agreement our Company has agreed to purchase 100,000 equity shares of ACT Digital aggregating 26.00% of the total issued and paid up capital of ACT Digital currently held by the ACT Digital Shareholder such that our Company holds 100.00% of issued and paid up capital of ACT Digital on closing of the transaction for an aggregate consideration of ₹380 million. Further, ACT Digital has also agreed to purchase the entire business of V.V. Digital Communications LLP pursuant to a slump sale. The consummation of the transaction is subject to the completion of certain condition precedent including the receipt of regulatory approvals. Pursuant to the share purchase agreement, the ACT Digital Shareholders have waived their right to swap their shares in ACT Digital for Equity Shares of our Company on and from the date of execution from this agreement.

Call Option Agreement dated December 21, 2012 entered into amongst our Company, V.V. Digital Communications LLP and ACT Digital

Pursuant to a call option agreement, V.V. Digital Communications LLP is required to provide notie of any opportunity for investment and acquisition of MSO/LCO business in Andhra Pradesh as and when such opportunity is identified and provide ACT Digital with the right of first refusal to complete the transaction. V.V. Digital Communications LLP may seek financial assistance from ACT Digital in this regard with a pledge of shares held by V. Janaki Rama Raju in ACT Digital. Should ACT Digital refuse to exercise this right, V.V. Digital shall be entitled to complete the transaction on its own. Any time after the completion of 12 months from the date of the transaction by V.V. Digital Communications LLP, but prior to the completion of 36 months, ACT Digital shall be entitled to purchase V.V. Digital Communications LLP's stake in the acquired business at pre-agreed valued parameters. Should ACT Digital refuse to exercise this right and the loan remain outstanding, shares pledged by V. Janaki Rama Raju in ACT Digital as security for such transaction may be enforced by our Company.

Share Purchase Agreement dated November 10, 2010 entered into amongst our Company, CEPL and D. Mallikarjuna

Our Company has entered into a share purchase agreement with CEPL and D. Mallikarjuna pursuant to which our Company has purchased 99.99% of the equity share capital of CEPL from D. Mallikarjuna for an aggregate consideration of ₹100,000. D. Mallikarjuna is also bound by non-compete obligations which inter-alia prevent him from entering into competing businesses in the state of Karnataka for as long as our Company is a shareholder of CEPL and for a period of one year thereafter. In case of default, our Company is entitled to call upon D. Mallikarjuna to purchase all the shares held by our Company at a price equal to 125.00% of the fair market value.

Share Subscription and Shareholders Agreement dated July 28, 2009 amongst HCV Digital, Helapuri Cable Vision Private Limited ("HCVPL"), ACT Digital and certain individuals ("HCVPL Shareholders")

ACT Digital has entered into a share subscription and shareholders' agreement with HCV Digital, HCVPL and the HCVPL Shareholders pursuant to which ACT Digital has subscribed to 66.25% of the shares of HCV Digital for an aggregate consideration of ₹49,999,945. The agreement also sets out the rights and obligations of our ACT Digital vis-à-vis HCV Digital and the HCVPL Shareholders. ACT Digital is entitled to nominate two directors on the board of HCV Digital and HCVPL is entitled to nominate one director so long as HCVPL continues to hold at least 15% of the Equity Shares of HCV Digital. The HCVPL Shareholders are not permitted to sell, transfer or encumber their shares in HCV Digital without the consent of ACT Digital. Further, ACT Digital is entitled to a right of first refusal in the event of any transfer of shares by HCVPL. Any transfer of shares by ACT Digital, which would result in a change of control will be subject to a tag along right in favour of HCVPL. Should HCVPL fail to exercise this right to tag along, ACT Digital shall be entitled to a drag along right. In the event of an event of default by ACT Digital, HCV will continue to be entitled to all their rights under the agreement, but will not be required to comply with their obligations. Further, ACT Digital will be required to either sell all its shares in HCV Digital to HCV at 75.00% of the fair market value of the shares or purchase the shares held by ACT Digital Shareholders at 130.00% of the fair market value. The HCV Digital Shareholders and HCV are also bound by non-compete obligations which inter-alia prevent them from entering into competing businesses for as long as our ACT Digital is a shareholder of HCV Digital and for a period of one year thereafter. Further HCV Digital is required to confine its business and operations to the West Godavari district.

Share Purchase Agreement dated May 27, 2008 entered into amongst our Company, Kable First, P. Kailasam, Sandhya Rao and Mythili Swaminathan (together, the "Kable First Sellers")

Our Company has entered into a share purchase agreement with Kable First and the Kable First Sellers pursuant to which our Company has purchased 30,000 equity shares constituting 100.00% of the equity share capital of Kable First (at the relevant point in time) for an aggregate consideration of ₹140,000.

Shareholders Agreement/ Joint Venture Agreement dated January 18, 2008 entered into amongst Kable First and Cablenet

Kable First has entered into a shareholders agreement/ joint venture agreement with Cablenet pursuant to which the parties agreed to incorporate Kable First Davanagere as a joint venture between Kable First and M/s Cablenet in the ration 51:49. Kable First has since increased its shareholding in Kable First Davanagere to 59.99% of the equity share capital. The agreement also sets out the rights of each party vis-à-vis each other in their capacity as shareholders of Kable First Davanagere. M/s Cablenet has transferred its business to Kable First Davanagere for which Kable First has paid a consideration of ₹5,100,000. The parties have agreed that the consent of both parties shall be required in order for Kable First Davanagere to undertake a number of actions including, increasing or reorganising its capital, transferring, mortgaging or disposing of its business or a substantial portion of its assets. Kable First is entitled to nominate three of the five directors on the board of Kable First Davanagere including a chairman, who shall have a casting vote. Further, the parties have agreed that they will require the unanimous consent of the board of directors of Kable First Davanagere for taking decisions on certain matters including approving any budget or changes to the operating plan, amendment to charter documents, issue/transfer of shares to a third party etc. Further, both parties are bound by non compete obligations which *inter-alia* restrict them from entering into any business competing with the business of Kable First Davanagere in the city of Davanagere.

Share Subscription and Shareholders Agreement dated August 28, 2010 entered into amongst ACT Digital, Mandapeta Digital and certain individuals ("Mandapeta Digital Shareholders") read with the deed of adherence dated September 26, 2014 executed by Nine International Securities Private Limited ("Nine International")

ACT Digital has entered into a share subscription and shareholders' agreement with Mandapeta Digital and the Mandapeta Digital Shareholders pursuant to which ACT Digital has subscribed to 75.00% of the shares of HCV Digital for an aggregate consideration of ₹900,000. The agreement also sets out the rights and obligations of our ACT Digital vis-à-vis Mandapeta Digital and the Manapeta Digital Shareholders. ACT Digital is entitled to nominate two directors on the board of Mandapeta Digital and the Mandapeta Digital Shareholders are entitled to nominate one director so long as the Mandapeta Digital Shareholders continue to hold at least 20.00% of the Equity Shares of Mandapeta Digital. The Mandapeta Digital Shareholders are not permitted to sell, transfer or encumber their shares in Mandapeta Digital without the consent of ACT Digital. Further, ACT Digital is entitled to a right of first refusal in the event of any transfer of shares by the Mandapeta Digital Shareholders. Any transfer of shares by ACT Digital, which would result in a change of control will be subject to a tag along right in favour of Mandapeta Digital Shareholders. Should the Mandapeta Digital Shareholders fail to exercise this right to tag along, ACT Digital shall be entitled to a drag along right. In the event of an event of default by ACT Digital, Mandapeta Digital Shareholders will continue to be entitled to all their rights under the agreement, but will not be required to comply with their obligations. Further, ACT Digital will be required to either sell all its shares in Mandapeta Digital to the Mandapeta Digital Shareholders at 75.00% of the fair market value of the shares or purchase the shares held by ACT Digital Shareholders at 125.00% of the fair market value. The Mandapeta Digital Shareholders are also bound by non-compete obligations which inter-alia prevent them from entering into competing businesses in Andhra Pradesh for as long as our ACT Digital is a shareholder of Mandapeta Digital and for a period of one year thereafter. Pursuant to the deed of adherence executed by Nine International, Nine International which acquired 800 equity shares of Mandapeta Digital has agreed to observe and discharge all rights and obligations placed upon the Mandapeta Digital Shareholders under the agreement.

Share Subscription and Shareholders Agreement dated April 11, 2010 entered into amongst ACT Digital, Sree Digital and certain individuals ("Sree Digital Shareholders")

ACT Digital has entered into a share subscription and shareholders' agreement with Sree Digital and the Sree Digital Shareholders pursuant to which ACT Digital has subscribed to 75.00% of the shares of Sree Digital for an aggregate consideration of ₹15,000,000. The agreement also sets out the rights and obligations of our ACT Digital vis-à-vis Sree Digital and the Sree Digital Shareholders. ACT Digital is entitled to nominate two directors on the board of Sree Digital and the Sree Digital Shareholders is entitled to nominate one director so long as the Sree Digital Shareholders continue to hold at least 20.00% of the Equity Shares of Sree Digital. The Sree Digital Shareholders are not permitted to sell, transfer or encumber their shares in Sree Digital without the consent of ACT Digital. Further, ACT Digital is entitled to a right of first refusal in the event of any transfer of shares by the Sree Digital Shareholders. Any transfer of shares by ACT Digital, which would result in a change of control will be subject to a tag along right in favour of the Sree Digital Shareholders. Should the Sree Digital Shareholders fail to exercise this right to tag along, ACT Digital shall be entitled to a drag along right. In the event of an event of default by ACT Digital, the Sree Digital Shareholders will continue to be entitled to all their rights under the agreement, but will not be required to comply with their obligations. Further, ACT Digital will be required to either sell all its shares in Sree Digital to the Sree Digital Shareholders at 75.00% of the fair market value of the shares or purchase the shares held by the Sree Digital Shareholders at 125.00% of the fair market value. The Sree Digital Shareholders are also bound by non-compete obligations which inter-alia prevent them from entering into competing businesses for as long as our ACT Digital is a shareholder of Sree Digital and for a period of one year thereafter. Further Sree Digital is required to confine its business and operations to Andhra Pradesh. Pursuant to the deed of adherence executed by Nine International, Nine International which acquired 800 equity shares of Sree Digital has agreed to observe and discharge all rights and obligations placed upon the Sree Digital Shareholders under the agreement.

Share Subscription and Shareholders Agreement dated December 9, 2010 entered into amongst ACT Digital, SVDHEPL and certain individuals ("SVDHEPL Shareholders")

ACT Digital has entered into a share subscription and shareholders' agreement with SVDHEPL and the SVDHEPL Shareholders pursuant to which ACT Digital has subscribed to 75.00% of the shares of HCV Digital for an aggregate consideration of ₹17,100,000. The agreement also sets out the rights and obligations of our ACT Digital vis-à-vis SVDHEPL and the SVDHEPL Shareholders. ACT Digital is entitled to nominate two directors on the board of SVDHEPL and the SVDHEPL Shareholders are entitled to nominate one director so long as the SVDHEPL Shareholders continue to hold at least 25% of the Equity Shares of SVDHEPL. at all board meetings and shareholder meetings respectively. The SVDHEPL Shareholders are not permitted to sell, transfer or encumber their shares in SVDHEPL without the consent of ACT Digital. Further, ACT Digital is entitled to a right of first refusal in the event of any transfer of shares by the SVDHEPL Shareholders. Any transfer of shares by ACT Digital, which would result in a change of control will be subject to a tag along right in favour of SVDHEPL Shareholders. Should the SVDHEPL Shareholders fail to exercise this right to tag along, ACT Digital shall be entitled to a drag along right. In the event of an event of default by ACT Digital, SVDHEPL Shareholders will continue to be entitled to all their rights under the agreement, but will not be required to comply with their obligations. Further, ACT Digital will be required to either sell all its shares in SVDHEPL to the SVDHEPL Shareholders at 75.00% of the fair market value of the shares or purchase the shares held by SVDHEPL Shareholders at 125.00% of the fair market value. The SVDHEPL Shareholders are also bound by non-compete obligations which inter-alia prevent them from entering into competing businesses in Andhra Pradesh for as long as our ACT Digital is a shareholder of SVDHEL and for a period of one year thereafter. Pursuant to the deed of adherence executed by Nine International, Nine International which acquired 800 equity shares of SVDHEPL has agreed to observe and discharge all rights and obligations placed upon the SVDHEPL Shareholders under the agreement.

Share Purchase Agreement dated June 4, 2008 entered into amongst our Company, Rohit Sethi, Sanju Maahore, Vijay Maahore ("S.R. Sellers") and S.R. Cable

Our Company has entered into a share purchase agreement with the S.R. Sellers and S.R. Cable pursuant to which our Company has purchased 10,000 equity shares of S.R. Cable (constituting 100% of the equity share capital of S.R. Cable at the relevant time) for an aggregate consideration of ₹100,000. The S.R. Sellers have also agreed to be bound by certain non compete obligations for so long as our Company is a shareholder of S.R. Cable, in consideration for a non-compete fee of ₹35,300,000.

Share Subscription and Shareholders Agreement dated August 28, 2010 entered into amongst ACT Digital, IBCNPL and certain individuals ("IBCNPL Shareholders")

ACT Digital has entered into a share subscription and shareholders' agreement with IBCNPL and the IBCNPL Shareholders pursuant to which ACT Digital has subscribed to 74.00% of the shares of IBCNPL for an aggregate consideration of ₹26,241,964. The agreement also sets out the rights and obligations of our ACT Digital vis-à-vis IBCNPL and the IBCNPL Shareholders. IBCNPL is entitled to nominate three directors on the board of IBCNPL and the IBCNPL Shareholders are entitled to nominate two director so long as the IBCNPL Shareholders continue to hold at least 20.00% of the Equity Shares of IBCNPL. The IBCNPL Shareholders are not permitted to sell, transfer or encumber their shares in IBCNPL without the consent of ACT Digital. Further, ACT Digital is entitled to a right of first refusal in the event of any transfer of shares by the IBCNPL Shareholders. Any transfer of shares by ACT Digital, which would result in a change of control will be subject to a tag along right in favour of the IBCNPL Shareholders. Should the IBCNPL Shareholders fail to exercise this right to tag along, ACT Digital shall be entitled to a drag along right. In the event of an event of default by ACT Digital, the IBCNPL Shareholders will continue to be entitled to all their rights under the agreement, but will not be required to comply with their obligations. Further, ACT Digital will be required to either sell all its shares in IBCNPL to the Sree Digital Shareholders at 75.00% of the fair market value of the shares or purchase the shares held by the Sree Digital Shareholders at 125.00% of the fair market value. The IBCNPL Shareholders are also bound by non-compete obligations which inter-alia prevent them from entering into competing businesses for as long as our ACT Digital is a shareholder of IBCNPL and for a period of one year thereafter. Further IBCNPL is required to confine its business and operations to Andhra Pradesh. Pursuant to the deed of adherence executed by Nine International, Nine International which acquired 9,620 equity shares of IBCNPL has agreed to observe and discharge all rights and obligations placed upon the IBCNPL Shareholders under the agreement.

Guarantees:

Our Promoters have not provided guarantees to any third parties as on the date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act, 2013, our Company is required to have not more than 15 Directors and not less than three Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of seven Directors.

The following table sets forth details regarding our Board of Directors:

Sl. No.	Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
1.	**Mahendra Kumar Sharma** ***Designation**:* Chairman and Non-Executive, Independent Director ***Address**:* 192, Centrum Towers-A, Barkhat Ali Road, Near Wadala Flyover, Wadala East, Mumbai 400 037, Maharashtra, India ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* March 10, 2018 to December 10, 2019 ***DIN**:* 00327684	70	• Asian Paints Limited; • BIC-Cello Exports Private Limited; • BIC Cello (India) Private Limited; • East India Investment Co. Private Limited; • Gwalior Webbing Co. Private Limited; • ICICI Bank Limited; • Indian School of Business; • The Anglo Scottish Education Society; • United Spirits Limited; and • Wipro Limited.
2.	**Chinnaswamy Sunder Raju** ***Designation**:* Founder and Non-Executive Director ***Address**:* No. 294, Upper Palace Orchards, Bengaluru 560 080, Karnataka, India ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* Liable to retire by rotation ***DIN**:* 00592212	60	• A.S.K.Brothers Limited; • Atria Hydel Power Limited; • Atria Power Corporation Private Limited; • Atria Power Nirmal Private Limited; • Atria Solar Power Private Limited; • Atria Wind Power (Savarakundla) Private Limited; • Atria Wind Private Limited; • Bangalore Regenrative Advanced Institute of Neuro Science Private Limited; • Betul Wind Farms Limited; • Blyth Wind Park Private Limited; • Chelur Atria Energy Private Limited; • Clover Program Management Private Limited*; • CTV Content Management Private Limited*; • OBRM Service Management Private Limited*; • Kukru Wind Power Private Limited; • Solaratria Clean Tech Private Limited; and • WPA Clean Energy Private Limited.
3.	**Vishal Gangadhar Nevatia**	48	• Innovative B2B Logistics Solutions Private Limited;

Sl. No.	Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
	***Designation**:* Non-Executive, Nominee Director ***Address**:* 2702, B- Wing, 27th Floor, Oberoi Sky Heights, Back Road, Lokhandwala, Andheri West, Mumbai 400 053, Maharashtra, India ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* Liable to retire by rotation ***DIN**:* 01307857		• Meru Travel Solutions Private Limited; • RDC Concrete (India) Private Limited; and • True North Corporate Private Limited.
4.	**Dhiraj Poddar** ***Designation**:* Non-Executive, Nominee Director ***Address**:* 001, Springs, Island City Centre, (Bombay Dyeing), G. D. Ambedkar Marg, Dadar East, Mumbai 400 014, Maharashtra, India ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* Liable to retire by rotation ***DIN**:* 01946905	43	• Fincare Business Services Limited; • Fractal Analytics Private Limited; • Ideal Cures Private Limited; • Indiaideas com Limited; • TA Associates Advisory Private Limited; and • Tega Industries Limited.
5.	**Pramod Kabra** ***Designation**:* Non-Executive, Nominee Director ***Address**:* Planet Godrej, Tower 4, Floor 21, Simplex Mills Compound, Near Jacobs Circle, Mahalaxmi, Mumbai 400 011, Maharashtra, India ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* Liable to retire by rotation ***DIN**:* 02252403	58	• Actify Data Labs Private Limited; • Aggrigator, Inc; • B2B Forwarding Agent Private Limited; • Degustibus Hospitality Private Limited; • Fincare Small Finance Bank Limited; • Innovative B2B Logistics Solutions Private Limited; • Meru Cab Company Private Limited; • Meru Travel Solutions Private Limited; and • NBHC Finserv Private Limited.
6.	**Pangulury Mohan Murty** ***Designation**:* Non-Executive, Independent Director ***Address**:* Flat No. 102, Ashoka Lake View Apartments, 6-3-1192/A/2 to A/5, Kundanbagh, Begumpet, Hyderabad 500 016, Andhra Pradesh ***Occupation**:* Professional ***Nationality**:* Indian	67	• Crompton Greaves Consumer Electricals Limited; and • Sleek International Private Limited

Sl. No.	Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
	***Term**:* For a period of five years with effect from March 10, 2018 ***DIN**:* 00011179		
7.	**Nishi Vasudeva** ***Designation**:* Non-Executive, Independent Director ***Address**:* 21 A, Land Breeze, 52 Pali Hill, Bandra West, Mumbai 400 050, Maharashtra, India ***Occupation**:* Professional ***Nationality**:* Indian ***Term**:* For a period of five years with effect from March 10, 2018 ***DIN**:* 03016991	61	• HCL Technologies Limited; and • L&T Finance Holdings Limited

**Under process of striking-off*

Relationship between our Directors

None of our Directors are related to each other.

Brief Biographies of Directors

Mahendra Kumar Sharma is the Chairman and Non-Executive, Independent Director of our Company. He has been a Non-Executive Director of our Company since December 11, 2014 and redesignated as Non-Executive, Independent Director on March 10, 2018. He holds a bachelor of arts degree University of Lucknow and a post graduate diploma in personnel management from University of Delhi. He also holds a diploma in labour law from the Indian Law Institute. He has over 32 years of experience in the field of business administration and management. In the past he has held the position of whole-time director and vice chairman of Hindustan Unilever Limited.

Chinnaswamy Sunder Raju is the Founder and Non-Executive Director of our Company. He has been a Director of our Company since our incorporation. He holds a bachelor's degree in engineering from Bangalore University. He has over 17 years of experience in the field of cable TV and broadband internet services. He is also the recipient of several awards namely Eminent Engineer Award from the Institute of Engineers (India) Karnataka State Centre in 2013 and Agratha – Vocational Service Award for the year 2014 by Rotary Bangalore Cubbon Park.

Vishal Gangadhar Nevatia is the Non-Executive, Nominee Director of our Company. He has been a Non-Executive, Nominee Director of our Company since May 6, 2016. He is also an associate of the Institute of Chartered Accountants of India. He has over 15 years of experience in the field of business administration and management. He is a trustee of the True North Capital Trust and the chief executive officer and managing partner of True North Managers LLP.

Dhiraj Poddar is the Non-Executive, Nominee Director of our Company. He has been a Non-Executive, Nominee Director of our Company since May 6, 2016. He holds a bachelor of commerce (honours course) degree from the University of Delhi and a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is also an associate of the Institute of Chartered Accountants of India. He heads the India operations of TA Associates Advisory Private Limited. He has more than 12 years of experience in the private equity industry. Prior to joining TA in 2010, he worked as a director at Standard Chartered Bank.

Pramod Kabra is the Non-Executive, Nominee Director of our Company. He has been a Non-Executive, Nominee Director of our Company since May 6, 2016. He holds a bachelor's degree in commerce (honours) from University of Jodhpur. He is also an associate of the Institute of Chartered Accountants of India. He has over a decade's experience in the field of business management. He is currently the partner of the business management team in True North Managers LLP.

Pangulury Mohan Murty is the Non-Executive, Independent Director of our Company. He has been a Director of our Company since March 10, 2018. He holds a bachelor of science (honours) degree in mathematics from University of Calcutta and a post-graduate diploma in management from Indian Institute of Management Calcutta. He has over 41 years of experience in the field of sales, marketing and management. In the past he has held the position of managing director and chief executive officer of Asian Paints Limited. He is a member of Court of Governors ASCI and the Board of Governors of Indian Institute of Management, Calcutta.

Nishi Vasudeva is the Non-Executive, Independent Director of our Company. She has been a Director of our Company since March 10, 2018. She holds a bachelor of arts (honours) degree from University of Delhi and post graduate diploma in management from Indian Institute of Management, Calcutta. She has over 36 years of experience in the oil and gas sector. In the past she has held the position of chairman and managing director in Hindustan Petroleum Corporation Limited. She is also the recipient of several awards namely best CEO award in oil and gas category at BT MindRush 2016, CEO of the year award at the Platts Global Energy Awards in 2015 and scope award for excellence and outstanding contribution to the public sector management under individual leadership category I for maharatna or navaratna public sector undertakings for the Financial Year 2014.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchanges.

Except as disclosed below, none of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange:

Details	Particulars
Name of the Director	Mahendra Kumar Sharma
Name of the Company	Fulford (India) Limited
Listed on	December 4, 1995
Effective date of delisting on BSE/NSE/any other stock exchange	August 7, 2015
Whether compulsory or voluntary delisting	Voluntary delisting
Reasons for delisting	Pursuant to acquisition by Dashtag
Whether relisted on BSE/NSE/any other stock exchange (Yes/No)	No
Term of the directorship along with the relevant dates of joining and resignation, if applicable	Acted as a director from July 25, 2008 until March 31, 2014

Except as disclosed in "*Outstanding Litigation and Material Developments*" on page 416 in respect of ICICI Bank Limited, of which our Director, Mahendra Kumar Sharma is a director, no proceedings/investigations have been initiated by SEBI against any company, the board of directors of which also comprise any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

Terms of appointment of Executive Directors

As on the date of this Draft Red Herring Prospectus, our Company does not have any executive directors.

Payment or benefit to Directors of our Company

The sitting fees/other remuneration paid to our Directors in Financial Year 2017 are as follows:

1. **Remuneration to Executive Directors:**

   Our Company had paid ₹0.11 million as remuneration to Chinnaswamy Sunder Raju, who was our managing Director, in Financial Year 2017. On March 10, 2018 he was redesignated as our Founder and Non-Executive Director. As on the date of this Draft Red Herring Prospectus, our Company does not have any executive Directors.

2. **Remuneration to Non-Executive Directors:**

   Except for payment of ₹2.40 million to Mahendra Kumar Sharma as consultancy fees, our Company has not paid any remuneration (including as sitting fees and commission) to the Non-Executive Directors in Financial Year 2017. The travel expenses for attending meetings of the Board of Directors or a committee thereof, site visits and other Company related expenses are borne by our Company, from time to time.

   Our Company has pursuant to a Board resolution dated March 9, 2018 and shareholder's resolution dated March 10, 2018 fixed the sitting fees payable to our independent Directors at ₹0.05 million per meeting for attending the meetings of our Board and audit committee and ₹0.03 million per meeting for attending the meetings of other committees thereof with effect from March 10, 2018. Further, Mahendra Kumar Sharma and other independent Directors are also entitled to an annual commission of ₹3.00 million and ₹2.00 million, respectively, subject to a maximum ceiling of 1% of the net profit of our Company in accordance with the Companies Act, 2013.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Chinnaswamy Sunder Raju, Vishal Gangadhar Nevatia, Pramod Kabra and Dhiraj Poddar have been appointed to our Board by our Promoters pursuant to the terms of the share purchase agreement dated May 10, 2015 and amendment agreement dated September 30, 2015. For further details, see "*History and Certain Corporate Matters*" on page 149.

Except as disclosed above, there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on the Board.

Shareholding of Directors in our Company

Our Directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of filing this Draft Red Herring Prospectus is set forth below:

Name of Director	Number of Equity Shares	Pre-Offer Percentage Shareholding (%)
Chinnaswamy Sunder Raju	1,696,349*	3.20

**These Equity Shares have been pledged with SREI Infrastructure Finance Limited*

Shareholding of Directors in our Subsidiaries and Associate Companies

Our Directors do not hold any equity shares in our Subsidiaries and Associate Companies as of the date of filing this Draft Red Herring Prospectus.

Appointment of relatives of our Directors to any office or place of profit

None of the relatives of our Directors currently holds any office or place of profit in our Company.

Interest of Directors

Our independent Directors may be deemed to be interested to the extent of sitting fees and commission payable to them for attending meetings of our Board or committees thereof as well as to the extent of other remuneration and reimbursement of expenses payable under our Articles of Association.

Except as stated in "*Related Party Transactions*" on page 184, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company two years prior to the date of the Draft Red Herring Prospectus, or proposed to be acquired by our Company.

Further, our Directors have no interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

The Directors may also be regarded as interested in the Equity Shares held by them or Equity Shares that may be subscribed by or allotted to them. All of our Directors may also be deemed to be interested to the extent of remuneration (if applicable), reimbursement of expenses (if applicable), to the extent of any Equity Shares held by them (if applicable) and to the extent of benefits arising out of such shareholding and to the extent of the transactions entered into in the ordinary course of business with the companies in which our Directors hold directorship. Our Nominee Directors may be interested to the extent of any Equity Shares held by TA and Argan, as the case may be, to the extent of benefits arising out of such shareholding.

None of our Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Mahendra Kumar Sharma was paid a consultancy fees of ₹0.20 million per month until March, 2017 pursuant to a consultancy agreement dated November 1, 2014. Thereafter, pursuant to the Board and Shareholders' resolutions dated March 27, 2017 and April 6, 2017, respectively, he has received from April, 2017 and is entitled to receive ₹0.20 million per month as remuneration for the consultancy services provided by him for our Company. Except as stated above, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration, including ESOPs, for services rendered as Directors and/or as Key Management Personnel.

No loans have been availed by our Directors from our Company.

None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

None of our Directors is party to any bonus or profit sharing plan of our Company.

Further, except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors, the Key Management Personnel, has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

None of our Directors are interested in the proceeds from the Offer.

Changes in the Board in the last three years

Name	Date of Appointment/Change/ Cessation	Reason
Chinnaswamy Sunder Raju	March 10, 2018	Re-designated as Founder and Non-Executive Director
Mahendra Kumar Sharma	March 10, 2018	Re-designated as Chairman and Non-Executive, Independent Director
Nishi Vasudeva	March 10, 2018	Appointed as Non-Executive, Independent Director
Pangulury Mohan Murty	March 10, 2018	Appointed as Non-Executive, Independent Director
Vikram Nirula	March 10, 2018	Resigned from the post of Non-Executive, Nominee Director
Naveen Wadhera	March 10, 2018	Resigned from the post of Non-Executive, Nominee Director
Dhiraj Poddar	May 6, 2016	Appointed as Non-Executive, Nominee Director
Naveen Wadhera	May 6, 2016	Appointed as Non-Executive, Nominee Director
Kupparaju Nagaraju	May 6, 2016	Resigned from the post of Non-Executive Director
Pramod Kabra	May 6, 2016	Change in designation from Non-Executive Director to Non-Executive, Nominee Director
Vikram Nirula	May 6, 2016	Change in designation from Non-Executive Director to Non-Executive, Nominee Director
Vishal Gangadhar Nevatia	May 6, 2016	Change in designation from Non-Executive Director to Non-Executive, Nominee Director
Chinnaswamy Sunder Raju	May 6, 2016	Appointed as Argan nominated Managing Director

Borrowing Powers of Board

In accordance with the Articles of Association and pursuant to a resolution passed by the Shareholders of our Company on March 10, 2018, the Board is authorised to to borrow monies, which, together with the monies already borrowed, exceeds the aggregate of paid up share capital and free reserves apart from temporary loans borrowed, from such person or persons on such term(s) and condition(s) as to repayment, interest and otherwise as they may think fit and proper, provided that the total amount so borrowed shall not, at any time, exceed ₹7,500 million.

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team, constitution of the Board committees and formulation of policies, each as required under law, including the SEBI Listing Regulations. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance particularly in relation to constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Currently, our Board has seven Directors, headed by the Chairman who is an non-executive, independent director. In compliance with the requirements of the SEBI Listing Regulations, we have seven Non-Executive Directors including three independent Directors on our Board. Our Board also has one woman Director.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically.

Committees of the Board

In addition to the committees of our Board detailed below, our Board may from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Mahendra Kumar Sharma, *Chairman*;
2. Pangulury Mohan Murty;
3. Nishi Vasudeva; and
4. Pramod Kabra.

The Audit Committee was constituted by a meeting of the Board of Directors held on March 9, 2018. The scope and functions of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013, Regulation 18 of the SEBI Listing Regulations and its terms of reference include the following:

a) Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommending to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the statutory auditor and the fixation of audit fee;

c) Reviewing and monitoring the auditor's independence and performance and the effectiveness of audit process;

d) Approving payments to the statutory auditors for any other services rendered by statutory auditors;

e) Reviewing the financial statements with respect to its unlisted subsidiary(ies), in particular investments made by such Subsidiary(ies)

f) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    i) Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

    ii) Changes, if any, in accounting policies and practices and reasons for the same;

    iii) Major accounting entries involving estimates based on the exercise of judgment by management;

    iv) Significant adjustments made in the financial statements arising out of audit findings;

    v) Compliance with listing and other legal requirements relating to financial statements;

    vi) Disclosure of any related party transactions; and

    vii) Qualifications and modified opinions in the draft audit report.

g) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

h) Scrutiny of inter-corporate loans and investments;

i) Valuation of undertakings or assets of our Company, wherever necessary;

j) Evaluating internal financial controls and risk management systems;

k) Approving or subsequently modifying transactions of our Company with related parties;

l) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

m) Establishing and overviewing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

n) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

p) Discussing with internal auditors on any significant findings and follow up thereon;

q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

r) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) Approving appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

u) Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

v) Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

w) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and

x) Formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time.

The powers of the Audit Committee include the following:

a) To investigate activity within its terms of reference;

b) To seek information from any employees;

c) To obtain outside legal or other professional advice; and

d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and result of operations;

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c) Management letters/letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of the chief internal auditor; and

f) Statement of deviations:

    (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

    (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

The Audit Committee is required to meet at least four times in a year under the SEBI Listing Regulations.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Pangulury Mohan Murty, *Chairman*;
2. Mahendra Kumar Sharma;
3. Chinnaswamy Sunder Raju; and
4. Pramod Kabra.

The Nomination and Remuneration Committee was constituted by a meeting of the Board of Directors held on March 9, 2018. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of performance of the independent directors and the Board;

c) Devising a policy on Board diversity;

d) Identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

e) Analysing, monitoring and reviewing various human resource and compensation matters;

f) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

g) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

j) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

k) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

l) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Nishi Vasudeva, *Chairman*
2. Pramod Kabra;

3. Dhiraj Poddar;

4. Chinnaswamy Sunder Raju; and

5. Pangulury Mohan Murty.

The Stakeholders' Relationship Committee was constituted by our Board of Directors at their meeting held on March 9, 2018. The scope and functions of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee include the following:

a) Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares;

b) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

c) Issue of duplicate certificates and new certificates on split/consolidation/renewal;

d) Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and

e) Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Dhiraj Poddar, *Chairman;*

2. Chinnaswamy Sunder Raju;

3. Mahendra Kumar Sharma;

4. Pangulury Mohan Murty; and

5. Nishi Vasudeva.

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on November 28, 2014 and last reconstituted on March 9, 2018. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder.

Risk Management Committee

The members of the Risk Management Committee are:

1. Nishi Vasudeva, *Chairman*;
2. Dhiraj Poddar;
3. Pramod Kabra;
4. Vishal Nevatia;
5. Pangulury Mohan Murty;
6. Bala Subrahmanyam Malladi; and
7. Eashwar Iyer.

The Risk Management Committee was constituted by our Board of Directors on March 9, 2018 pursuant to Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee has the function of monitoring and reviewing the risk management plan.

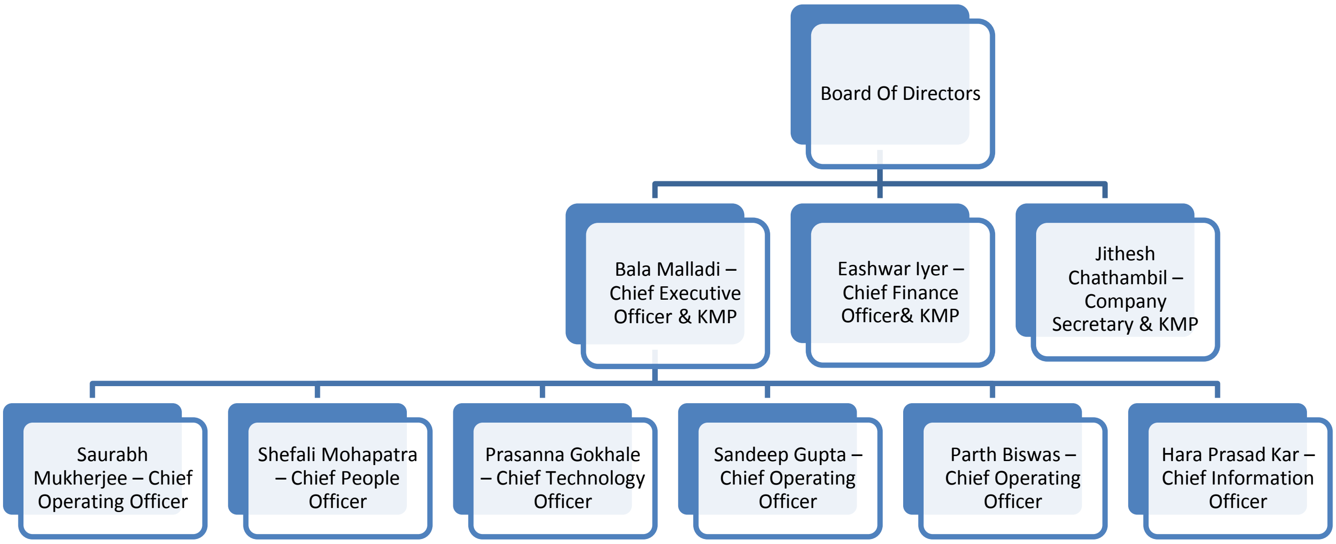
IPO Committee

The members of the IPO Committee are:

1. Mahendra Kumar Sharma, *Chairman*;
2. Chinnaswamy Sunder Raju;
3. Pramod Kabra; and
4. Dhiraj Poddar

The IPO Committee was constituted by our Board of Directors on March 9, 2018. The IPO Committee has been authorized to approve and decide upon all activities in connection with the Offer, including, but not limited to, to approve this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the Offer, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time.

Management Organisation Chart



Key Management Personnel

The Key Management Personnel of our Company are as follows:

1. Bala Subrahmanyam Malladi;
2. Eashwar Iyer; and
3. Jithesh Chathambil.

Bala Subrahmanyam Malladi is the Chief Executive Officer of our Company and has been associated with our Company since June 14, 2008. He holds bachelor's degree in commerce from Osmania University. He is an associate of the Institute of Cost and Works Accountants of India as well as the Institute of Chartered Accountants of India. He has over 25 years of experience in the field of finance and management. Prior to joining our Company, he worked with Hindustan Unilever Limited as their GM-Finance, Controls & Shared Services. During Financial Year 2017, he was paid a salary of ₹57.77 million.

Eashwar Iyer is the Chief Finance Officer of our Company and has been associated with our Company since September 4, 2017. He has over 10 years of experience in the field of finance. He is an associate of the Institute of Chartered Accountants of India. Prior to joining our Company, he worked with Hindustan Coca-Cola Beverages Private Limited as their VP-Supply Chain, Procurement & Infrastructure Planning. He joined our Company in Financial Year 2018 and therefore no salary was payable to him for Financial Year 2017.

Jithesh Chathambil is the Company Secretary and Compliance officer of our Company and has been associated with our Company since December 21, 2015. He holds bachelor's degree in commerce from University of Calicut. He is also an associate member of the Institute of Company Secretaries of India. He has over nine years of experience in the field of company secretarial matters. Prior to joining our Company, he worked with Go Go International Private Limited. During Financial Year 2017, he was paid a salary of ₹1.18 million.

None of the Key Management Personnel are related to each other.

All the Key Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel

The details of Equity Shares held by our Key Management Personnel in our Company as of the date of this Draft Red Herring Prospectus is as follows:

Name	Number of Equity Shares	Percentage Shareholding (%)
Bala Subrahmanyam Malladi	808,770	1.53

As of the date of this Draft Red Herring Prospectus, none of our Key Management Personnel hold any equity shares in our Subsidiaries and Associate Companies.

Bonus or profit sharing plan of the Key Management Personnel

Except for the bonus paid to Eashwar Iyer at the time of joining our Company and confirmation of his appointment as the Chief Financial Officer, at the end of his probation period, none of the Key Management Personnel is party to any bonus or profit sharing plan of our Company.

We keep incentivizing our employees including our Key Management Personnel and senior management personnel from time to time to ensure retention and longevity of key resources. Such expected incentives have been adequately provided for in the books of accounts.

Interests of Key Management Personnel

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. For details, see "- *Interest of Directors*" on page 167. The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any.

Except for the bonus paid to Eashwar Iyer at the time of joining our Company and confirmation of his appointment as the Chief Financial Officer, at the end of his probation period, none of the Key Management Personnel have been paid any consideration of any nature from our Company other than their remuneration.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Management Personnel was selected as member of senior management.

No loans have been availed by the Key Management Personnel from our Company.

Changes in the Key Management Personnel

The changes in the Key Management Personnel in the last three years are as follows:

Name	Designation	Date of change	Reason for change
Chinnaswamy Sunder Raju	Managing Director	March 10, 2018	Re-designated as Non-Executive Director
Eashwar Iyer	Chief Financial Officer	September 4, 2017	Appointed as Chief Financial Officer
Hosabettu Venkatesh Bhat	Chief Financial Officer cum Chief Operating Officer	Janaury 31, 2018	Resigned from the Company
Jithesh Chathambil	Company Secretary	December 21, 2015	Appointed as Company Secretary

Payment or Benefit to officers of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as an officer of our Company.

Employee Stock Option Plans

For details on our employee stock option schemes see "*Capital Structure*" on page 76.

Senior Management Personnel

The Senior Management Personnel of our Company are as follows:

1. **Shefali Mohapatra:** She is the Chief People Officer of our Company and has been associated with our Company since September 7, 2009. She has several years of experience in the field of human resource management. She heads the human resource function of our Group and leads all human resource related activities, i.e. human resource operations, compensation and benefits, training and organisation development;

2. **Hara Prasad Kar:** He is the Chief Information Officer of our Company and has been associated with our Company since June 6, 2013. He has several years of experience in the field of information and technology. He leads the strategy, delivery and operation of a robust information network across various business verticals within our Group.

3. **Prasanna Gokhale:** He is the Chief Technology Officer of our Company and has been associated with our Company since June 9, 2014. He has several years of experience in the field of information and technology. He heads the technology function for the Group and is responsible for network planning, implementation and maintenance of the internet and video business across all locations;

4. **Sandeep Mohan Gupta:** He is the Chief Operating Officer - ROI of our Company and has been associated with our Company since August 21, 2015. He has several years of experience in the field of sales and marketing. He heads the operations for internet businesses across markets in Bengaluru, Tamil Nadu and Delhi NCR;

5. **Partha Biswas:** He is the Chief Operating Officer – Hyderabad Business of our Company and has been associated with our Company since January 30, 2017. He has several years of experience in the field of information and technology. He heads the operations for internet business at Hyderabad; and

6. **Saurabh Mukherjee:** He is the Chief Operating Officer – Hyderabad Business of our Company who is currently on sabbatical and has been associated with our Company since October 1, 2009. He has several years of experience in the field of sales and marketing. He heads the operations for internet business at Hyderabad.

OUR PROMOTERS AND PROMOTER GROUP

Argan and TA are the Promoters of our Company. Argan and TA currently hold 30,253,016 Equity Shares, equivalent to 57.05% and 19,998,152 Equity Shares equivalent to 37.71% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company, respectively. For further details, see "*Capital Structure*" and "*History and Certain Corporate Matters*" on pages 76 and 149.

Argan

Corporate Information

Argan has been incorporated under the Companies Act, 2001 of the Republic of Mauritius on July 23, 2014 as a private company limited by shares. Its registered office is situated at 201, 2nd Floor, Sterling Tower, 14 Poudriere Street, Port Louis, Mauritius.

Argan holds a Category 1 Global Business License under the Financial Services Act 2007 of the Republic of Mauritius and its principal activity is to invest in Indian companies through the Foreign Direct Investment (FDI) route. Argan does not have investments in any entity other than our Company as on the date of this Draft Red Herring Prospectus.

100% of the ordinary shares and Class A equity shares of Argan carrying 100% of the voting rights are held by Indium V (Mauritius) Holdings Limited. Argan has also issued Class B equity shares which do not carry any voting rights to numerous financial investors.

The board of directors of Indium V (Mauritius) Holdings Limited are as under:

1. Sahjahan Ally Nauthoo
2. Ashraf Ramtoola

Board of directors

The board of directors of Argan are as under:

1. Sahjahan Ally Nauthoo
2. Khoushaal Dusoruth

The directors of Argan do not hold any Equity Shares in our Company.

Changes in the management and control

Argan was held 100% by Indium III (Mauritius) Holdings Limited until April 1, 2015, after which the equity shares of Argan were transferred by Indium III (Mauritius) Holdings Limited to Indium V (Mauritius) Holdings Limited. Except as disclosed above, there has been no change in the management and control of Argan in the three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of Argan including address of the Registrar of Companies in Mauritius where Argan is registered, shall be submitted to the Stock Exchanges at the time of filing of the Red Herring Prospectus.

TA

Corporate Information

TA has been incorporated under the Companies Act, 2001 of the Republic of Mauritius on June 19, 2009 as a private company limited by shares. The registered office of TA is situated at c/o International Financial Services Limited, IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius.

TA is promoted by TA Associates Mauritius FVCI LLC and is authorized to, *inter alia*, engage in all forms of investments and to carry on its affairs as an investment holding company.

TA Associates Mauritius, the promoter of TA does not have a board of directors and is managed by an investment manager, namely TA Associates LP

Board of directors

The board of directors of TA are as under:

1. Yash Avinash Rana
2. Fareed Soreefan
3. Resmah Mandary
4. Patrick Anis Sader

The directors of TA do not hold any Equity Shares in our Company.

Changes in the management and control

There has been no change in the management and control of TA in the three years preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and registration details of TA, including the address of the Registrar of Companies where TA is registered, shall be submitted to the Stock Exchanges at the time of filing of the Red Herring Prospectus.

Interests of Promoters in promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding and the dividend payable, if any in respect of the Equity Shares held by them. For details regarding the shareholding of our Promoters in our Company, see "*Capital Structure*" on page 76.

Interests of Promoters in property of our Company

Our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Business Interests

Our Promoters are interested in our Company to the extent of their respective shareholding in our Company. For details, see "*History and Certain Corporate Matters*" and *"Capital Structure"* on pages 149 and 76, respectively. Our Promoters do not have any business interest in our Company or its Subsidiaries or Associates except to the extent of the Equity Shares held by them in our Company and the benefits accruing therefrom.

None of our Promoters are interested as a member of a firm or company (other than our Company) and no sum has been paid or agreed to be paid to any of our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Related Party Transactions

For details of related party transactions entered into by our Company with our Promoters, Subsidiaries and Group Companies during the last financial year, the nature of transactions and the cumulative value of transactions, see "*Related Party Transactions*" on page 184.

Interest of Promoter Group in Sales and Purchases

Other than as disclosed in "*Related Party Transactions*" on page 184, there are no sales/purchases between our Company and our Promoter Group, Group Companies, our Subsidiaries and our Associate Companies when such sales or purchases exceed in value the aggregate of 10% of the total sales or purchases of our Company or any business interest between our Company, our Promoter Group, our Subsidiaires, Group Companies and the Associate Companies as on the date of the last financial statements.

Payment of benefits to our Promoters or our Promoter Group

There has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

Except as disclosed in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the two years preceding the date of the Draft Red Herring Prospectus in which our Promoters are directly or indirectly interested and the Company does not propose to enter into any such contract. No payments have been made to our Promoters in respect of any contracts, agreements or arrangements which are proposed to be made by the Company. For details in relation to these agreements, see "*History and Certain Corporate Matters*" on page 149.

Litigation involving our Promoters

There are no legal and regulatory proceedings involving our Promoters as on the date of this Draft Red Herring Prospectus.

Confirmations

Our Promoters and members of our Promoter Group have not been declared as wilful defaulters in accordance with the SEBI ICDR Regulations and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of this Draft Red Herring Prospectus against our Promoters.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority or which is a wilful defaulter in accordance with the SEBI ICDR Regulations.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time. Our Promoters are not related to any of the sundry debtors of our Company.

Our Promoters do not have any direct interest in any venture that is involved in any activities similar to those conducted by our Company. Further, our Promoters have undertaken to refrain from competing with our business or otherwise engage in any business activity that may compete with us, solicit our employees or acquire interest in competing ventures in locations in which we operate. For details, see "*History and Certain Corporate Matters – Summary of Key Agreements"* on page 157

Sick Company

No winding up proceedings have been initiated against our Promoters.

Neither of our Promoters has become defunct in the five years preceding the date of this Draft Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated with any company in the three years immediately preceding this Draft Red Herring Prospectus.

Change in the management and control of our Company

Our Company was previously promoted by Chinnaswamy Sunder Raju, K. Nagaraju, R.S. Thejavathi, A.C. Chandrashekhar Raju and True North Trusteeship Private Limited (previously known as IVF Trustee Company Private Limited). Argan and TA have purchased shares held by the previous promoters and other shareholders on May 6, 2016. As on the date of this Draft Red Herring Prospectus, Argan and TA hold 30,253,016 Equity Shares, and 19,998,152 Equity Shares equivalent to 57.05% and 37.71%, respectively, of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details of the terms of acquisition and consideration paid for acquisition, see "*Capital Structure*" and "*History and Other Corporate Details*" on pages 76 and 149.

Our Promoter Group

A. Entities forming part of the Promoter Group of Argan

1. Indium V (Mauritius) Holdings Limited

B. Entities forming part of the Promoter Group of TA

1. Fractal Analytics Private Limited

2. TA Associates Mauritius FVCI, LLC

OUR GROUP COMPANIES

The definition of 'group companies' was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a Board resolution dated March 16, 2018, our Board formulated a policy with respect to companies which it considered material to be identified as group companies, pursuant to which the entities listed in hereunder are identified as Group Companies of our Company.

Accordingly, as on date of this Draft Red Herring Prospectus, our Group Companies comprise:

1. A.C.N. Cable Private Limited;
2. Atria Broadband Services Private Limited;
3. I.B. Communications Network Private Limited; and
4. Raja Rajeshwari Entertainment Private Limited

Unless otherwise specified, all information in this section is as of the date of this Draft Red Herring Prospectus.

The details of our Group Companies are provided below:

A. Details of our Group Companies

1. ***A.C.N. Cable Private Limited (“A.C.N. Cable”)***

For details in relation to the corporate information, capital structure and shareholding of A.C.N. Cable, see “*History and Certain Corporate Matters – Our Associates*” on page 156.

Interest of our Promoters

Our Promoters do not directly or indirectly have any interest in A.C.N. Cable, except to the extent of the shareholding of our Company in A.C.N Cable.

Financial Information

The following information has been derived from the audited financial statements of A.C.N Cable for the last three Financial Years:

(in ₹ million, except per share data)

Particulars	**For the Financial Year**		
	2017	**2016**	**2015**
Equity capital	0.31	0.31	0.31
Revenue from Operations and other income	566.88	432.28	334.98
Profit/Loss after tax	26.09	20.19	6.84
Reserves (excluding revaluation reserves)	374.09	348.00	327.81
Earnings per share (face value of ₹10 each)	855.97	662.50	224.34
Diluted earning per share (face value of ₹10 each)	855.97	662.50	224.34
Net Asset Value per share	12,284.35	11,428.39	10,765.89

Note: Net asset value per share = Net Worth /Number of equity shares outstanding at the end of the year

2. ***Atria Broadband Services Private Limited (“ABSPL”)***

For details in relation to the corporate information, capital structure and shareholding of ABSPL, see “*History and Certain Corporate Matters – Our Associates*” on page 156.

Interest of our Promoters

Our Promoters do not directly or indirectly have any interest in ABSPL, except to the extent of the shareholding of our Company in ABSPL.

Financial Information

The following information has been derived from the audited financial statements of ABSPL for the last three Financial Years:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2017	2016	2015
Equity capital	0.10	0.10	0.10
Revenue from Operations and other income	222.21	207.25	90.46
Profit/Loss after tax	(7.34)	(15.98)	(21.50)
Reserves (excluding revaluation reserves)	(119.88)	(112.54)	(96.55)
Earnings per share (face value of ₹10 each)	(719.76)	(1,567.06)	(2,107.35)
Diluted earning per share (face value of ₹10 each)	(719.76)	(1,567.06)	(2,107.35)
Net Asset Value per share	(11,742.75)	(11,022.94)	(9,455.88)

Note: Net asset value per share = Net Worth /Number of equity shares outstanding at the end of the year

3. ***I.B. Communications Network Private Limited ("IBCNPL")***

For details in relation to the corporate information, capital structure and shareholding of IBCNPL, see "*History and Certain Corporate Matters – Our Associates*" on page 156.

Interest of our Promoters

Our Promoters do not directly or indirectly have any interest in IBCNPL, except to the extent of the shareholding of our Company in IBCNPL.

Financial Information

The following information has been derived from the audited financial statements of IBCNPL for the last three Financial Years:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2017	2016	2015
Equity capital	0.39	0.39	0.32
Revenue from Operations and other income	37.16	34.66	30.83
Profit/Loss after tax	(8.39)	1.62	2.91
Reserves (excluding revaluation reserves)	31.16	39.55	22.45
Earnings per share (face value of ₹10 each)	(218.08)	50.27	92.08
Diluted earning per share (face value of ₹10 each)	(218.08)	50.27	92.08
Net Asset Value per share	820.08	1,038.17	719.54

Note: Net asset value per share = Net Worth /Number of equity shares outstanding at the end of the year

4. ***Raja Rajeshwari Entertainment Private Limited ("RREPL")***

For details in relation to the corporate information, capital structure and shareholding of RREPL, see "*History and Certain Corporate Matters – Our Associates*" on page 156.

Interest of our Promoters

Our Promoters do not directly or indirectly have any interest in RREPL, except to the extent of shareholding of our Company in RREPL.

Financial Information

The following information has been derived from the audited financial statements of RREPL for the last three Financial Years:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2017	**2016**	**2015**
Equity capital	0.10	0.10	0.10
Revenue from Operations and other income	52.23	52.48	48.30
Profit/Loss after tax	4.27	3.50	3.03
Reserves (excluding revaluation reserves)	24.88	20.60	17.11
Earnings per share (face value of ₹10 each)	427.30	349.50	303.30
Diluted earning per share (face value of ₹10 each)	427.30	349.50	303.30
Net Asset Value per share	2,497.50	2,070.20	1,720.70

Note: Net asset value per share = Net Worth /Number of equity shares outstanding at the end of the year

B. Nature and Extent of Interest of Group Companies

1. ***In the promotion of our Company***

None of our Group Companies have any interest in the promotion or other interests in our Company.

2. ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with SEBI***

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus.

3. ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

C. Common Pursuits among the Group Companies with our Company

Our Group Companies are engaged in the video and cable business similar to our Company and Subsidiaries. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

D. Related Business Transactions within the Group Companies and significance on the financial performance of our Company

Except as provided in "*Related Party Transactions*" on page 184, no related party transactions have been entered into between our Group Companies and our Company as on the date of our latest Restated Financial Statements included in this DRHP.

E. Significant Sale/Purchase between Group Companies and our Company

None of our Group Companies is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

F. Business Interest of Group Companies

None of our Group Companies have any business interest in our Company.

G. Sick or Defunct Group Companies

None of our Group Companies remain defunct and no application has been made to the registrar of companies for striking off the name of any of our Group Companies or proceedings initiated for winding-up of our Group Companies during the five years preceding the date of filing of this Draft Red Herring Prospectus with SEBI. None of our Group Companies fall under the definition of sick companies under SICA and none of them is under winding up. Further none of our Group Companies has a negative networth.

H. Loss making Group Companies

Except for ABSPL and IBCNPL, none of our Group Companies have made a loss in the immediately preceding year. For details of the loss incurred by ABSPL and IBCNPL in the last three financial years see *"– Atria Broadband Services Private Limited ("ABSPL") – Financial Information*" and "*– I.B. Communications Network Private Limited ("IBCNPL") – Financial Information*" on page 181.

I. Litigation

For details relating to the legal proceedings involving the Group Companies, see "*Outstanding Litigations and Material Developments*" on page 416.

J. Confirmations

None of the securities of our Group Companies are listed on any stock exchange(s) and none of our Group Companies have made any public or rights issue of securities in the preceeding three years.

None of the Group Companies have been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

None of the Group Companies have been identified as wilful defaulters in accordance with the SEBI ICDR Regulations.

None of the Group Companies has availed of unsecured loans which may be recalled by the lenders at any time.

No significant adverse factors have been identified by the auditors of the Group Companies in the preceeding three audited financial statements of the Group Companies.

RELATED PARTY TRANSACTIONS

For details of the related party disclosures, as per the requirements under Accounting Standard 18/ Ind AS 24 '*Related Party Disclosures'* issued by the Institute of Chartered Accountants in India and as reported in the restated financial statements, see "*Financial Statements*" on page 186.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the Financial Year, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see "*Financial Indebtedness*" on page 413. Our Company has not declared any dividends during the last five Fiscal years. The Company has no formal dividend policy.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

To,
The Board of Directors
Atria Convergence Technologies Limited
No. 1, 2nd and 3rd Floor, Indian Express Building,
Queens Road, Bangalore - 560 001

Dear Sirs,

1) We have examined the attached Restated Consolidated Financial Information of Atria Convergence Technologies Limited ("the Company") and its subsidiaries and associates (collectively referred to as "the Group"), as set out in Note 1 of Annexure A-V of the Restated Consolidated Financial Information, which comprise of the restated consolidated summary statement of assets and liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the restated consolidated summary statement of profit and loss, the restated consolidated summary statement of changes in equity and the restated consolidated summary statement of cash flows for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the summary of significant accounting policies, read together with the annexures and notes thereto and other restated consolidated financial information explained in paragraph 9 below (collectively, together with the notes and annexures thereto, the "Restated Consolidated Financial Information"), for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO"). The Restated Consolidated Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of:

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and

    b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

2) The preparation of the Restated Consolidated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 15 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules and ICDR Regulations.

3) We have examined such Restated Consolidated Financial Information taking into consideration:

    a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 29 January 2018 in connection with the proposed IPO of the Company; and

    b. The Guidance Note on Reports in Company's Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI") ("the Guidance Note").

4) The Restated Consolidated Financial Information has been compiled by the Management as follows:

a. As at and for the six months period ended 30 September 2017: From the audited consolidated financial statements of the Group as at and for the six months period ended 30 September 2017, prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) (Amendment) Rules 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors on 16 March 2018.

b. As at and for the year ended 31 March 2017: From the audited consolidated financial statements of the Group as at and for the year ended 31 March 2017, prepared in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and other relevant provisions of the Act, which have been approved by the Board of Directors at their Board meeting held on 6 July 2017 and which has been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group on its first time adoption of Ind AS as on 1 April 2016 ('transition date').

c. As at and for the year ended 31 March 2016 and 31 March 2015: From the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016 and 31 March 2015, prepared in accordance with Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 and the relevant provisions of the Act, which has been approved by the Board of Directors on 15 July 2016 and 25 August 2015, respectively and which has been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group on its first time adoption of Ind AS as on 1 April 2016 ('transition date').

d. As at and for the year ended 31 March 2014 and 31 March 2013: From the audited consolidated financial statements of the Group as at and for the year ended 31 March 2014 and 31 March 2013, prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with Accounting Standards as prescribed in Companies (Accounting Standards) Rules, 2006, issued by the Central Government, and the relevant provisions of the Companies Act, 1956. The financial statements for the year ended 31 March 2014 have also been prepared in accordance with the relevant provisions of the Companies Act, 2013 notified and to the extent applicable for the financial year ended 31 March 2014. These financials have been approved by the Board of Directors on 11 September 2014 and 31 October 2013, respectively and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Group on its first time adoption of Ind AS as on 1 April 2016 ('transition date').

The Restated Consolidated Financial Information mentioned in the 4c. and 4d. above, as at and for the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 are referred to as "the Proforma Ind AS Restated Consolidated Financial Information" as per the Guidance note.

5) The audit of the Group's consolidated financial statements for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 was conducted by us B S R & Associates LLP.

The audit of the Group's consolidated financial statements for the financial years ended 31 March 2014 and 31 March 2013 was conducted by B S R and Associates, Chartered Accountants, one of the other member entities of B S R & Affiliates, a network registered with the ICAI, and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years, i.e., 31 March 2014 and 31 March 2013 are based solely on the report submitted by B S R and Associates.

6) We have also examined the consolidated financial information of the Group for the period 1 April 2017 to 30 September 2017 prepared and approved by the Board of Directors for the purpose of disclosure in the offer document of the Company. Based on the above, we report that in our opinion and according to the information and explanations given to us, the above interim financial information are in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act, as applicable and the interim financial information are presented with the Restated Consolidated Financial Information appropriately.

7) We did not audit the financial statements of certain subsidiaries and associates for the six months period ended 30 September 2017 whose share of total assets, total revenues and net cash flows (for the subsidiaries) and the Group's share of net profit (for associates) included in the Restated Consolidated Financial Information for the six months period ended 30 September 2017 is tabulated below. These financial statements are unaudited and have been furnished to us by the management and our opinion in so far as it relates to the amounts included in the Restated Consolidated Financial Information, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, the unaudited financial statements are not material to the Group.

(Rs in millions)

As at and for the period ended	Subsidiaries			Associates
	Total assets Net*	Total revenues Net*	Net cash outflow	Group's Share of net profit
September 2017	2,209.12	432.74	(17.60)	11.12

* Net: After giving effect to consolidation adjustments

8) We did not audit the financial statements of certain subsidiaries and associates for each of the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 whose share of total assets, total revenues and net cash flows (for the subsidiaries) and the Group's share of net profit (for associates) included in the Restated Consolidated Financial Information for each of those years is tabulated below. These financial statements have been audited by other auditors, as set out in Appendix I ("other auditors of the subsidiaries and associates"), whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in the Restated Consolidated Financial Information is based solely on the report of the other auditors.

(Rs in millions)

As at and for the year ended	Subsidiaries			Associates
	Total assets Net*	Total revenues Net*	Net cash inflow	Group's Share of net profit
March 2017	0.82	-	0.07	-
March 2016	0.07	3.26	0.02	-
March 2015	1,085.00	428.80	15.30	0.70
March 2014	64.07	133.87	13.94	-
March 2013	2,309.76	1,907.96	68.51	-

* Net: After giving effect to consolidation adjustments

These other auditors, as mentioned in paragraphs 5 and 9 have confirmed that the restated consolidated financial information:

(a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

(b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

(c) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

9) Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules, the ICDR Regulations, the Guidance Note and terms of our engagement agreed with you, we report that:

a. The restated consolidated summary statement of assets and liabilities of the Group, including as at 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and as at 30 September 2017, 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexures A-I to the Restated Consolidated Financial Information, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion were appropriate and more fully described in the notes appearing in Annexures A-VI and Annexure A-VII to the Restated Consolidated Financial Information.

b. The restated consolidated summary statement of profit and loss of the Group, including for each of the years ended 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 and each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexures A-II to the Restated Consolidated Financial Information have been arrived at after making adjustments and regroupings/ reclassifications as in our opinion were appropriate and more fully described in the notes appearing in Annexures A-VI and A-VII to the Restated Consolidated Financial Information.

c. The restated consolidated summary statement of changes in equity of the Group, including for each of the years ended 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 and each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A-III to the Restated Consolidated Financial Information have been arrived at after making adjustments and regroupings/ reclassifications as in our opinion were appropriate and more fully described in the notes appearing in Annexure A-VI and Annexure A-VII to the Restated Consolidated Financial Information.

d. The restated consolidated summary statement of cash flows of the Group, including for each of the years ended 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 and each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexures A-IV to the Restated Consolidated Financial Information have been arrived at after making adjustments and regroupings/ reclassifications as in our opinion were appropriate and more fully described in the notes appearing in Annexures A-VI and Annexure A-VII to the Restated Consolidated Financial Information.

e. Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by B S R and Associates, Chartered Accountants and other auditors of the subsidiaries and associates, we further report that the Restated Consolidated Financial Information:

i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

ii. has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

iii. do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.

10) We have also examined the following Other Restated Consolidated Financial Information of the Group as set out in the Annexures prepared by the management and approved by the Board of Directors on 16 March 2018 for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. In the respective years these information have been included based upon the report submitted by other auditors and relied upon by us:

i. Basis of preparation and significant accounting policies as enclosed in Annexures A-V;

ii. Notes to the Restated Consolidated Financial Information as enclosed in Annexures A-VI;

iii. Restated statement of current investments and equity accounted investments, as enclosed in Note 8 and Note 3 of Annexure A-VI;

iv. Restated statement of trade receivables, as enclosed in Note 9 of Annexure A-VI;

v. Restated statement of non-current and current borrowings and statement of details of terms and conditions of the non-current and current borrowings, as enclosed in Note 14 of Annexure A-VI;

vi. Restated statement of related parties and related party transactions, as enclosed in Note 40 of Annexure A-VI.

vii. Impact of adjustments to consolidated audited financial statements, as enclosed in Annexures A-VII;

viii. Statement of reconciliation between the previous GAAP and Ind AS, as enclosed in Note 1 and 2 of Annexure A-VII;

ix. Restated statement of other income, as enclosed in Note 5 of Annexure A-VII;

x. Restated statement of accounting ratios, as enclosed in Note 9 Annexures A-VII;

xi. Restated capitalisation statement, as enclosed in Note 10 Annexure A-VII; and

xii. Restated statement of dividends paid, as enclosed in Annexures A-VIII;

11) In our opinion and according to the information and explanations given to us, and also as per the reliance placed on the report submitted by other auditors, the Restated Consolidated Financial Information of the Company as at and for the six months period ended 30 September 2017 and for the years ended 31 March 2017 including the above mentioned Other Restated Consolidated Financial Information contained in Annexures A-I to A-VI, read with summary of significant accounting policies disclosed in Annexures A-V, are prepared after making adjustments and regroupings as considered appropriate as disclosed in Annexures A-VII and the Proforma Ind AS Restated Consolidated Financial Information of the Group as at and for the year ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, contained in Annexures A-I to A-VI, read with summary of significant accounting policies disclosed in Annexures A-V, are prepared after making proforma adjustments as mentioned in Annexure A-VII and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, read with the Rules, ICDR Regulations and the Guidance Note.

12) Emphasis of matter

1. We draw attention to note 35(b) of Annexure A-VI to the Restated Consolidated Financial Information regarding the Company not obtaining the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to 31 March 2013. The Company had made an application to the appropriate authorities for obtaining required approvals and for condonation of delay in obtaining the said approvals. As at the date of audit report for financial year ended 31 March 2013, the application was pending approval from the authorities. The approval was received subsequently.

2. We draw attention to note 38 of Annexure A-VI to the Restated Consolidated Financial Information, where it is reported that the Company has been amortizing Goodwill on Merger in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bangalore and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted Goodwill on Merger in accordance with Ind AS from the date of transition to Ind AS, and the surplus in the statement of profit and loss would have been higher by Rs 173.73 million and Rs 86.63 million for the financial year ended 31 March 2017 and for the six months period ended 30 September 2017, respectively.

Our report is not qualified in respect of these matters.

13) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other auditors as mentioned in Appendix I, nor should this report be construed as a new opinion on any of the consolidated financial statements referred to herein.

14) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15) Our report is intended solely for use of the management for inclusion in the offer document to be filed with the Securities and Exchange Board of India, stock exchanges where the equity shares are proposed to be listed and the relevant Registrar of Companies in India in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

for **B S R & Associates LLP**
Chartered Accountants
ICAI firm registration number: 116231W/W-100024

Rushank Muthreja
Partner
Membership No.: 211386
Bangalore
17 March 2018

Appendix I - The restated consolidated financial information have been prepared by the Company's Management from the audited financial statements of the Company along with its subsidiaries and associates as at and for the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, which were audited by other auditors.

<table>
<tr><th>Name of entity</th><th>Financial year</th><th>Name of the auditor</th></tr>
<tr><td rowspan="2">Atria Convergence Technologies Private Limited</td><td>2013-14</td><td rowspan="2">B S R and Associates</td></tr>
<tr><td>2012-13</td></tr>
<tr><td>A.C.N. Cable Private Limited</td><td>2014-15</td><td>B S R and Associates</td></tr>
<tr><td>ACT Digital Home Entertainment Private Limited</td><td>2014-15</td><td>B S R and Associates</td></tr>
<tr><td>HCV Digital Entertainment Private Limited</td><td>2014-15</td><td>B S R and Associates</td></tr>
<tr><td>Kable First India Private Limited</td><td>2014-15</td><td>B S R and Associates</td></tr>
<tr><td>Kable First Davanagere Private Limited</td><td>2016-17</td><td>M Srinivasan & Associates</td></tr>
<tr><td rowspan="3">Chitradurga Entertainment Private Limited</td><td>2016-17</td><td rowspan="3">J.V. Ramanujam & Co.</td></tr>
<tr><td>2015-16</td></tr>
<tr><td>2014-15</td></tr>
</table>

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - I
Restated consolidated summary statement of assets and liabilities

Rs in million

	Note No. of Annexure A - VI	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Assets							
Non-current assets							
Property, plant and equipment	1	9,133.78	8,006.87	5,958.25	4,186.23	3,310.00	2,270.24
Capital work-in-progress	1	653.72	586.04	496.94	315.85	466.56	380.68
Goodwill	2	141.25	261.44	261.44	260.06	366.60	529.91
Other intangible assets	2	585.94	595.61	580.13	673.71	1,150.10	509.57
Equity accounted investees	3	274.73	263.61	253.52	228.88	-	-
Financial assets							
Loans	4	-	-	2.98	3.71	3.23	2.97
Other financial assets	5	256.87	244.95	329.58	637.50	261.35	90.53
Deferred tax assets, (net)	27	454.83	370.32	203.96	408.74	600.44	6.59
Income tax assets, (net)	27	217.67	240.73	150.18	112.34	94.83	32.13
Other non-current assets	6	372.33	375.95	350.58	272.69	231.93	230.33
Total non - current assets		**12,091.12**	**10,945.52**	**8,587.56**	**7,099.71**	**6,485.04**	**4,052.95**
Current assets							
Inventories	7	52.28	40.84	28.71	2.48	-	16.17
Financial assets							
Investments	8	0.23	0.23	2.92	2.78	3.97	15.64
Trade receivables	9	222.04	167.91	119.89	75.44	134.77	145.87
Cash and cash equivalents	10	1,007.31	787.33	269.46	596.87	507.90	219.85
Other bank balances	11	1,117.03	61.27	42.38	93.62	93.41	317.28
Loans	4	402.06	593.75	704.31	571.42	13.11	10.45
Other financial assets	5	26.92	66.40	476.89	405.39	59.03	114.16
Other current assets	6	336.63	384.41	725.02	263.64	204.62	206.29
Total current assets		**3,164.50**	**2,102.14**	**2,369.58**	**2,011.64**	**1,016.81**	**1,045.71**
Total assets		**15,255.62**	**13,047.66**	**10,957.14**	**9,111.35**	**7,501.85**	**5,098.66**
Equity and Liabilities							
Equity							
Share capital	12	530.11	530.11	519.45	364.59	364.59	348.29
Other equity	13	5,565.74	4,305.81	2,658.93	(0.90)	(372.54)	(549.54)
		6,095.85	**4,835.92**	**3,178.38**	**363.69**	**(7.95)**	**(201.25)**
Non-controlling interest		81.18	146.83	144.30	137.69	164.76	508.32
Total equity		**6,177.03**	**4,982.75**	**3,322.68**	**501.38**	**156.81**	**307.07**
Liabilities							
Non-current liabilities							
Financial Liabilities							
Borrowings	14	2,528.76	2,008.76	2,418.80	3,590.27	2,886.62	808.49
Other financial liabilities	15	48.92	48.92	64.47	371.39	42.54	30.48
Provisions	16	154.76	110.89	74.42	42.19	29.68	24.05
Deferred tax liability, (net)	27	-	-	-	7.38	6.83	9.67
Other non-current liabilities	17	336.45	336.75	242.37	47.95	107.95	42.36
Total non - current liabilities		**3,068.89**	**2,505.32**	**2,800.06**	**4,059.18**	**3,073.62**	**915.05**
Current liabilities							
Financial liabilities							
Borrowings	14	-	18.48	46.12	42.66	413.16	501.87
Trade payables	18						
Dues to micro enterprises and small enterprises		-	-	-	-	-	-
Due to others		327.16	278.00	234.54	136.17	235.68	209.43
Other financial liabilities	15	3,119.90	3,071.49	3,145.07	3,534.86	3,037.91	2,773.32
Provisions	16	121.57	78.90	52.78	21.49	13.67	8.05
Income tax liabilities	27	676.27	604.87	219.28	29.36	4.51	46.98
Other current liabilities	17	1,764.80	1,507.85	1,136.61	786.25	566.49	336.89
Total current liabilities		**6,009.70**	**5,559.59**	**4,834.40**	**4,550.79**	**4,271.42**	**3,876.54**
Total equity and liabilities		**15,255.62**	**13,047.66**	**10,957.14**	**9,111.35**	**7,501.85**	**5,098.66**

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and statement of adjustments to audited financial statements appearing in Annexure A-VII.

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm's Registration Number:116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number: 211386

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer
Place : Bangalore
Date : 17 March 2018

Jithesh Chathambil
Company Secretary
Membership number : 22213
Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - II
Restated consolidated summary statement of profit and loss

Rs in million

	Note No. of Annexure A - VI	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Income							
Revenue from operations	19	6,761.43	12,084.51	8,594.59	5,941.90	4,209.87	2,877.35
Other income	20	79.70	86.25	147.26	236.82	68.83	39.57
Total Income		**6,841.13**	**12,170.76**	**8,741.85**	**6,178.72**	**4,278.70**	**2,916.92**
Expenses							
Cost of materials consumed	21	88.33	174.46	151.47	114.56	85.07	54.90
Purchases of stock-in-trade	22	62.55	221.24	69.07	17.07	16.97	17.31
Changes in inventories of stock-in-trade	23	10.26	(10.24)	(19.37)	(2.48)	-	-
Employee benefits expense	24	1,403.97	2,868.97	1,982.78	1,415.12	1,163.89	841.65
Finance costs	25	179.52	449.36	684.70	627.68	410.92	101.35
Depreciation and amortisation expense	1 and 2	955.85	1,533.72	1,167.88	933.82	804.19	497.22
Other expenses	26	2,427.49	4,247.33	3,341.57	2,517.56	2,028.57	1,560.34
Total expenses		**5,127.97**	**9,484.84**	**7,378.10**	**5,623.33**	**4,509.61**	**3,072.77**
Profit/(loss) before share of profits/(loss) of equity accounted investees and tax		**1,713.16**	**2,685.92**	**1,363.75**	**555.39**	**(230.91)**	**(155.85)**
Share of profit/ (loss) of equity accounted investees		11.17	10.14	17.79	(0.14)	-	-
Profit / (loss) before income tax		**1,724.33**	**2,696.06**	**1,381.54**	**555.25**	**(230.91)**	**(155.85)**
Current tax (including Minimum Alternate Tax (MAT))	27	655.56	1,363.17	441.62	36.36	14.91	120.02
Deferred tax (including MAT credit entitlement)	27	(73.21)	(159.03)	204.66	194.61	(597.75)	(0.74)
Profit / (loss) for the period/ year		**1,141.98**	**1,491.92**	**735.26**	**324.28**	**351.93**	**(275.13)**
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							
Remeasurements of defined benefit liability	39	(31.57)	(21.20)	(20.97)	(5.48)	1.77	-
Equity accounted investee's share of other comprehensive income		(0.05)	(0.05)	(0.18)	(0.15)	-	-
Income tax related to items that will not be reclassified to profit or loss	27	11.30	7.33	7.26	1.90	(1.06)	-
Total other comprehensive income, net of income tax		**(20.32)**	**(13.92)**	**(13.89)**	**(3.73)**	**0.71**	**-**
Total comprehensive income for the period/ year		**1,121.66**	**1,478.00**	**721.37**	**320.55**	**352.64**	**(275.13)**
Profit/(loss) attributable to :							
Equity holders of the company		1,207.70	1,489.39	729.45	305.14	348.56	(373.60)
Non-controlling interest		(65.72)	2.53	5.81	19.14	3.37	98.47
Other comprehensive income attributable to							
Equity holders of the company		(20.39)	(13.92)	(13.89)	(3.73)	0.71	-
Non-controlling interest		0.07	-	-	-	-	-
Total comprehensive income attributable to							
Equity holders of the company		1,187.31	1,475.47	715.56	301.41	349.27	(373.60)
Non-controlling interest		(65.65)	2.53	5.81	19.14	3.37	98.47
Earnings/(loss) per share	29						
Basic earnings/(loss) per share		22.78 *	28.11	15.17	8.37	9.99	(10.73)
Diluted earnings/(loss) per share		22.70 *	28.09	13.78	5.80	9.99	(10.73)

**(Not annualised)*

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and statement of adjustments to audited financial statements appearing in Annexure A-VII.

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm's Registration Number:116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number: 211386

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer

Jithesh Chathambil
Company Secretary
Membership number : 22213

Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - III
Restated consolidated summary statement of changes in equity

A. Equity share capital *Rs in million*

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Balance at the beginning of the reporting period	530.11	519.45	364.59	364.59	348.29	348.29
Changes in equity share capital during the period/year						
-Issue of shares	-	10.66	154.86	-	16.30	-
Balance at the end of the reporting period	**530.11**	**530.11**	**519.45**	**364.59**	**364.59**	**348.29**

B. Other equity *Rs in million*

Particulars	Reserves and Surplus							Items of other comprehensive income - Remeasurement of net defined benefit plan	Total other equity attributable to equity holders of the Company	Attributable to non controlling interest	Total
	Securities premium	Retained earnings	General reserve	Capital reserve	Share based payment reserve	Debenture redemption reserve	Capital redemption reserve				
Balance as at 1 April 2017	**3,438.66**	**672.67**	**2.30**	**30.56**	**152.41**	**-**	**9.21**	**-**	**4,305.81**	**146.83**	**4,452.64**
Total comprehensive income for the year											
Profit for the year	-	1,207.70	-	-	-	-	-	-	1,207.70	(65.72)	1,141.98
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(20.39)	(20.39)	0.07	(20.32)
Total comprehensive income	**-**	**1,207.70**	**-**	**-**	**-**	**-**	**-**	**(20.39)**	**1,187.31**	**(65.65)**	**1,121.66**
Transferred to retained earnings	-	(20.39)	-	-	-	-	-	20.39	-	-	-
Transactions with the owners recorded directly in equity											
Share based payment to employees (refer note 12 of annexure A-VI)	-	-	-	-	72.62	-	-	-	72.62	-	72.62
Total transaction with owners	**-**	**-**	**-**	**-**	**72.62**	**-**	**-**	**-**	**72.62**	**-**	**72.62**
Balance as at 30 September 2017	**3,438.66**	**1,859.98**	**2.30**	**30.56**	**225.03**	**-**	**9.21**	**-**	**5,565.74**	**81.18**	**5,646.92**

Rs in million

Particulars	Reserves and Surplus							Items of other comprehensive income - Remeasurement of net defined benefit plan	Total other equity attributable to equity holders of the Company	Attributable to non controlling interest	Total
	Securities premium	Retained earnings	General reserve	Capital reserve	Share based payment reserve	Debenture redemption reserve	Capital redemption reserve				
Balance as at 1 April 2016	**3,375.10**	**(802.80)**	**2.30**	**30.56**	**44.56**	**-**	**9.21**	**-**	**2,658.93**	**144.30**	**2,803.23**
Total comprehensive income for the year											
Profit for the year	-	1,489.39	-	-	-	-	-	-	1,489.39	2.53	1,491.92
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(13.92)	(13.92)	-	(13.92)
Total comprehensive income	**-**	**1,489.39**	**-**	**-**	**-**	**-**	**-**	**(13.92)**	**1,475.47**	**2.53**	**1,478.00**
Transferred to retained earnings	-	(13.92)	-	-	-	-	-	13.92	-	-	-
Transactions with the owners recorded directly in equity											
Issue of shares on exercise of options	19.00	-	-	-	-	-	-	-	19.00	-	19.00
Share based payment to employees (refer note 12 of annexure A-VI)	-	-	-	-	152.41	-	-	-	152.41	-	152.41
Exercise of stock options (refer note 12 of annexure A-VI)	44.56	-	-	-	(44.56)	-	-	-	-	-	-
Total transaction with owners	**63.56**	**-**	**-**	**-**	**107.85**	**-**	**-**	**-**	**171.41**	**-**	**171.41**
Balance as at 31 March 2017	**3,438.66**	**672.67**	**2.30**	**30.56**	**152.41**	**-**	**9.21**	**-**	**4,305.81**	**146.83**	**4,452.64**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - III

Restated consolidated summary statement of changes in equity (continued)
B. Other equity (continued)

Rs in million

Particulars	Reserves and Surplus							Items of other comprehensive income - Remeasurement of net defined benefit plan	Total other equity attributable to equity holders of the Company	Attributable to non controlling interest	Total
	Securities premium	Retained earnings	General reserve	Capital reserve	Share based payment reserve	Debenture redemption reserve	Capital redemption reserve				
Balance as at 1 April 2015- Proforma	**1,459.98**	**(1,637.58)**	**2.30**	**38.50**	**7.47**	**119.22**	**9.21**	**-**	**(0.90)**	**137.69**	**136.79**
Total comprehensive income for the year											
Profit for the year	-	729.45	-	-	-	-	-	-	729.45	5.81	735.26
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(13.89)	(13.89)	-	(13.89)
Total comprehensive income	**-**	**729.45**	**-**	**-**	**-**	**-**	**-**	**(13.89)**	**715.56**	**5.81**	**721.37**
Transferred to retained earnings	-	(13.89)	-	-	-	-	-	13.89	-	-	-
Transactions with the owners recorded directly in equity											
Issue of shares	1,915.12	-	-	-	-	-	-	-	1,915.12	-	1,915.12
Further investment in associate	-	-	-	(7.94)	-	-	-	-	(7.94)	-	(7.94)
Share based payment to employees (refer note 12 of annexure A-VI)	-	-	-	-	37.09	-	-	-	37.09	-	37.09
Reclass of debenture redemption reserve to retained earnings	-	170.11	-	-	-	(170.11)	-	-	-	-	-
Transfer to debenture redemption reserve	-	(50.89)	-	-	-	50.89	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	0.80	0.80
Total transaction with owners	**1,915.12**	**119.22**	**-**	**(7.94)**	**37.09**	**(119.22)**	**-**	**-**	**1,944.27**	**0.80**	**1,945.07**
Balance as at 31 March 2016 - Proforma	**3,375.10**	**(802.80)**	**2.30**	**30.56**	**44.56**	**-**	**9.21**	**-**	**2,658.93**	**144.30**	**2,803.23**

Rs in million

Particulars	Reserves and Surplus							Items of other comprehensive income - Remeasurement of net defined benefit plan	Total other equity attributable to equity holders of the Company	Attributable to non controlling interest	Total
	Securities premium	Retained earnings	General reserve	Capital reserve	Share based payment reserve	Debenture redemption reserve	Capital redemption reserve				
Balance as at 1 April 2014- Proforma	**1,459.98**	**(1,838.55)**	**2.30**	**-**	**3.73**	**-**	**-**	**-**	**(372.54)**	**164.76**	**(207.78)**
Total comprehensive income for the year											
Profit for the year	-	305.14	-	-	-	-	-	-	305.14	19.14	324.28
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(3.73)	(3.73)	-	(3.73)
Total comprehensive income	**-**	**305.14**	**-**	**-**	**-**	**-**	**-**	**(3.73)**	**301.41**	**19.14**	**320.55**
Transferred to retained earnings	-	(3.73)	-	-	-	-	-	3.73	-	-	-
Transactions with the owners recorded directly in equity											
Loss of control in subsidiaries	-	-	-	38.50	-	-	-	-	38.50	-	38.50
Share based payment to employees (refer note 12 of annexure A-VI)	-	-	-	-	3.74	-	-	-	3.74	-	3.74
Impact of merger	-	27.99	-	-	-	-	-	-	27.99	-	27.99
Transferred to capital redemption reserve	-	(9.21)	-	-	-	-	9.21	-	-	-	-
Transferred to debenture redemption reserve	-	(119.22)	-	-	-	119.22	-	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	(46.21)	(46.21)
Total transaction with owners	**-**	**(100.44)**	**-**	**38.50**	**3.74**	**119.22**	**9.21**	**-**	**70.23**	**(46.21)**	**24.02**
Balance as at 31 March 2015 - Proforma	**1,459.98**	**(1,637.58)**	**2.30**	**38.50**	**7.47**	**119.22**	**9.21**	**-**	**(0.90)**	**137.69**	**136.79**

Restated consolidated summary statement of changes in equity (continued)

B. Other equity (continued)

Rs in million

Particulars	Reserves and Surplus: Securities premium	Reserves and Surplus: Retained earnings	Reserves and Surplus: General reserve	Reserves and Surplus: Capital reserve	Reserves and Surplus: Share based payment reserve	Reserves and Surplus: Debenture redemption reserve	Reserves and Surplus: Capital redemption reserve	Items of other comprehensive income - Remeasurement of net defined benefit plan	Total other equity attributable to equity holders of the Company	Attributable to non controlling interest	Total
Balance as at 1 April 2013- Proforma	**1,418.83**	**(1,970.67)**	**2.30**	**-**	**-**	**-**	**-**	**-**	**(549.54)**	**508.32**	**(41.22)**
Total comprehensive income for the year											
Profit for the year	-	348.56	-	-	-	-	-	-	348.56	3.37	351.93
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	0.71	0.71	-	0.71
Total comprehensive income	**-**	**348.56**	**-**	**-**	**-**	**-**	**-**	**0.71**	**349.27**	**3.37**	**352.64**
Transferred to retained earnings	-	0.71	-	-	-	-	-	(0.71)	-	-	-
Transactions with the owners recorded directly in equity											
Issue of shares on exercise of options	29.04	-	-	-	-	-	-	-	29.04	-	29.04
Share based payment to employees (refer note 12 of annexure A-VI)	-	-	-	-	15.84	-	-	-	15.84	-	15.84
Acquisition of non-controlling interest and impact of merger	-	(217.15)	-	-	-	-	-	-	(217.15)	(346.93)	(564.08)
Exercise of stock options (refer note 12 of annexure A-VI)	12.11	-	-	-	(12.11)	-	-	-	-	-	-
Total transaction with owners	**41.15**	**(217.15)**	**-**	**-**	**3.73**	**-**	**-**	**-**	**(172.27)**	**(346.93)**	**(519.20)**
Balance as at 31 March 2014 - Proforma	**1,459.98**	**(1,838.55)**	**2.30**	**-**	**3.73**	**-**	**-**	**-**	**(372.54)**	**164.76**	**(207.78)**

Rs in million

Particulars	Reserves and Surplus: Securities premium	Reserves and Surplus: Retained earnings	Reserves and Surplus: General reserve	Reserves and Surplus: Capital reserve	Reserves and Surplus: Share based payment reserve	Reserves and Surplus: Debenture redemption reserve	Reserves and Surplus: Capital redemption reserve	Items of other comprehensive income - Remeasurement of net defined benefit plan	Total other equity attributable to equity holders of the Company	Attributable to non controlling interest	Total
Balance as at 1 April 2012- Proforma	**1,418.83**	**(1,555.13)**	**2.30**	**-**	**-**	**-**	**-**	**-**	**(134.00)**	**391.03**	**257.03**
Total comprehensive income for the year											
Loss for the year	-	(373.60)	-	-	-	-	-	-	(373.60)	98.47	(275.13)
Total comprehensive income/(loss)	**-**	**(373.60)**	**-**	**-**	**-**	**-**	**-**	**-**	**(373.60)**	**98.47**	**(275.13)**
Transactions with the owners recorded directly in equity											
Acquisition of non-controlling interest and other adjustments	-	(17.62)	-	-	-	-	-	-	(17.62)	18.82	1.20
Put option over non-controlling interest	-	(24.32)	-	-	-	-	-	-	(24.32)	-	(24.32)
Total transaction with owners	**-**	**(41.94)**	**-**	**-**	**-**	**-**	**-**	**-**	**(41.94)**	**18.82**	**(23.12)**
Balance as at 31 March 2013 - Proforma	**1,418.83**	**(1,970.67)**	**2.30**	**-**	**-**	**-**	**-**	**-**	**(549.54)**	**508.32**	**(41.22)**

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and statement of adjustments to audited financial statements appearing in Annexure A-VII.

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm's Registration Number:116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number: 211386
Place : Bangalore
Date : 17 March 2018

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer
Place : Bangalore
Date : 17 March 2018

Jithesh Chathambil
Company Secretary
Membership number : 22213
Place : Bangalore
Date : 17 March 2018

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - IV
Restated consolidated summary statement of cash flows

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from operating activities:						
Profit / (loss) before tax	1,713.16	2,685.92	1,363.75	555.39	(230.91)	(155.85)
Adjustments for :						
Depreciation and amortisation	955.85	1,533.72	1,167.88	933.82	804.19	497.22
Finance costs	179.52	449.36	684.70	627.68	410.92	101.35
Interest income	(32.67)	(41.70)	(99.74)	(73.47)	(35.76)	(16.94)
Dividend income from non-trade mutual funds	-	(0.11)	(0.15)	(0.58)	(1.96)	(5.03)
Liabilities no longer required written back	(27.39)	(13.77)	(8.89)	(21.14)	(11.40)	(10.04)
Profit on sale of business	-	-	-	(1.12)	-	-
Profit on divestment of investments (net)	-	-	-	(90.50)	-	-
Net gain on foreign exchange fluctuation	(1.25)	-	(20.73)	-	-	-
Changes in fair value of financial assets and liabilities	-	(4.23)	-	(6.54)	-	(0.21)
Profit on sale of property, plant and equipment	(0.06)	-	-	(11.93)	-	-
Changes in fair value of financial assets and liabilities	-	-	10.45	21.41	0.79	-
Provision for doubtful advances and deposits	-	12.29	1.47	0.29	1.51	2.86
Share based payments to employees	72.62	152.41	37.09	3.74	15.84	-
Provision for doubtful debts	5.22	15.60	9.91	6.74	19.96	23.68
Bad debts written off	3.17	-	0.44	-	2.19	3.96
Provision for impairment	316.58	-	-	14.10	-	-
Loss on sale of property, plant and equipment	-	0.10	0.24	3.96	7.12	0.17
Property, plant and equipment written-off	3.28	100.73	24.54	37.84	21.08	0.88
Net loss on account of foreign exchange fluctuations	-	3.61	-	-	8.83	3.66
	3,188.03	**4,893.93**	**3,170.96**	**1,999.69**	**1,012.40**	**445.71**
Adjustments for changes in :						
Inventories	(11.44)	(12.14)	(26.22)	(2.48)	16.17	(3.78)
Trade receivables	(62.52)	(63.62)	(54.79)	52.59	(11.05)	(43.56)
Loans and other financial assets and other assets	10.82	352.54	(469.86)	(285.09)	22.52	(304.74)
Liabilities and provisions	284.83	1,286.86	1,116.64	292.13	599.57	116.07
Cash generated from operations	**3,409.72**	**6,457.57**	**3,736.73**	**2,056.84**	**1,639.61**	**209.70**
Income taxes paid, net of refund	(561.09)	(1,068.12)	(289.55)	(29.01)	(120.08)	(119.76)
Net cash generated from operating activities	**2,848.63**	**5,389.45**	**3,447.18**	**2,027.83**	**1,519.53**	**89.94**
Cash flow from investing activities:						
Acquisition of property, plant and equipment and other intangible assets	(2,120.48)	(4,040.56)	(2,904.96)	(1,363.10)	(1,713.05)	(1,424.99)
Proceeds from sale of property, plant and equipment and other intangible assets	17.86	92.70	35.94	132.89	36.02	1.04
Purchase of mutual funds	-	-	(0.15)	(80.52)	(1,138.39)	(600.63)
Proceeds from sale of mutual funds	-	2.69	-	81.70	1,150.08	701.68
Dividend received	-	0.11	0.15	0.58	1.96	5.03
Loan given to other parties	(53.49)	(262.42)	(206.06)	(664.70)	(4.20)	-
Loan repaid by other parties	74.68	378.61	62.29	148.30	3.93	0.18
Purchase consideration received	-	-	103.68	-	-	-
Advance towards equity subscription	-	-	-	-	-	(9.10)
Refund of equity subscription	-	-	-	-	2.50	-
Movement in term deposits	(1,049.26)	(0.74)	34.94	(45.21)	-	-
Interest received	34.48	100.01	35.55	62.58	23.38	10.97
Net cash used in investing activities	**(3,096.21)**	**(3,729.60)**	**(2,838.62)**	**(1,727.48)**	**(1,637.77)**	**(1,315.82)**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited) Annexure A - IV
Restated consolidated summary statement of cash flows (continued)

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from financing activities:						
Acquisition of non-controlling interest	-	-	(15.57)	(11.84)	(667.43)	(30.23)
Proceeds from issue of equity shares including share premium of exercise option	-	29.67	-	-	45.33	-
Redemption of preference shares	-	-	(778.33)	-	-	-
Proceeds from issue of debentures	-	-	-	400.00	1,400.00	-
Redemption of debentures	-	-	(2,144.59)	-	-	-
Proceeds from share application money	-	-	-	-	2,070.00	260.00
Share application money refunded	-	-	(0.02)	-	(2,030.00)	-
Proceeds from loan, net	511.35	-	2,536.06	-	-	1,223.37
Repayment of loan, net	-	(931.52)	-	(272.65)	(104.19)	-
Finance costs paid	(179.24)	(443.02)	(530.09)	(321.92)	(313.63)	(97.70)
Net cash provided by / (used in) financing activities	**332.11**	**(1,344.87)**	**(932.54)**	**(206.41)**	**400.08**	**1,355.44**
Net increase / (decrease) in cash and cash equivalents	**84.53**	**314.98**	**(323.98)**	**93.94**	**281.84**	**129.56**
Cash and cash equivalents at the beginning	584.44	269.46	593.44	499.50	217.66	88.10
Cash and cash equivalents at the end	**668.97**	**584.44**	**269.46**	**593.44**	**499.50**	**217.66**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Statement of Cash Flows notified u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

2. Figures in bracket indicate cash outflow.

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and statement of adjustments to audited financial statements appearing in Annexure A-VII.

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm's Registration Number:116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number: 211386

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer

Jithesh Chathambil
Company Secretary
Membership number : 22213

Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

1 Company overview

Atria Convergence Technologies Limited ('the Company' or 'the parent company'), carries on the business of broadband internet and cable television distribution services. The Company was converted into a public limited company with effect from 05 March 2018.

These restated consolidated financial information of the Company as at and for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 comprise the Company and its subsidiaries (collectively referred to as "Group") and the Group's interest in Associates.

1 Company overview (continued)

Name of the subsidiary/associate	Percentage of ownership interest as at					
	30 September 2017	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
SR Cable TV Private Limited ('SRC')	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
A.C.N. Cable Private Limited ('ACN')	47.56%	47.56%	47.56%	47.56%	91.47%	88.73%
ACT Digital Home Entertainment Private Limited ('ACTD')	74.00%	74.00%	74.00%	74.00%	74.00%	74.00%
Beam Telecom Private Limited ('BEAM')*	-	-	-	-	-	60.30%
HCV Digital Entertainment Private Limited (`HCV`) (a subsidiary of ACTD)	74.00%	74.00%	74.00%	74.00%	74.00%	74.00%
Atria Broadband Services Private Limited ('ABS')	49.00%	49.00%	49.00%	49.00%	100.00%	100.00%
Chitradurga Entertainment Private Limited ('CEPL')	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
Mandapeta Digital Entertainment Private Limited (`MDEPL`) (a subsidiary of ACTD)	73.00%	73.00%	73.00%	73.00%	75.00%	75.00%
Sri Venkateshwara Digital Home Entertainment Private Limited (`SVDEPL`) (a subsidiary of ACTD)	73.00%	73.00%	73.00%	73.00%	75.00%	75.00%
IB Communications Network Private Limited (`IBN`) (a subsidiary of ACTD)	49.00%	49.00%	49.00%	38.00%	68.40%	68.40%
Raja Rajeshwari Entertainment Private Limited (`RREPL`) (a subsidiary of ACN)	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
Sree Digital Entertainment Private Limited (`SDEPL`) (a subsidiary of ACTD)	73.00%	73.00%	73.00%	73.00%	75.00%	75.00%
Kable First India Private Limited ('KFI')	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Kable First Davanagere Private Limited (`KFD`) (a subsidiary of KFI)	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%

* Merged with the Parent Company with effect from 1 April 2013.

The country of incorporation for the above mentioned subsidiaries/associates is India.

2 Basis of preparation

A Statement of compliance

The restated consolidated financial information relates to the Group and have been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), Registrar of Companies ("RoC") and Stock Exchanges in connection with the proposed Initial Public Offering ('IPO') of equity shares of the Company (referred to as the "Issue"). The restated consolidated financial information comprise of the restated consolidated summary statement of assets and liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the restated consolidated summary statement of profit and loss, the restated consolidated summary statement of cash flows and consolidated summary statement of changes in equity for the six months period ended 30 September 2017 and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and Annexures A.VI to A.VIII thereto (hereinafter collectively referred to as "the restated consolidated financial information").

The restated consolidated financial information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

These restated consolidated financial information were approved by the Board of Directors of the Company in their meeting held on 16 March 2018.

The restated consolidated financial information has been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of Companies Act, 2013 (to the extent applicable) read with Companies (Indian Accounting Standards) Rules, 2015. The restated consolidated financial information have been compiled by the Group from:

2 Basis of preparation (continued)

A Statement of compliance (continued)

a) The audited consolidated financial statements of the Group and its associates as at and for the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 ("audited consolidated financial statements") were prepared under previous generally accepted accounting principles followed in India ("Previous GAAP" or "Indian GAAP"), and have been translated into figures as per the Ind AS to align with accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS on 1 April 2016 ('transition date'). The restated consolidated financial information for these years along with the respective underlying schedules and notes are "Proforma Ind AS restated consolidated financial information", as per the Guidance note on Reports in Company Prospectus, issued by the Institute of Chartered Accountants of India;
b) The audited consolidated financial statement of the Group and its associates for the six months period ended 30 September 2017 and year ended 31 March 2017 (including comparative of 31 March 2016) has been prepared under Ind AS.
c) The consolidated financial statements for the six months period ended 30 September 2017 have been prepared in accordance with the recognition and measurement criteria laid down in Ind AS 34 – 'Interim Financial Reporting' notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

For the preparation of proforma Ind AS financial statements as at and for the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and based on the SEBI circular SEBI/HO/ CFD/DIL/CIR/P/2016/47 dated 31 March 2016, following accounting policies/ restatements were made:

i. Ind AS transition adjustments and accounting policy choices as initially adopted on 1 April 2016 were effected from 1 April 2012 for the preparation of Proforma Ind AS financial statements;
ii. Opening balance sheet was restated to recognize all assets and liabilities whose recognition is required by Ind AS;
iii. All mandatory exceptions and optional exemptions available under Ind AS 101 was analyzed on case to case basis for the first-time adoption and restatement adjustments were made accordingly; and
iv. In accordance with Ind AS 101, the Group has opted for optional exemption for not applying retrospectively accounting principles of Ind AS 103 for business combinations that occurred before the transition date (i.e. 1 April 2016) and accordingly not to apply Ind AS 103 for business combinations that have occurred between the period 1 April 2012 and 31 March 2016.

The restated consolidated financial information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI Regulations:

(a) Adjustments for audit qualification requiring corrective adjustment in the financial statements, if any;
(b) Adjustments for the material amounts in respective years to which they relate, if any;

2 Basis of preparation (continued)

A Statement of compliance (continued)

(c) Adjustments for previous years identified and adjusted in arriving at the profits of the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred, if any;

(d) Adjustments to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;

(e) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Group for the six months period ended 30 September 2017 and the requirements of the SEBI Regulations, if any;

(f) The resultant impact of tax due to the aforesaid adjustments, if any.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained their operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Significant accounting policies – The accounting policies set out below have been applied consistently to the periods presented in the restated consolidated financial statements.

B Functional and presentation currency

These restated consolidated financial information are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

C Basis of measurement

The restated consolidated financial information have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit liability	Present value of defined benefit obligations

2 Basis of preparation (continued)

D Use of estimates and judgements

In preparing these restated consolidated financial information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is as mentioned below:

Franchisee income

Franchisee income relates to the sale of services in which the Parent Company acts as a principal in the transaction and other group companies act as an agent. In assessing the Parent Company's role to be that of principal, the management considered the following factors

a. The title of the services rendered is retained by the Parent Company and Parent Company bears the responsibility in respect of services rendered;
b. The price of the services rendered is fixed by the Parent Company and the group companies acting as an agent cannot vary the selling prices; and
c. The Parent Company collects majority of the revenue from the customers, except for cash collections which are done by the group companies acting as agents. However all the credit risk is borne by the Parent Company.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2017 is included in the following notes:

- Note 26 of Annexure A-VI - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 38 of Annexure A-VI - measurement of defined benefit obligations: key actuarial assumptions;
- Note 29 of Annexure A-VI - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.2 and note 1 of Annexure A-V and Annexure A-VI respectively- useful life of property, plant and equipment;
- Note 3.3 and note 2 of Annexure A-V and Annexure A-VI respectively - useful life of intangible assets;
- Note 27 of Annexure A-VI - impairment of financial assets;
- Note 12 of Annexure A-VI - Fair valuation of employee share options.

2 Basis of preparation (continued)

E Measurement of fair values

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 12 of Annexure A-VI: share-based payment arrangements.
- Note 27 of Annexure A-VI: financial instruments.

3 Significant accounting policies

3.1 Basis of consolidation

i. Business combination

Business combinations (other than common control business combinations) on or after 1 April 2016.
As part of transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred after 1 April 2016. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group [see Note 3.1 (ii)]. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in Other Comprehensive Income and accumulated in equity as capital reserve if there exist clear evidence of the underlying reason for classifying the business combination as resulting in bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit and loss.

If business combination is achieved in stages, any previous held equity interest in the acquiree is re-measured to its acquisition date fair value and any resulting gain or loss is recognised in profit and loss or OCI, as appropriate.

There were no business combinations occurred post the transition date, i.e, 1 April 2016.

Business combination prior to 1 April 2016.
In respect of such business combinations, goodwill represents the amount recognised under the Group’s previous accounting framework under Indian GAAP adjusted for the reclassification of certain intangibles.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the restated consolidated financial information from the date on which control commences until the date on which control ceases.

3 Significant accounting policies (continued)

3.1 Basis of consolidation (continued)

iii. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.
Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other component of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

v. Equity accounted investees

The Group's interest in equity accounted investees comprise interest in associates.
An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.
Interest in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the restated consolidated financial information include the Group's share of profit or loss and OCI of equity accounted investment.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gain arising from transaction with equity accounted investees are eliminated against the investment to the extent the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The subsidiaries and associates consolidated under the Group comprise the entities listed in Note 1 of Annexure V

3.2 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit and loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

3 Significant accounting policies (continued)

3.2 Property, plant and equipment (continued)

i. Recognition and measurement (continued)

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under long-term loans and advances. The cost of fixed assets not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

ii. Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 1 of Annexure A-VI)

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iv. Depreciation

Depreciation on fixed assets is provided using the straight-line method (SLM) over the estimated useful lives of fixed assets based on technical evaluation carried out by Management. If Management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the Management's estimate of the useful life / remaining useful life. Pursuant to this policy, depreciation on assets has been provided at the rates based on the following useful lives of fixed assets based on technical evaluation carried out by Management.

Asset description	**Useful life considered by the Group**
Plant and machinery	
- Head ends	8 years
- Set top boxes	7 years
- Cables	10 years
- Indefeasible Right of Connectivity	25 years
- Cinematography	8 years
- Network switches	8 years
- Realty projects network material	Over the agreement period
- Others	
- Wi-Fi Routers	3 years
- Other Plant and machinery	5 years
Furniture and fixtures	6 years
Office equipments	6 years
Computers	4 years
Vehicles	6 years
Leasehold improvements	Over the period of lease or estimated useful life, whichever is lower.

3 Significant accounting policies (continued)

3.2 Property, plant and equipment (continued)

iv. Depreciation (continued)

The Group believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical evaluation where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

3.3 Goodwill and other intangible assets

i. Recognition and measurement

Intangibles assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use.

The estimated useful lives are as follows:

Asset description	Useful life considered by the Group
Software	6 years
Non-compete fee	15 years
Network acquisition	
- Bangalore unit	15 years
- Hyderabad unit	10 years
Goodwill on amalgamation	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.
The Company has been amortizing Goodwill on Merger in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bangalore and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted Goodwill on Merger in accordance with Ind AS from the date of transition to Ind AS

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit and loss as incurred.

3 Significant accounting policies (continued)

3.3 Goodwill and other intangible assets (continued)

iii. Intangible assets acquired in business combination

Intangible assets acquired in business combination and recognised separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per previous GAAP, and use that carrying value as the deemed cost of such intangible asset (see Note 2 of Annexure A-VI)

3.4 Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. The Group recognises loss allowances using the expected credit loss ('ECL') model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The expected credit loss for trade receivables is mainly based on the ageing of the receivable balances and historical experience. The trade receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3 Significant accounting policies (continued)

3.4 Impairment (continued)

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

ii. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a nonfinancial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Financial assets and financial liabilities are recognized when a Group becomes a party to the contractual provisions of the instruments.

3 Significant accounting policies (continued)

3.5 Financial instruments (continued)

i. Recognition and initial measurement – financial Assets and financial liabilities:

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.

i. Recognition and initial measurement – financial Assets and financial liabilities (continued)

Financial guarantees, issued in relation to obligations of subsidiaries, are initially recognized at fair value (as part of the cost of the investment in the subsidiary).

ii. Classification and subsequent measurement:

Financial assets

The Group classifies financial assets as measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and

- the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Amortized cost:

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income ("FVTOCI"):

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 Significant accounting policies (continued)

3.5 Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets (continued)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

Fair value through profit or loss ("FVTPL")

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVTOCI. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at

Fair value through profit or loss ("FVTPL") (continued)

amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3 Significant accounting policies (continued)

3.5 Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets (continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit and loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on DE recognition is recognized in profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit and loss.

Financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of profit and loss.and Other financial liabilities.

3 Significant accounting policies (continued)

3.5 Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial liabilities (continued)

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit and loss. Any gain or loss on de-recognition is also recognized in profit and loss.

De-recognition of financial assets and financial liabilities:

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de recognized.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires.

The Group also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit and loss.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

3 Significant accounting policies (continued)

3.6 Revenue recognition

Revenue from internet and cable television distribution services is recognised when the related services are provided and when there is a reasonable certainty of collection. The amount recognized as revenues is exclusive of service tax, entertainment tax and trade discounts.

Revenue from sale of goods is recognised on transfer of all significant risk and rewards of ownership to the buyer. The amount is recognised as sale and is exclusive of sale tax.

'Unearned revenue' represents the amounts billed to the client in excess of value of services rendered as at the balance sheet date.

Installation charges on set-top boxes are amortised over the tenure of the useful life of the asset i.e, 7 years.

Installation charges on wifi router are recognized as income as and when service is being provided to customers.

Interest income is recognised using the effective interest rate method.

Dividend income is recognized when the Group's right to receive payment is established.

Assets given by the Group under operating lease are included in fixed assets. Lease income from operating leases is recognised in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognized as expenses.

3.7 Income taxes

Income tax comprises current and deferred tax. It is recognized in profit and loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

3 Significant accounting policies (continued)

3.7 Income taxes (continued)

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.

- temporary differences related to investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets recognized or unrecognized are reviewed at each reporting date and are recognized /reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3.8 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3 Significant accounting policies (continued)

3.9 Employee benefits

i. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

ii. Post-employment obligations

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.
The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.
Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income (OCI). The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

iii. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit and loss in the period in which they arise.

3 Significant accounting policies (continued)

3.9 Employee benefits (continued)

iv. Share- based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.10 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

3 Significant accounting policies (continued)

3.12 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit and loss.

3.13 Earnings / (loss) per share

The basic earnings / (loss) per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

3.14 Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Balance Sheet.

3 Significant accounting policies (continued)

3.14 Leases (continued)

iii. Lease payments

Payments made under operating leases are generally recognised in profit and loss on a straight- line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.15 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories of the Group comprises of network consumables and stock-in-trade. The method of determination of cost of these network consumables and stock-in-trade is "weighted average" method.

3.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VI
Notes to the restated consolidated financial information (continued)

1 Property, plant and equipment

For the period ended 30 September 2017 *Rs in million*

Particulars	Leasehold Improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2017	232.47	8,689.61	80.16	234.83	45.67	7.14	9,289.88	586.04	9,875.92
Additions	49.48	1,863.16	6.66	30.94	1.83	21.14	1,973.21	67.68	2,040.89
Disposal	-	(31.10)	-	(0.19)	-	(0.23)	(31.52)	-	(31.52)
Balance as at 30 September 2017	**281.95**	**10,521.67**	**86.82**	**265.58**	**47.50**	**28.05**	**11,231.57**	**653.72**	**11,885.29**
Accumulated depreciation									
Accumulated depreciation as at 1 April 2017	38.97	1,160.46	33.66	35.79	12.48	1.65	1,283.01	-	1,283.01
Depreciation	26.27	750.72	16.51	23.04	5.10	4.19	825.83	-	825.83
Deduction / Adjustments	-	(10.86)	-	(0.01)	-	(0.18)	(11.05)	-	(11.05)
Accumulated depreciation as at 30 September 2017	**65.24**	**1,900.32**	**50.17**	**58.82**	**17.58**	**5.66**	**2,097.79**	**-**	**2,097.79**
Net carrying value as at 30 September 2017	**216.71**	**8,621.35**	**36.65**	**206.76**	**29.93**	**22.39**	**9,133.78**	**653.72**	**9,787.50**

For the year ended 31 March 2017 *Rs in million*

Particulars	Leasehold Improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2016 (Refer note 1.1 below)	185.93	5,507.09	52.66	170.20	35.23	7.14	5,958.25	496.94	6,455.19
Additions	46.54	3,367.12	27.50	65.16	10.44	-	3,516.76	89.10	3,605.86
Disposal	-	(184.60)	-	(0.53)	-	-	(185.13)	-	(185.13)
Balance as at 31 March 2017	**232.47**	**8,689.61**	**80.16**	**234.83**	**45.67**	**7.14**	**9,289.88**	**586.04**	**9,875.92**
Accumulated depreciation									
Balance as at 1 April 2016	-	-	-	-	-	-	-	-	-
Depreciation	38.97	1,177.49	33.66	35.83	12.48	1.65	1,300.08	-	1,300.08
Disposal	-	(17.03)	-	(0.04)	-	-	(17.07)	-	(17.07)
Accumulated depreciation as at 31 March 2017	**38.97**	**1,160.46**	**33.66**	**35.79**	**12.48**	**1.65**	**1,283.01**	**-**	**1,283.01**
Net carrying value as at 31 March 2017	**193.50**	**7,529.15**	**46.49**	**199.04**	**33.19**	**5.49**	**8,006.87**	**586.04**	**8,592.91**

For the year ended 31 March 2016- Proforma *Rs in million*

Particulars	Leasehold Improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2015	189.69	5,288.46	69.47	163.44	44.53	18.08	5,773.67	315.85	6,089.52
Additions	76.27	2,550.07	43.19	84.26	11.82	0.78	2,766.39	181.09	2,947.48
Disposal	(0.05)	(64.46)	(0.36)	(0.77)	(0.03)	(1.26)	(66.93)	-	(66.93)
Balance as at 31 March 2016	**265.91**	**7,774.07**	**112.30**	**246.93**	**56.32**	**17.60**	**8,473.13**	**496.94**	**8,970.07**
Accumulated depreciation									
Balance as at 1 April 2015	50.67	1,435.38	31.27	48.97	13.03	8.11	1,587.44	-	1,587.44
Depreciation	29.31	850.61	28.38	27.79	8.06	2.47	946.62	-	946.62
Disposal	-	(19.01)	(0.02)	(0.03)	-	(0.12)	(19.18)	-	(19.18)
Accumulated depreciation as at 31 March 2016	**79.98**	**2,266.98**	**59.64**	**76.73**	**21.09**	**10.46**	**2,514.88**	**-**	**2,514.88**
Net carrying value as at 31 March 2016	**185.93**	**5,507.09**	**52.66**	**170.20**	**35.23**	**7.14**	**5,958.25**	**496.94**	**6,455.19**

For the year ended 31 March 2015- Proforma *Rs in million*

Particulars	Leasehold Improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2014	124.88	3,917.02	45.81	119.66	35.10	19.10	4,261.57	466.56	4,728.13
Additions/(transfers)	66.04	1,866.31	37.50	55.20	15.13	0.51	2,040.69	(150.71)	1,889.98
Adjustments	(1.11)	(301.59)	(13.77)	(10.03)	(5.51)	(1.46)	(333.47)	-	(333.47)
Disposal	(0.12)	(193.28)	(0.07)	(1.39)	(0.19)	(0.07)	(195.12)	-	(195.12)
Balance as at 31 March 2015	**189.69**	**5,288.46**	**69.47**	**163.44**	**44.53**	**18.08**	**5,773.67**	**315.85**	**6,089.52**
Accumulated depreciation									
Balance as at 1 April 2014	28.88	857.12	13.96	36.84	9.50	5.27	951.57	-	951.57
Depreciation	22.50	627.49	23.67	17.29	7.30	3.42	701.67	-	701.67
Adjustments	(0.71)	(40.85)	(6.30)	(4.89)	(3.70)	(0.55)	(57.00)	-	(57.00)
Disposal	-	(8.38)	(0.05)	(0.27)	(0.07)	(0.03)	(8.80)	-	(8.80)
Accumulated depreciation as at 31 March 2015	**50.67**	**1,435.38**	**31.27**	**48.97**	**13.03**	**8.11**	**1,587.44**	**-**	**1,587.44**
Net carrying value as at 31 March 2015	**139.02**	**3,853.09**	**38.19**	**114.47**	**31.49**	**9.97**	**4,186.23**	**315.85**	**4,502.08**

1 Property, plant and equipment (continued)

For the year ended 31 March 2014- Proforma *Rs in million*

Particulars	Leasehold Improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total (A)	Capital work-in-progress (B)	Total (A+B)
Balance as at 1 April 2013	65.69	2,501.18	22.11	78.77	21.83	9.13	2,698.71	380.68	3,079.39
Additions/(transfers)	59.38	1,458.52	23.71	41.83	13.31	9.97	1,606.72	85.88	1,692.60
Disposal	(0.19)	(42.68)	(0.01)	(0.94)	(0.04)	-	(43.86)	-	(43.86)
Balance as at 31 March 2014	**124.88**	**3,917.02**	**45.81**	**119.66**	**35.10**	**19.10**	**4,261.57**	**466.56**	**4,728.13**
Accumulated depreciation									
Balance as at 1 April 2013	12.49	384.54	5.74	19.51	3.53	2.66	428.47	-	428.47
Depreciation	16.53	479.61	8.23	17.58	5.97	2.61	530.53	-	530.53
Disposal	(0.14)	(7.03)	(0.01)	(0.25)	-	-	(7.43)	-	(7.43)
Accumulated depreciation as at 31 March 2014	**28.88**	**857.12**	**13.96**	**36.84**	**9.50**	**5.27**	**951.57**	**-**	**951.57**
Net carrying value as at 31 March 2014	**96.00**	**3,059.90**	**31.85**	**82.82**	**25.60**	**13.83**	**3,310.00**	**466.56**	**3,776.56**

For the year ended 31 March 2013- Proforma *Rs in million*

Particulars	Leasehold Improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total (A)	Capital work-in-progress (B)	Total (A+B)
Balance as at 1 April 2012 (Refer note 1.1 below)	27.85	1,487.64	13.80	53.37	15.04	9.39	1,607.09	164.57	1,771.66
Additions/(transfers)	37.99	967.87	9.51	22.23	8.52	0.01	1,046.13	216.11	1,262.24
Adjustments	(0.13)	47.37	0.00	7.08	0.24	0.55	55.11	-	55.11
Disposal	(0.02)	(1.70)	(1.20)	(3.91)	(1.97)	(0.82)	(9.62)	-	(9.62)
Balance as at 31 March 2013	**65.69**	**2,501.18**	**22.11**	**78.77**	**21.83**	**9.13**	**2,698.71**	**380.68**	**3,079.39**
Accumulated depreciation									
Accumulated depreciation as at 1 April 2012	-	-	-	-	-	-	-	-	-
Depreciation	12.03	317.53	6.71	14.71	4.68	2.10	357.76	-	357.76
Impairment loss (Refer note 1.4 below)	0.26	20.43	0.06	1.46	0.44	-	22.65	-	22.65
Adjustments	0.21	47.53	0.00	7.21	0.24	0.56	55.75	-	55.75
Disposal	(0.01)	(0.95)	(1.03)	(3.87)	(1.83)	(0.00)	(7.69)	-	(7.69)
Accumulated depreciation as at 31 March 2013	**12.49**	**384.54**	**5.74**	**19.51**	**3.53**	**2.66**	**428.47**	**-**	**428.47**
Net carrying value as at 31 March 2013	**53.20**	**2,116.64**	**16.37**	**59.26**	**18.30**	**6.47**	**2,270.24**	**380.68**	**2,650.92**

Note 1.1

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at 1 April 2016 measured as per the previous Indian GAAP and used that carrying value as the deemed cost of the PPE. While preparing Proforma Ind AS restated financial information for each of the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Company has opted the same accounting policy choice as adopted on transition date and accordingly the carrying value of its PPE as at 31 March 2012 has been used as deemed cost of PPE as at 1 April 2012.

Deemed cost as at 1 April 2016 *Rs in million*

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total
Gross block as at 1 April 2016	281.23	7,971.10	112.70	261.96	65.17	18.28	8,710.44
Accumulated depreciation till 1 April 2016	95.30	2,464.01	60.04	91.76	29.94	11.14	2,752.19
Net block treated as deemed cost upon transition	**185.93**	**5,507.09**	**52.66**	**170.20**	**35.23**	**7.14**	**5,958.25**

Deemed cost as at 1 April 2012 - Proforma *Rs in million*

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicle	Total
Gross block as at 1 April 2012	55.13	2,112.19	29.30	83.67	28.47	14.04	2,322.80
Accumulated depreciation till 1 April 2012	27.28	624.55	15.50	30.30	13.43	4.65	715.71
Net block treated as deemed cost upon transition	**27.85**	**1,487.64**	**13.80**	**53.37**	**15.04**	**9.39**	**1,607.09**

Note 1.2

Plant and equipment held under finance lease

The gross and net carrying amount of property, plant and equipment acquired under finance lease and included in the above are as follows:

Rs in million

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Particulars						
Cost or deemed cost	41.89	41.89	53.83	17.76	13.88	3.86
Accumulated depreciation	9.71	6.61	11.94	1.56	1.10	0.01
Net carrying value	**32.18**	**35.28**	**41.89**	**16.20**	**12.78**	**3.85**

Note 1.3

For details of property, plant and equipment pledged, refer note 14.3 of Annexure A - VI.

Note 1.4

Total depreciation charge as per statement of profit and loss for the year ended 31 March 2013 includes impairment loss of Rs.22.66 million.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VI
Notes to the restated consolidated financial information (continued)

2 Intangible assets

For the period ended 30 September 2017 *Rs in million*

Particulars	Software	Non compete fees	Network acquisitions	Goodwill on amalgamation	Total	Goodwill on consolidation	Total
Gross carrying value							
Balance as at 1 April 2017	279.27	-	202.99	346.99	829.25	261.44	1,090.69
Additions	93.10	-	27.86	-	120.96	-	120.96
Disposals	-	-	(0.61)	-	(0.61)	-	(0.61)
Balance as at 30 September 2017	**372.37**	**-**	**230.24**	**346.99**	**949.60**	**261.44**	**1,211.04**
Accumulated depreciation							
Accumulated depreciation as at 1 April 2017	35.27	-	24.64	173.73	233.64	-	233.64
Amortization	29.95	-	13.44	86.63	130.02	-	130.02
Impairment loss (Refer note 37 of Annexure A-VI)	-	-	-	-	-	120.19	120.19
Accumulated depreciation as at 30 September 2017	**65.22**	**-**	**38.08**	**260.36**	**363.66**	**120.19**	**483.85**
Net carrying value as at 30 September 2017	**307.15**	**-**	**192.16**	**86.63**	**585.94**	**141.25**	**727.19**

For the year ended 31 March 2017 *Rs in million*

Particulars	Software	Non compete fees	Network acquisitions	Goodwill on amalgamation	Total	Goodwill on consolidation	Total
Gross carrying value							
Balance as at 1 April 2016 (Refer note 2.1 below)	117.58	-	115.56	346.99	580.13	261.44	841.57
Additions	161.69	-	87.43	-	249.12	-	249.12
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2017	**279.27**	**-**	**202.99**	**346.99**	**829.25**	**261.44**	**1,090.69**
Accumulated amortization							
Balance as at 1 April 2016	-	-	-	-	-	-	-
Amortization	35.27	-	22.39	173.73	231.39	-	231.39
Impairment loss (Refer note 2.3 below)	-	-	2.25	-	2.25	-	2.25
Disposal	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2017	**35.27**	**-**	**24.64**	**173.73**	**233.64**	**-**	**233.64**
Net carrying value as at 31 March 2017	**244.00**	**-**	**178.35**	**173.26**	**595.61**	**261.44**	**857.05**

For the year ended 31 March 2016 - Proforma *Rs in million*

Particulars	Software	Non compete fees	Network acquisitions	Goodwill on amalgamation	Total	Goodwill on consolidation	Total
Gross carrying value							
Balance as at 1 April 2015	202.13	16.67	168.33	868.67	1,255.79	260.06	1,515.86
Additions	72.19	-	55.49	-	127.68	-	127.68
Acquisition	-	-	-	-	-	1.38	1.38
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2016	**274.32**	**16.67**	**223.82**	**868.67**	**1,383.48**	**261.44**	**1,644.92**
Accumulated amortization							
Balance as at 1 April 2015	128.68	16.67	89.28	347.46	582.08	-	582.08
Amortization	28.07	-	18.98	174.22	221.26	-	221.26
Disposal	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2016	**156.74**	**16.67**	**108.26**	**521.68**	**803.35**	**-**	**803.35**
Net carrying value as at 31 March 2016	**117.58**	**-**	**115.56**	**346.99**	**580.13**	**261.44**	**841.57**

For the year ended 31 March 2015 - Proforma *Rs in million*

Particulars	Software	Non compete fees	Network acquisitions	Goodwill on amalgamation	Total	Goodwill on consolidation	Total
Gross carrying value							
Balance as at 1 April 2014	161.63	16.67	478.13	868.67	1,525.10	366.60	1,891.70
Adjustments	(0.02)	-	(350.07)	-	(350.09)	-	(350.09)
Additions	42.06	-	53.67	-	95.73	-	95.73
Loss of control in subsidiary	-	-	-	-	-	(106.54)	(106.54)
Disposals	(1.54)	-	(13.40)	-	(14.94)	-	(14.94)
Balance as at 31 March 2015	**202.13**	**16.67**	**168.33**	**868.67**	**1,255.80**	**260.06**	**1,515.86**
Accumulated amortization							
Balance as at 1 April 2014	98.37	16.67	86.24	173.73	375.01	-	375.01
Adjustments	-	-	(25.00)	-	(25.00)	-	(25.00)
Amortization	30.38	-	28.04	173.73	232.15	-	232.15
Disposal	(0.07)	-	-	-	(0.07)	-	(0.07)
Accumulated depreciation as at 31 March 2015	**128.68**	**16.67**	**89.28**	**347.46**	**582.09**	**-**	**582.08**
Net carrying value as at 31 March 2015	**73.45**	**-**	**79.05**	**521.21**	**673.71**	**260.06**	**933.77**

2 Intangible assets (continued)

For the year ended 31 March 2014 - Proforma *Rs in million*

Particulars	Software	Non compete fees	Network acquisitions	Goodwill on amalgamation	Total	Goodwill on consolidation	Total
Gross carrying value							
Balance as at 1 April 2013	145.71	16.67	448.55	-	610.93	529.91	1,140.84
Additions	15.95		57.36	868.67	941.98	-	941.98
Acquisition	-	-	-	-	-	2.63	2.63
Impact of merger	-	-	-	-	-	(165.94)	(165.94)
Disposals	(0.03)	-	(27.77)	-	(27.80)	-	(27.80)
Balance as at 31 March 2014	**161.63**	**16.67**	**478.13**	**868.67**	**1,525.11**	**366.60**	**1,891.71**
Accumulated amortization							
Balance as at 1 April 2013	45.95	16.67	38.74	-	101.35	-	101.35
Amortization	52.44	-	38.07	173.73	264.24	-	264.24
Impairment loss (Refer note 2.3 below)	-	-	9.42	-	9.42	-	9.42
Disposal	(0.01)	-	-	-	(0.01)	-	(0.01)
Accumulated depreciation as at 31 March 2014	**98.37**	**16.67**	**86.24**	**173.73**	**375.01**	**-**	**375.01**
Net carrying value as at 31 March 2014	**63.26**	**-**	**391.90**	**694.94**	**1,150.10**	**366.60**	**1,516.70**

For the year ended 31 March 2013 - Proforma *Rs in million*

Particulars	Software	Non compete fees	Network acquisitions	Goodwill on amalgamation	Total	Goodwill on consolidation	Total
Gross carrying value							
Balance as at 1 April 2012 (Refer note 2.1 below)	106.93	16.67	389.30	-	512.90	498.49	1,011.39
Additions	38.80	-	59.41	-	98.21	-	98.21
Acquisition	-	-	-	-	-	31.42	31.42
Disposals	(0.02)	-	(0.16)	-	(0.18)	-	(0.18)
Balance as at 31 March 2013	**145.71**	**16.67**	**448.55**	**-**	**610.93**	**529.91**	**1,140.84**
Accumulated depreciation							
Balance as at 1 April 2012	-	-	-	-	-	-	-
Amortization	45.58	2.72	37.21	-	85.51	-	85.51
Impairment loss (Refer note 2.3 below)	0.39	14.05	16.86	-	31.30	-	31.30
Adjustments	-	(0.10)	(15.33)	-	(15.43)	-	(15.43)
Disposal	(0.02)	-	-	-	(0.02)	-	(0.02)
Accumulated depreciation as at 31 March 2013	**45.95**	**16.67**	**38.74**	**-**	**101.35**	**-**	**101.36**
Net carrying value as at 31 March 2013	**99.76**	**-**	**409.81**	**-**	**509.57**	**529.91**	**1,039.48**

Note 2.1

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous Indian GAAP and used that carrying value as the deemed cost of the intangible assets. While preparing Proforma Ind AS restated financial information for each of the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Company has opted the same accounting policy choice as adopted on transition date and accordingly the carrying value of its intangible assets as at 31 March 2012 has been used as deemed cost of PPE as at 1 April 2012.

Deemed cost as at 1 April 2016 *Rs in million*

Particulars	Software	Non-compete fees	Network acquisitions	Goodwill on amalgamation	Total
Gross block as at 1 April 2016	333.30	25.50	282.55	868.67	1,510.02
Accumulated amortization till 1 April 2016	215.72	25.50	166.99	521.68	929.89
Net block treated as deemed cost upon transition	**117.58**	**-**	**115.56**	**346.99**	**580.13**

Deemed cost as at 1 April 2012 - Proforma *Rs in million*

Particulars	Software	Non-compete fees	Network acquisitions	Total
Gross block as at 1 April 2012	167.39	25.50	504.90	697.80
Accumulated amortization till 1 April 2012	60.46	8.83	115.60	184.90
Net block treated as deemed cost upon transition	**106.93**	**16.67**	**389.30**	**512.90**

Note 2.2

For details of intangible assets pledged, refer note 14.3 of Annexure A - VI.

Note 2.3

Total depreciation charge as per statement of profit and loss for the period ended 31 March 2017, 31 March 2014 and 31 March 2013 includes impairment loss of Rs.2.25 million, Rs.9.42 million and Rs.31.30 million respectively.

3 Equity accounted investees

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Investments in equity instruments of of associate (at cost)						
A.C.N. Cable Private Limited 14,496 (31 March 2017: 14,496, 31 March 2016: 14,496, 31 March 2015: 14,496, 31 March 2014: 27,877 and 31 March 2013: 20,477) equity shares of Rs 10 each, fully paid-up (considered as associate from 1 October 2014 - refer note 33 of annexure A-VI)	260.64	246.63	232.71	216.08	-	-
Atria Broadband Services Private Limited 4,998 (31 March 2017: 4,998, 31 March 2016: 4,998, 31 March 2015: 4,998, 31 March 2014: 10,000 and 31 March 2013: 10,000) equity shares of Rs 10 each, fully paid-up (Considered as associate from 1 October 2014 - refer note 33 of annexure A-VI)	-	-	-	0.05	-	-
I.B.Communication Network Private Limited 18,842 (31 March 2017: 18,842, 31 March 2016: 18,842, 31 March 2015: 1,800, 31 March 2014: 11,420 and 31 March 2013: 11,420) equity shares of Rs 10 each, fully paid-up and Nil (31 March 2017: Nil, 31 March 2016: Nil, 31 March 2015: 17,042, 31 March 2014: 17,042 and 31 March 2013: 17,042) equity shares of Rs.10 each, partly paid up. (Considered as associate from 1 October 2014)	14.09	16.98	20.81	12.75	-	-
Total investments	**274.73**	**263.61**	**253.52**	**228.88**	**-**	**-**
Aggregate amount of unquoted investments	274.73	263.61	253.52	228.88	-	-
Aggregate amount of impairment in value of investments	-	-	-	-	-	-

4 Loans

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Loans to related parties (Refer note 40 of annexure A-VI)						
Unsecured, considered good	-	-	2.98	3.71	3.23	2.97
Unsecured, considered doubtful	0.45	3.43	0.45	0.45	0.45	0.45
Less : Provision for doubtful loans	(0.45)	(3.43)	(0.45)	(0.45)	(0.45)	(0.45)
	-	**-**	**2.98**	**3.71**	**3.23**	**2.97**
Current						
Loans to associates (Refer note 40 of annexure A-VI)						
Unsecured, considered good	329.30	530.56	647.40	515.91	-	0.70
Unsecured, considered doubtful	196.39	-	-	-	-	-
Less : Provision for impairment (Refer note 4.1 below)	(196.39)	-	-	-	-	-
Loans to employees						
Key management personnel (Refer note 40 of annexure A-VI)	23.88	33.48	35.47	34.56	5.19	0.58
Others	48.88	29.71	21.44	20.95	7.92	9.17
	402.06	**593.75**	**704.31**	**571.42**	**13.11**	**10.45**

Note 4.1- The Company had advanced unsecured loans to Atria Broadband Services Private Limited ('ABS'), an associate company. During the financial year 2017-18, the Company has recognised an impairment loss of Rs 196.39 million against the recoverable balance to reflect the decline in the recoverable balance from ABS.

5 Other financial assets

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Rental and other deposits (Refer note 5.2 below)						
Unsecured, considered good	229.24	189.43	123.65	80.22	68.20	46.37
Unsecured, considered doubtful	1.40	3.05	1.68	1.68	1.40	1.43
Less: Provision for doubtful deposits	(1.40)	(3.05)	(1.68)	(1.68)	(1.40)	(1.43)
Interest accrued but not due	18.62	16.86	12.78	9.97	9.27	3.03
Derivative assets	-	-	17.47	311.81	-	-
Advance towards equity subscription	-	-	-	-	-	2.50
Margin money deposits (due to mature after 12 months from the reporting date)	9.01	38.66	175.68	235.50	183.88	38.63
	256.87	**244.95**	**329.58**	**637.50**	**261.35**	**90.53**
Current						
Rental deposits and other deposits (Refer note 5.2 below)	0.11	0.18	0.11	0.60	-	-
Derivative assets	-	18.79	349.41	220.20	31.63	92.90
Other receivables						
- from related parties	0.32	16.64	13.02	-	-	-
- others	2.47	6.63	0.98	-	-	-
Insurance claim receivable	-	-	-	10.39	-	-
Unbilled revenues	4.06	1.68	-	-	-	-
Purchase consideration receivable						
- from related parties (Refer note 32 and 40 of annexure A-VI)	-	-	28.50	43.00	-	-
- others (Refer note 33 of annexure A-VI)	-	-	-	103.68	-	-
Advance towards equity subscription						
Unsecured, considered good	-	-	-	-	14.10	14.10
Unsecured, considered doubtful	14.10	14.10	14.10	14.10	-	-
Less : Provision for doubtful advances	(14.10)	(14.10)	(14.10)	(14.10)	-	-
Interest accrued but not due						
Unsecured, considered good						
- from related parties	1.48	-	-	-	-	-
- from others	17.43	22.48	84.87	23.49	13.30	7.16
Others	1.05	-	-	4.03	-	-
	26.92	**66.40**	**476.89**	**405.39**	**59.03**	**114.16**

Note 5.1 - For details of current financial assets pledged, refer note 14.3 of Annexure A - VI.

Note 5.2 - The Management has determined its security deposits not to be in the nature of loans and accordingly have been classified as other financial assets.

6 Other assets

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Capital advances	137.62	152.79	145.64	121.49	123.35	153.50
Prepaid expenses	207.57	195.44	190.23	132.53	98.97	57.84
Deposits with Government authorities						
Unsecured, considered good	13.46	13.17	1.03	1.91	3.99	-
Unsecured, considered doubtful	1.50	-	-	-	-	-
Less : Provision for doubtful advances	(1.50)	-	-	-	-	-
Other advances	13.68	14.55	13.68	16.76	5.62	18.99
	372.33	**375.95**	**350.58**	**272.69**	**231.93**	**230.33**
Current						
Advance to suppliers	55.91	11.27	15.56	10.34	14.68	27.08
Prepaid expenses	156.11	79.46	63.22	48.74	49.21	47.30
Balances with Government authorities						
Unsecured, considered good	108.05	260.93	229.41	136.93	122.11	123.19
Unsecured, considered doubtful	-	0.54	1.29	-	-	-
Less : Provision for doubtful advances	-	(0.54)	(1.29)	-	-	-
Other loans and advances	-					
Unsecured, considered good	16.56	32.75	416.83	67.63	18.62	8.72
Unsecured, considered doubtful	11.32	11.34	2.78	2.78	4.20	4.85
Less : Provision for doubtful advances	(11.32)	(11.34)	(2.78)	(2.78)	(4.20)	(4.85)
	336.63	**384.41**	**725.02**	**263.64**	**204.62**	**206.29**

Note 6.1 - For details of other current assets pledged, refer note 14.3 of Annexure A - VI.

7 Inventories

(Valued at lower of cost and net realisable value) *Rs. In million*

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Stock-in-trade	34.04	32.09	21.85	2.48	-	-
Network consumables	18.24	8.75	6.86	-	-	16.17
	52.28	**40.84**	**28.71**	**2.48**	**-**	**16.17**

Note 7.1 - For details of inventories pledged, refer note 14.3 of Annexure A - VI

8 Investments

Rs. In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Current investments, quoted						
Investments at fair value through profit or loss						
Investments in mutual funds						
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Daily dividend - Option Reinvestment - Nil units (31 March 2017: Nil units, 31 March 2016: 123,252.32 units, 31 March 2015: 117,351units, 31 March 2014: 79,849 units and 31 March 2013: 9,483 units fully paid-up)	-	-	1.32	1.25	0.85	0.10
HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily dividend - Option Reinvestment - Nil units (31 March 2017: Nil units, 31 March 2016: 64,027.09 units, 31 March 2015: 60,470 units, 31 March 2014: 54,508 units and 31 March 2013: 50,720 units fully paid up)	-	-	0.64	0.61	0.55	0.51
HDFC Cash Management Fund - Treasury Advantage Plan - Direct Plan - Retail - Daily dividend - Nil units (31 March 2017: Nil units, 31 March 2016: Nil units, 31 March 2015: Nil units, 31 March 2014: 2,048 units and 31 March 2013: 841,603.39 units fully paid up)	-	-	-	-	0.02	8.44
HDFC Floating Rate Income Fund - Short term plan retail option dividend reinvestment - daily option reinvestment - Nil units (31 March 2017: Nil units, 31 March 2016: Nil units, 31 March 2015: Nil units, 31 March 2014: 166,979 units and 31 March 2013: 8,353 units fully paid up)	-	-	-	-	1.68	0.08
HDFC Cash Management Wholesale option dividend transfer fund - 5,249 units (31 March 2017: 4,044 units, 31 March 2016: 2,883 units, 31 March 2015: 2,883 units, 31 March 2014:1,654 units and 31 March 2013: 439 units fully paid up)	0.05	0.05	0.04	0.03	0.02	0.00
HDFC Cash Management Retail daily dividend transfer fund - Nil units (31 March 2017: Nil units, 31 March 2016: 73,889 units, 31 March 2015: 70,362 units, 31 March 2014: 66,476 units and 31 March 2013: 559,382 units fully paid up)	-	-	0.74	0.71	0.67	5.61
HDFC Cash Management Retail option dividend transfer fund - 17,743 units (31 March 2017: 17,743 units, 31 March 2016: 17,743 units, 31 March 2015: 17,743 units, 31 March 2014: 17,743 units and 31 March 2013: 1,774 units fully paid up)	0.18	0.18	0.18	0.18	0.18	0.18
HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Daily Dividend - Nil units (31 March 2017: Nil units, 31 March 2016: Nil units, 31 March 2015: Nil units, 31 March 2014: Nil units and 31 March 2013: 71,889.83 units fully paid up)	-	-	-	-	-	0.72
	0.23	**0.23**	**2.92**	**2.78**	**3.97**	**15.64**
Aggregate market value of quoted current investments	0.23	0.23	2.92	2.78	3.97	15.64
Aggregate book value of quoted current investments	0.23	0.23	2.92	2.78	3.97	15.64

9 Trade receivables

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Unsecured						
Considered good	222.04	167.91	119.89	75.44	134.77	145.87
Considered doubtful	59.23	84.30	72.48	89.06	81.28	76.08
	281.27	252.21	192.37	164.50	216.05	221.95
Less: Allowance for expected credit loss	(59.23)	(84.30)	(72.48)	(89.06)	(81.28)	(76.08)
Net trade receivables	**222.04**	**167.91**	**119.89**	**75.44**	**134.77**	**145.87**
Due date based ageing						
Debts outstanding for a period exceeding six months from the date they became due	24.86	75.78	81.66	101.99	107.25	151.46
Other debts	256.41	176.43	110.71	62.51	108.80	70.49
Total	**281.27**	**252.21**	**192.37**	**164.50**	**216.05**	**221.95**

Note 9.1- For details of trade receivables pledged, refer note 14.3 of Annexure A - VI.

Note 9.2- The Group's exposure to credit risks and loss allowances related to trade receivables are disclosed in Note 28 of Annexure A-VI.

10 Cash and cash equivalents

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Cash on hand	11.45	9.39	11.80	10.91	23.23	20.52
Cheques on hand	-	-	0.04	2.43	7.80	2.06
Balances with banks						
On current accounts	248.82	299.62	180.78	324.02	206.21	181.57
On fixed deposits (with the original maturity of three months or less)	747.04	478.32	76.84	259.51	270.66	15.70
Cash and cash equivalents in balance sheet	**1,007.31**	**787.33**	**269.46**	**596.87**	**507.90**	**219.85**
Book overdrafts used for cash management purposes (refer note 15 of Annexure A-VI)	338.34	202.89	-	3.43	8.40	2.19
Cash and cash equivalents in the statement of cash flows	**668.97**	**584.44**	**269.46**	**593.44**	**499.50**	**217.66**

11 Other bank balances

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Balances with bank						
in deposit accounts (with original maturity of more than 3 months)	1,060.27	11.01	10.27	45.21	-	-
in margin money deposits	56.76	50.26	32.11	48.41	93.41	317.28
	1,117.03	**61.27**	**42.38**	**93.62**	**93.41**	**317.28**

12 Share capital

Rs in million

	Particulars	As at					
		30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
a)	**Authorized**						
	60,000,000 (31 March 2017 : 60,000,000, 31 March 2016 : 60,000,000, 31 March 2015 : 60,000,000, 31 March 2014 : 60,000,000, 31 March 2013 : 60,000,000) equity shares of Rs 10 each	600.00	600.00	600.00	600.00	600.00	600.00
	10,000,000 (31 March 2017 : 10,000,000, 31 March 2016 : 10,000,000 and 31 March 2015 : 10,000,000) 0.0001% Optionally Convertible Redeemable Preference Shares of Rs 10 each	100.00	100.00	100.00	100.00	-	-
		700.00	**700.00**	**700.00**	**700.00**	**600.00**	**600.00**
b)	**Issued, Subscribed and Paid-Up**						
	Equity shares						
	53,010,897 (31 March 2017 : 53,010,897, 31 March 2016 : 51,944,512, 31 March 2015 : 36,458,796, 31 March 2014 : 36,458,796 and 31 March 2013 : 34,829,266) equity shares of Rs 10 each, fully paid-up	530.11	530.11	519.45	364.59	364.59	348.29
		530.11	**530.11**	**519.45**	**364.59**	**364.59**	**348.29**

c) Reconciliation of shares outstanding at the beginning and at the end of reporting period

(Amounts in Rs in millions, except share data and unless otherwise stated)

Particulars	**As at 30 September 2017**		**As at 31 March 2017**		**As at 31 March 2016 Proforma**		**As at 31 March 2015 Proforma**		**As at 31 March 2014 Proforma**		**As at 31 March 2013 Proforma**	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
At the beginning of the period/ year	53,010,897	530.11	51,944,512	519.45	36,458,796	364.59	36,458,796	364.59	34,829,266	348.29	34,829,266	348.29
Add: Shares issued during the period/ year												
Shares issued for cash	-	-	-	-	15,485,716	154.86	-	-	-	-	-	-
Shares issued on exercise of employee stock options	-	-	1,066,385	10.66	-	-	-	-	1,629,530	16.30	-	-
At the end of the period/ year	**53,010,897**	**530.11**	**53,010,897**	**530.11**	**51,944,512**	**519.45**	**36,458,796**	**364.59**	**36,458,796**	**364.59**	**34,829,266**	**348.29**

d) Rights, preference and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to dividend to preference shareholders if any. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

12 Share capital (continued)

e) Details of equity shareholder holding more than 5% shares of the company :

Name of the shareholder	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016 Proforma		As at 31 March 2015 Proforma		As at 31 March 2014 Proforma		As at 31 March 2013 Proforma	
	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held
India Value Fund III-A, represented by its sole trustee IVF Trustee Company Private Limited	-	-	-	-	39,748,836	76.52%	24,263,120	66.55%	24,263,120	66.55%	24,263,120	69.66%
Argan (Mauritius) Limited	30,253,016	57.07%	29,937,430	56.47%	-	-	-	-	-	-	-	-
TA FVCI Investors Limited	19,998,152	37.72%	19,789,538	37.33%	-	-	-	-	-	-	-	-
M/s Perpetual Investments	-	-	-	-	6,371,446	12.27%	6,371,446	17.48%	6,371,446	17.48%	6,371,446	18.29%
C S Sunder Raju	-	-	-	-	4,010,500	7.72%	4,010,500	11.00%	4,010,500	11.00%	4,010,500	11.51%

f) Shares held by Holding Company

Name of the shareholder	As at September 30, 2017		As at 31 March 2017		As at 31 March 2016 Proforma		As at 31 March 2015 Proforma		As at 31 March 2014 Proforma		As at 31 March 2013 Proforma	
	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held
Equity shares of Rs. 10 each fully paid up held by :												
India Value Fund III-A, represented by its sole trustee IVF Trustee Company Private Limited	-	-	-	-	39,748,836	76.52%	24,263,120	66.55%	24,263,120	66.55%	24,263,120	69.66%
Argan (Mauritius) Limited	30,253,016	57.07%	29,937,430	56.47%	-	-	-	-	-	-	-	-

g) Details of shares issued or bought back for consideration other than cash :

The Company has neither allotted any fully paid up equity shares by way of bonus shares or pursuant to contract without payment being received in cash nor has bought back any class equity shares during the period of five years immediately preceding the respective reporting periods

h) Shares reserved for issue under options - For details of shares reserved for issue under the employee stock option scheme (ESOP) of the Company, refer note 12(i)(B) of Annexure A-VI.

12 Share capital (continued)

i) Share based payments

A Description of share-based payment arrangements- Share option plans (equity-settled)

ACT Employee Stock Option Plan 2014

During the year ended 31 March 2014, the Company instituted the ACT Employee Stock Option Plan 2014 (referred to as ACT ESOP 2014). The scheme was approved by the Board of Directors in its meeting held on 25 February 2014.

The Company had following share-based payment arrangements, which are summarized below:

Particulars	Based on performance and time	Based on exit of an investor	Based on performance
Option Plan	I	II	III
Options granted (nos.)	1,629,530	814,765	251,620
Grant date	01 March 2014	01 March 2014	01 April 2015
Vesting date	01 March 2014	07 April 2016	01 April 2016
Option exercised (nos.)	1,629,530	814,765	251,620
Share price on date of grant (Rs.)	35.25	35.25	158.10
Exercise price (Rs.)	27.82	27.82	27.82
Intrinsic value of Option (Rs.)	7.43	7.43	130.28
Method of Settlement	Equity	Equity	Equity
Weighted average fair value per option on the date of grant	13.76	13.76	132.54

ACT Employee Stock Option Plan 2016

During the year ended 31 March 2017, the Company instituted the ACT Employees Stock Option Plan 2016 (referred to as ACT ESOP 2016). The scheme was approved by the Board of Directors in its meeting held on 6 May 2016.

The Company had following share-based payment arrangements, which are summarized below:

Particulars	Based on time	Based on individual performance	Based on exit of an investor
Option Plan	I	II	III
Options granted (nos.)	865,844	865,844	865,844
Grant date	May 2016/ October 2016	May 2016/ October 2016	May 2016/ October 2016
Vesting date	As per schedule	As per schedule	As per schedule
Option exercised (nos.)	-	-	-
Share price on date of grant (Rs.)	417.00	417.00	417.00
Exercise price (Rs.)	500.00	500.00	500.00
Intrinsic value of Option (Rs.)	-	-	-
Weighted average fair value per option on the date of grant	201.16	201.16	263.00
Method of Settlement	Equity	Equity	Equity

Vesting schedule is as summarized below :

Financial Year	Based on time	Based on individual performance	Based on exit of an investor	Total
2017-18	401,701	401,701	The same cannot be determined, and is estimated to vest on 31 March 2024	803,402
2018-19	173,169	173,169		346,338
2019-20	173,169	173,169		346,338
2020-21	116,038	116,038		232,076
2021-22	1,767	1,767		3,534
2023-24	-	-		865,844
Total	**865,844**	**865,844**	**865,844**	**2,597,532**

The Company has modified the "ACT ESOP 2016" scheme with effect from 1 April 2017 and the same was approved by board of directors on 30 January 2018 and by shareholders on 31 January 2018. The modified scheme replaces the share-based payment arrangement vesting criteria from "Based on exit of investors" to " Based on performance of the Company". The options under the said arrangement will be vested over a period of five years commencing from the expiry of 12 months from the date of respective grant dates, subject to the Company achieving the agreed milestones as determined by the Board of Directors/Nomination and Remuneration committee.

Summary of the modified scheme and its vesting schedule is as follows :

Particulars	Based on time	Based on individual performance	Based on Company performance
Option Plan	I	II	III
Options granted (nos.)	865,844	865,844	865,844
Grant date	May 2016/ October 2016	May 2016/ October 2016	May 2016/ October 2016
Vesting date	As per schedule	As per schedule	As per schedule
Option exercised (nos.)	-	-	-
Share price on date of grant (Rs.)	417.00	417.00	417.00
Exercise price (Rs.)	500.00	500.00	500.00
Intrinsic value of Option (Rs.)	-	-	-
Weighted average fair value per option on the date of grant	201.16	201.16	263.00
Method of settlement	Equity	Equity	Equity

12 Share capital (continued)

i) Share based payments (continued)

Vesting schedule is as summarized below :

Financial Year	Based on time	Based on individual performance	Based on company performance	Total
2017-18	401,701	401,701	-	803,402
2018-19	173,169	173,169	173,169	519,507
2019-20	173,169	173,169	173,169	519,507
2020-21	116,038	116,038	173,169	405,245
2021-22	1,767	1,767	173,169	176,703
2022-23	-	-	173,168	173,168
Total	**865,844**	**865,844**	**865,844**	**2,597,532**

B Reconciliation of outstanding share options

The activity in the Plan during the period ended 30 September 2017 is set out below:

Particulars	Period ended 30 September 2017		
	Shares arising out of options	**Weighted average exercise price**	**Weighted average remaining contractual life**
2016 Plan:			
Outstanding at the beginning of the period	2,597,532	500.00	-
Granted during the period	-	-	-
Forfeited and lapsed during the period	(22,382)	-	-
Exercised during the period	-	-	-
Outstanding at the end of the period	**2,575,150**	**500.00**	**2.14 years**
Options exercisable at the end of the period	**434,686**	**-**	

The activity in the Plan during the year ended 31 March 2017 is set out below:

Particulars	Year ended 31 March 2017		
	Shares arising out of options	**Weighted average exercise price**	**Weighted average remaining contractual life**
2014 Plan:			
Outstanding at the beginning of the year	1,066,385	27.82	-
Granted during the year	-	-	-
Forfeited and expired during the year	-	-	-
Exercised during the year	(1,066,385)	27.82	-
Outstanding at the end of the year	**-**	**-**	**-**
Options exercisable at the end of the year	**-**		

Particulars	Year ended 31 March 2017		
	Shares arising out of options	**Weighted average exercise price**	**Weighted average remaining contractual life**
2016 Plan:			
Outstanding at the beginning of the year	-	-	-
Granted during the year	2,597,532	500.00	-
Forfeited and expired during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	**2,597,532**	**500.00**	**3.49 years**
Options exercisable at the end of the year	**-**		

12 Share capital (continued)

i) Share based payments (continued)

The activity in the Plan during the year ended 31 March 2016 is set out below:

Particulars	Year ended 31 March 2016		
	Shares arising out of options	Weighted average exercise price	Weighted average remaining contractual life
2014 Plan:			
Outstanding at the beginning of the year	814,765	27.82	-
Granted during the year	251,620	27.82	-
Forfeited and expired during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	**1,066,385**	**27.82**	**0.02 years**
Options exercisable at the end of the year	-		

The activity in the Plan during the year ended 31 March 2015 is set out below:

Particulars	Year ended 31 March 2015		
	Shares arising out of options	Weighted average exercise price	Weighted average remaining contractual life
2014 Plan:			
Outstanding at the beginning of the year	814,765	27.82	-
Granted during the year	-	-	-
Forfeited and expired during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	**814,765**	**27.82**	**1.02 years**
Options exercisable at the end of the year	-		

The activity in the Plan during the year ended 31 March 2014 is set out below:

Particulars	Year ended 31 March 2014		
	Shares arising out of options	Weighted average exercise price	Weighted average remaining contractual life
2014 Plan:			
Outstanding at the beginning of the year	-	-	-
Granted during the year	2,444,295	27.82	-
Forfeited and expired during the year	-	-	-
Exercised during the year	(1,629,530)	-	-
Outstanding at the end of the year	**814,765**	**27.82**	**2.02 years**
Options exercisable at the end of the year	-		

C Fair Value Measurement

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options.
The fair value of the option is calculated using the Black-Scholes Option Pricing model.
The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	For options granted in the financial year ended		
	31 March 2017	**31 March 2016**	**31 March 2014**
Grant date	May 2016/ October 2016	01 April 2015	01 March 2014
Share price at grant date	417.00	158.10	35.25
Exercise price	500.00	27.82	27.82
Expected volatility (%)	47.3% to 52.3%	18.39%	18.39%
Expected life of the option (years)	Ranging from 4.50 years to 7.96 years	3 years	3.55 years
Expected dividends (%)	0%	0%	0%
Risk-free interest rate (%)	7.4% to 7.6%	8.23%	8.23%

i) Share price: The share price is based on a valuation of shares carried out by an external valuer.
ii) Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Board of Directors/ Remuneration and Compensation Committee.
iii) Expected Volatility: Historical volatility of few comparable companies with similar business model as of the grant date has been considered.
iv) Expected Option Life: The expected term of the option is the average remaining time from the grant date till the expiry of the option.
v) Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

D For details on the employee benefits expense, refer note 24 of Annexure A-VI.

13 Other equity

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Securities premium	3,438.66	3,438.66	3,375.10	1,459.98	1,459.98	1,418.83
Share based payment reserve	225.03	152.41	44.56	7.47	3.73	-
General reserve	2.30	2.30	2.30	2.30	2.30	2.30
Capital redemption reserve	9.21	9.21	9.21	9.21	-	-
Debenture redemption reserve	-	-	-	119.22	-	-
Capital reserve	30.56	30.56	30.56	38.50	-	-
Retained earnings	1,859.98	672.67	(802.80)	(1,637.58)	(1,838.55)	(1,970.67)
	5,565.74	**4,305.81**	**2,658.93**	**(0.90)**	**(372.54)**	**(549.54)**

Securities premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013/ Companies Act, 1956.

Share based payment reserve
The Company has established equity-settled share-based payment plans for eligible employees of the company. Refer note 12 of annexure A-VI for further details on these plans.

General reserve
General reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

Capital redemption reserve
The Company is required to create a capital redemption reserve to the extent of face value of outstanding preference shares at the time of redemption of preference shares in accordance with Companies Act, 2013

Debenture redemption reserve
Debenture redemption reserve represents amount transferred out of profits for the purpose of redemption of debentures in accordance with Companies Act, 2013.

Capital reserve
This reserve represents the difference between value of net assets in excess of purchase consideration paid for such acquisitions.

Retained earnings
Retained earnings represent the amount of retained earnings of the Group.

14 Borrowings

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non current						
Secured						
Preference shares classified as financial liabilities (Refer Note 14.1 below)	-	-	-	737.36	666.25	-
Loans from banks	2,528.76	2,007.33	2,380.97	581.41	743.40	215.39
11% Redeemable Non- Convertible Debentures	-	-	-	2,005.48	1,428.84	-
Loans from financial institutions	-	-	-	200.00	-	504.17
Foreign currency buyer's credit	-	-	17.47	37.44	-	-
Finance lease obligations	-	1.43	20.36	28.58	48.13	88.93
	2,528.76	**2,008.76**	**2,418.80**	**3,590.27**	**2,886.62**	**808.49**
Current						
Secured						
Bank overdraft	-	-	-	-	-	0.51
Foreign currency buyer's credit	-	18.48	46.12	42.66	31.12	89.32
Current maturities of long term borrowings	877.10	864.14	1,388.72	397.77	334.75	333.16
Unsecured						
Loans repayable on demand (Refer note 14.2 below)	-	-	-	-	382.04	412.04
	877.10	**882.62**	**1,434.84**	**440.43**	**747.91**	**835.03**
Less : Amount included in other financial liabilities	(877.10)	(864.14)	(1,388.72)	(397.77)	(334.75)	(333.16)
	-	**18.48**	**46.12**	**42.66**	**413.16**	**501.87**

Information about the Group's exposure to interest rate and liquidity risks are included in Note 28 of Annexure A - VI.

Note 14.1
The Parent company had issued a single class of Optionally Convertible Redeemable Preference Shares (OCRPS). These OCRPS carried dividend at the rate of 0.0001 % per annum determined from the date of allotment on the face value of such OCRPS. The OCRPS holders shall also have a preferential right to receive their redemption value in precedence to holders of equity shares during winding up of the Company or repayment of capital. However, these OCRPS shall not carry any voting rights, other than those relating to them. Should OCRPS be required to be converted into equity shares, the OCRPS would be deemed to have a value equal to the redemption amount due and equity shares in the Company will be issued at a price which is computed by a valuer appointed by the Company in this regard. Since the OCRPS are in the nature of a non-derivative contract that will be settled in a variable number of the Company's own equity instruments, the OCRPS have been accounted for as financial liability at amortised cost in accordance with Indian Accounting Standard (Ind AS) 109 - Financial Instruments.

Note 14.2
The Parent company had received short term loan from IVF Advisors Private Limited, repayable on demand and interest is charged at 15% p.a.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VI
Notes to the restated consolidated financial information (continued)

14 Borrowings (Continued)

14.3 Details of security, repayment terms and interest rate for long term and short term borrowings:

Rs in million

(a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
1. Term loan from banks i) HDFC bank Limited									
- 18 quarterly installment and will be repaid on 14 November 2018	Secured against property, plant and equipment of the Company	Nil	Base rate + 4.2% p.a	37.50	52.50	82.50	112.50	142.50	-
- 18 quarterly installment and will be repaid on 27 December 2018	Secured against current assets and property, plant and equipment of the Company	Nil	Base rate + 4.2% p.a	97.22	136.15	213.89	291.67	350.00	-
- 18 quarterly installment and will be repaid on 08 May 2020	Secured against current assets and property, plant and equipment of the Company	Nil	Base rate + 4.2% p.a	305.56	361.11	472.20	-	-	-
Tranch A: The Rupee Term Loan facility shall be repaid in 18 unequal consecutive quarterly installments commencing from 30 June 2016.	Secured against first pari passu charge on property, plant and equipment, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and every 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	Base rate + spread % p.a	546.77	555.30	566.60	-	-	-
Tranch B: The Rupee Term Loan facility shall be repaid in 10 unequal consecutive quarterly installments commencing from 31 March 2016.	Secured against first pari passu charge on property, plant and equipment, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets		Base rate + spread % p.a	123.52	210.23	387.89	-	-	-
- 48 monthly installment and will be repaid on 07 June 2016	Secured against property, plant and equipment of the Company	Nil	Base rate + 4% p.a	-	-	-	48.73	82.09	109.75
- 38 monthly installment and will be repaid on 07 September 2014	Secured against property, plant and equipment of the Company	Nil	Base rate + 3.5%p.a	-	-	-	-	19.43	54.98
- 40 monthly installment and will be repaid on 07 April 2014	Secured against property, plant and equipment of the Company	Nil	Base rate + 3.5% p.a	-	-	-	-	1.69	34.64
- 60 monthly installment and will be repaid on 05 September 2016	Secured against motor vehicles	Nil	10.5% p.a	-	-	-	-	1.01	1.34

14 Borrowings (Continued)

14.3 Details of security, repayment terms and interest rate for long term and short term borrowings:

Rs in million

(a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
1. Term loan from banks (continued)									
i) HDFC bank Limited (continued)									
- 09 half yearly installment and will be repaid on 29 March 2022	Secured against the property, plant and equipment, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and every 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	8.15% + spread of 1.25% p.a.	625.00	50.00	-	-	-	-
- 12 quarterly installment and will be repaid on 21 September 2019	Secured against property, plant and equipment of the Company	Nil	345 bps over the MCLR-Current rate	250.00	275.00	-	-	-	-
				-	-	-	-	-	-
ii) Axis bank Limited				-	-	-	-	-	-
- 60 monthly installment and will be repaid on 01 October 2014	Secured against motor vehicles	Nil	8% p.a	-	-	-	-	0.23	0.60
				-	-	-	-	-	-
iii) Federal bank Limited				-	-	-	-	-	-
Tranch A: The Rupee Term Loan facility shall be repaid in 18 unequal consecutive quarterly installments commencing from 30 June 2016. Tranch B: The Rupee Term Loan facility shall be repaid in 10 unequal consecutive quarterly installments commencing from 31 March 2016.	Secured against first pari passu charge on property, plant and equipment, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and every 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	Base rate + spread % p.a	693.00	782.00	958.00	-	-	-

14 Borrowings (Continued)

14.3 Details of security, repayment terms and interest rate for long term and short term borrowings:

Rs in million

(a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
iv) IndusInd bank Limited									
Tranch A: The Rupee Term Loan facility shall be repaid in 18 unequal consecutive quarterly installments commencing from 30 June 2016. Tranch B: The Rupee Term Loan facility shall be repaid in 10 unequal consecutive quarterly installments commencing from 31 March 2016.	Secured against the property, plant and equipment, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets.	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of first disbursement and every 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	Base rate + spread % p.a	343.95	430.69	456.27	-	208.30	-
- 37 monthly installments and will be repaid on 31 January 2018	Secured against property, plant and equipment of the Company	During prepayment , the swap unwinding cost will be charged to the borrowers' account.	12.75% p.a	-	-	70.90	124.10	-	-
- 09 half yearly installment and will be repaid on 29 March 2022	Secured against the property, plant and equipment, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets.	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and every 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	8.15% + spread of 1.25% p.a.	375.00	-	-	-	-	-
- 37 monthly installments and will be repaid on 31 January 2018	Secured against property, plant and equipment of the Company	during prepayment , the swap unwinding cost will be charged to the borrowers' account.	12.75% p.a	-	-	234.27	336.04	-	-
- 48 monthly installments and will be repaid on 31 July 2017	Secured against property, plant and equipment of the Company	During prepayment , the swap unwinding cost will be charged to the borrowers' account.	12.75% p.a	-	-	-	-	173.39	84.95

14 Borrowings (Continued)

14.3 Details of security, repayment terms and interest rate for long term and short term borrowings:

Rs in million

(a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
v) ICICI Bank Limited									
- 8 quarterly installment and will be repaid on 18 September 2014	Secured against moveable property, plant and equipment of the Company	Nil	Base rate + 3.25% p.a	-	-	-	-	30.00	102.38
- 8 quarterly installment and will be repaid on 13 May 2014	Secured against moveable property, plant and equipment of the Company	Nil	Base rate + 3.25% p.a	-	-	-	-	-	24.40
- 6 quarterly installment and will be repaid on January 2013	Secured against moveable property, plant and equipment of the Company	Nil	Base rate + 3.25% p.a	-	-	-	-	7.50	40.13
- 8 quarterly installment and will be repaid on 5 November 2013	Secured against moveable property, plant and equipment of the Company	Nil	11.00% p.a	-	-	-	-	-	5.00
- 8 quarterly installment and will be repaid on 22 October 2013	Secured against moveable property, plant and equipment of the Company	Nil	11.00% p.a	-	-	-	-	-	2.50
				-	-	-	-	-	-
2. Term loan from financial instruments				-	-	-	-	-	-
11% redeemable non- convertible debentures	Pledge of shares by IVF Trustee Company Private Limited	Nil	11.00% p.a	-	-	-	2,005.48	1,428.84	-
				-	-	-	-	-	-
2. Term loan from financial institutions				-	-	-	-	-	-
i) Small Industries Development Bank of India				-	-	-	-	-	-
- 48 monthly installments and will be repaid on 10 February 2021	Movable assets and debt service reserve (DSR) in form of fixed deposit of Rs 20 million	The loan shall not be repayable in full or part before the due dates except after obtaining prior approval of SIDBI in writing (which may be granted subject to such conditions as SIDBI may deem fit.)	13.75% p.a	-	-	300.00	200.00	-	-
ii) Housing Development Finance Corporation Limited				-	-	-	-	-	-
- Bullet repayment on the expiry of 36months or before 31st December 2016, whichever is earlier from the date of 1st disbursement	Corporate guarantee by IVF IIIA and charge on shares held	The borrower would have the ability to prepay in part or full anytime after 90 days from the drawdown date, without any prepayment penalty, after giving 15 days notice to HDFC.	14.25% p.a	-	-	-	-	-	500.00
iii) TATA Capital Limited				-	-	-	-	-	-
- 27 monthly installments and will be repaid on 15 May 2014	Property, plant and equipment	Nil		-	-	-	-	-	29.17

14 Borrowings (Continued)

14.3 Details of security, repayment terms and interest rate for long term and short term borrowings:

Rs in million

(a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
3. Buyer's credit									
i) IndusInd bank Limited									
- Maturity ranging from 09 May 2016 to 31 August 2017	Secured against property, plant and equipment of the Company	Nil	2.55% - 3.25% p.a	-	18.47	63.60	80.10	31.12	89.32
				-	-	-	-	-	-
4. Finance lease obligations				-	-	-	-	-	-
i) Cisco Systems Capital India Private Limited	Secured against plant and machinery of the company	Lessee may terminate a lease or financing transaction by prepaying its remaining rent. Lessee shall provide lessor with at least one (1) month prior notice of the intended prepayment date. Lessor may , depending on market conditions at the time, reduce the remaining rent to reflect such prepayment and shall advice lessee of the balance to be paid. if a lease is terminated , lessee shall at the same time prepay any related line items of financial transactions.	6.5% to 12.3% p.a	8.34	19.93	47.52	94.74	110.14	151.82
				3,405.86	**2,891.38**	**3,853.64**	**3,293.35**	**2,586.24**	**1,230.97**

15 Other financial liabilities

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Derivative liabilities	-	-	21.93	318.54	-	-
Put option over non-controlling interest	48.92	48.92	42.54	36.99	32.17	27.97
Deposits	-	-	-	15.86	10.37	2.51
	48.92	**48.92**	**64.47**	**371.39**	**42.54**	**30.48**
Current						
Current maturities of long term borrowings*	877.10	864.14	1,388.72	397.77	334.75	333.16
Share application money pending allotment	-	-	-	2,070.00	2,070.00	2,030.00
Deposits	99.77	96.36	66.97	16.49	29.25	2.42
Book overdraft	338.34	202.89	-	3.43	8.40	2.19
Accrued salaries and benefits	442.98	541.68	270.73	208.84	141.10	95.45
Derivative liabilities	-	21.93	321.58	209.38	33.73	94.31
Accrued expenses	-	-	-	-	-	-
Creditors for capital goods						
- to related parties	1.64	0.12	8.27	-	-	-
- others	165.67	142.18	308.84	143.52	124.35	92.82
Interest accrued but not due	22.40	22.12	22.17	53.19	-	-
Other payables	1,172.00	1,180.07	757.79	432.24	296.33	122.97
	3,119.90	**3,071.49**	**3,145.07**	**3,534.86**	**3,037.91**	**2,773.32**

* The details of interest rates, repayment and other terms are disclosed in note 14 of Annexure A-VI.

Note 15.1 - The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 28 of Annexure A-VI.

16 Provisions

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Provision for employee benefits						
Gratuity*	154.76	110.89	74.42	42.19	29.68	24.05
	154.76	**110.89**	**74.42**	**42.19**	**29.68**	**24.05**
Current						
Provision for employee benefits						
Gratuity*	25.16	19.07	9.01	4.90	3.96	2.27
Compensated absences	96.41	59.83	43.77	16.59	9.71	5.78
	121.57	**78.90**	**52.78**	**21.49**	**13.67**	**8.05**

* Refer note 39 of Annexure A - VI.

Note 16.1
Movement in provision for compensated absences

Particulars	**For the period ended 30 September 2017**	**For the year ended 31 March**				
		2017	**2016 Proforma**	**2015 Proforma**	**2014 Proforma**	**2013 Proforma**
Opening balance	59.83	43.77	16.59	9.71	5.78	8.05
Add: Provision made during the year (net of benefits paid)	36.58	16.06	27.18	6.88	3.93	(2.27)
Closing balance	**96.41**	**59.83**	**43.77**	**16.59**	**9.71**	**5.78**

17 Other liabilities

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Unearned revenue	11.88	6.63	37.55	30.10	107.95	42.36
Unamortised installation charges	324.57	330.12	204.82	17.85	-	-
	336.45	**336.75**	**242.37**	**47.95**	**107.95**	**42.36**
Current						
Unearned revenue	1,514.11	1,336.38	1,006.74	683.03	499.99	280.07
Unamortised installation charges	74.81	69.88	18.11	4.00	-	-
Withholding and other taxes payable	151.76	85.35	83.64	82.57	65.17	53.98
Advance from customers	24.12	16.24	28.12	16.65	1.33	2.84
	1,764.80	**1,507.85**	**1,136.61**	**786.25**	**566.49**	**336.89**

18 Trade payables

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Total outstanding dues of micro and small enterprises (refer note 36 of annexure A-VI)	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	327.16	278.00	234.54	136.17	235.68	209.43
	327.16	**278.00**	**234.54**	**136.17**	**235.68**	**209.43**

Note 18.1 - The Group's exposure to currency and liquidity risk related to the above trade payables is disclosed in Note 28 of Annexure A-VI.

14.3 Borrowings (continued)

(b) Finance lease obligations

The Company has taken Headends, Network switches and Others on finance lease. The minimum lease payments (MLP) and the present value of minimum lease payments (PV) is as follows :

Rs in million

	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016 Proforma		As at 31 March 2015 Proforma		As at 31 March 2014 Proforma		As at 31 March 2013 Proforma	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than 1 year	8.76	8.34	19.87	18.50	31.62	27.16	73.53	66.16	72.48	62.01	74.56	62.89
Later than 1 year and not later than 5 years	-	-	1.49	1.43	21.79	20.36	31.62	28.58	50.94	48.13	99.61	88.93
Later than 5 years	-	-	-	-	-	-	-	-	-	-	-	-

The total future minimum lease payments at the balance sheet date, element of interest included in such payments and present value of these minimum lease payments are as follows:

Rs in million

	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016 Proforma		As at 31 March 2015 Proforma		As at 31 March 2014 Proforma		As at 31 March 2013 Proforma	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
(a) Total future minimum lease payments	-	8.76	1.49	19.87	21.79	31.62	31.62	73.53	50.94	72.48	99.61	74.56
(b) Future interest included in (a) above	-	0.42	0.06	1.37	1.43	4.46	3.04	7.37	2.81	10.47	10.68	11.67
Present value of future minimum lease payments [(a) – (b)]	-	8.34	1.43	18.50	20.36	27.16	28.58	66.16	48.13	62.01	88.93	62.89

(c) Optionally Convertible Redeemable Preference Shares

Movement in carrying value of preference shares

Rs in million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Opening carrying amount of liability	-	-	737.36	666.25	-	-
Proceeds from issue of convertible preference share during the period/ year	-	-	-	-	602.00	-
Accrued interest/ (income)	-	-	40.97	71.11	64.25	-
Amount redeemed during the period/ year	-	-	778.33	-	-	-
Carrying amount of liability	-	-	-	737.36	666.25	-

19 Revenue from operations

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Sale of services						
Revenue from internet services	6,251.67	11,150.03	7,895.20	5,113.91	3,298.02	2,052.99
Revenue from cable television distribution services	356.53	561.68	535.78	733.10	875.33	809.41
Total (a)	**6,608.20**	**11,711.71**	**8,430.98**	**5,847.01**	**4,173.35**	**2,862.40**
Other operating revenues						
Installation income	80.46	147.57	102.26	88.66	31.18	10.80
Sale of traded goods						
-Wifi router	32.99	73.57	40.44	-	-	-
- STBs	37.02	146.45	-	-	-	-
- Edge Qam	0.79	-	14.89	-	-	-
Others	1.97	5.21	6.02	6.23	5.34	4.15
Total (b)	**153.23**	**372.80**	**163.61**	**94.89**	**36.52**	**14.95**
Total (a+b)	**6,761.43**	**12,084.51**	**8,594.59**	**5,941.90**	**4,209.87**	**2,877.35**

20 Other income

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Interest income from						
- financial assets carried at amortised cost	3.75	5.99	5.01	4.09	3.28	1.33
- other advances	2.50	11.46	58.29	24.36	4.39	2.14
- fixed deposits	26.42	24.25	36.43	45.02	28.09	13.48
- income tax refund	5.62	2.87	-	-	-	-
Net gain on foreign exchange fluctuation	1.25	-	20.73	-	-	-
Changes in fair value of financial assets and liabilities		4.23	-	6.54	-	0.21
Profit on divestment of investments (net)	-	-	-	90.50	-	-
Profit on sale of business	-	-	-	1.12	-	-
Profit on sale of property, plant and equipment	0.06	-	-	11.93	-	-
Provisions/liabilities no longer required written back	27.39	13.77	8.89	21.14	11.40	10.04
Insurance claims	-	-	-	12.89	-	-
Dividend income from non-trade mutual funds	-	0.11	0.15	0.58	1.96	5.03
Miscellaneous income	12.71	23.57	17.76	18.65	19.71	7.34
	79.70	**86.25**	**147.26**	**236.82**	**68.83**	**39.57**

21 Cost of material consumed

Rs in million

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Inventory at the beginning of the period/ year	8.75	6.86	-	-	-	12.39
Add: Purchases during the period/ year	97.82	176.35	158.33	114.56	85.07	58.68
Less: Inventory of at the end of the period/ year	18.24	8.75	6.86	-	-	16.17
	88.33	**174.46**	**151.47**	**114.56**	**85.07**	**54.90**

22 Purchases of stock-in-trade

Rs in million

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Wifi router	27.52	71.86	56.37	14.59	16.97	17.31
Edge Qam	-	-	12.70	2.48	-	-
STB	35.03	149.38	-	-	-	-
	62.55	**221.24**	**69.07**	**17.07**	**16.97**	**17.31**

23 Changes in inventories of stock-in-trade

Rs in million

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Opening inventory	32.09	21.85	2.48	-	-	-
Add : transferred from capital work-in-progress	12.21	-	-	-	-	-
Closing inventory	34.04	32.09	21.85	2.48	-	-
Changes in inventories of stock-in-trade	**10.26**	**(10.24)**	**(19.37)**	**(2.48)**	**-**	**-**

24 Employee benefits expense *Rs in million*

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Salaries, bonus and other allowances	1,157.53	2,280.41	1,603.89	1,204.03	970.73	743.42
Contribution to provident and other funds	70.53	100.45	79.52	69.31	59.54	43.89
Equity-settled share based payments to employees	72.62	152.41	37.09	3.74	15.84	-
Staff welfare expenses	96.23	284.59	216.80	128.59	73.89	31.59
Recruitment and training expenses	7.06	51.11	45.48	9.45	43.89	22.75
	1,403.97	**2,868.97**	**1,982.78**	**1,415.12**	**1,163.89**	**841.65**

25 Finance costs *Rs in million*

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Interest expense on bank borrowings	172.67	383.10	351.18	172.55	244.53	80.74
Interest on income tax	-	42.16	40.07	0.32	19.24	-
Interest on non convertible debentures	-	-	232.84	363.31	67.24	-
Interest expense on financial liabilities measured at amortised cost	-	6.38	46.52	75.94	68.44	3.65
Processing fees	4.81	13.26	9.25	11.60	11.47	16.96
Other borrowing costs	2.04	4.46	4.84	3.96	-	-
	179.52	**449.36**	**684.70**	**627.68**	**410.92**	**101.35**

26 Other expenses *Rs in million*

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Power and fuel	101.85	149.43	115.22	95.77	77.49	59.38
Broadcasting charges	225.98	387.32	324.98	333.15	414.79	368.08
Distribution expenses	302.88	598.25	539.42	456.07	414.07	354.06
Rent (refer note 31 of annexure A-VI)	305.14	551.96	383.03	251.15	167.98	113.83
Consumption of stores and spares	42.92	86.43	90.80	44.74	39.65	80.90
Repairs and maintenance						
plant and machinery	183.78	256.70	87.84	78.61	80.82	43.39
others	90.04	216.81	210.29	96.15	66.74	36.47
Contract labour and other support services	297.88	667.73	561.89	363.07	221.22	121.26
Franchisee fees	99.97	180.98	117.70	38.89	-	-
Travelling and conveyance	38.31	83.42	71.78	53.16	44.59	40.15
Legal and professional fees	39.38	150.03	129.06	133.04	177.08	85.14
Advertisement and sales promotion	175.12	253.48	273.88	233.60	83.83	103.56
Link charges	1.21	4.96	19.60	25.87	19.14	19.87
Provision for doubtful debts	5.22	15.60	9.91	6.74	19.96	23.68
Provision for doubtful advances and deposits	-	12.29	1.47	0.29	1.51	2.86
Provision for impairment	316.58	-	-	14.10	-	-
Communication expenses	52.64	102.43	66.61	48.67	38.77	30.25
Printing and stationary	13.92	27.53	24.31	18.83	11.34	10.22
Programming and news production	0.54	1.34	1.97	3.92	4.03	2.74
Insurance	8.32	17.13	25.99	16.66	14.96	5.25
Loss on sale of property, plant and equipment	-	0.10	0.24	3.96	7.12	0.17
Bad debts written off	3.17	-	0.44	-	2.19	3.96
Expenditure on Corporate Social Responsibility	7.10	12.22	-	-	-	-
Bank charges	74.37	129.79	84.34	53.33	25.98	13.78
Commission and brokerage	0.44	0.89	1.06	4.94	6.09	1.32
Rates and taxes	15.91	167.09	87.84	51.39	17.04	15.62
Property, plant and equipment written off	3.28	100.73	24.54	37.84	21.08	0.88
Net loss on account of foreign exchange fluctuations	-	3.61	-	-	8.83	3.66
Changes in fair value of financial assets and liabilities	-	-	10.45	21.41	0.79	-
Miscellaneous expenses	21.54	69.08	76.91	32.21	41.48	19.86
	2,427.49	**4,247.33**	**3,341.57**	**2,517.56**	**2,028.57**	**1,560.34**

27 Income taxes

The Company is subject to taxes in India and is assessed for tax on taxable profits determined for each financial year beginning on April 1 and ending on March 31. Regular income taxes are assessed based on book profits prepared under local GAAPs adjusted in accordance with the local tax laws. Such adjustments generally relate to depreciation and amortisation, disallowances of certain provisions and accruals, the use of tax losses carried forward and retirement benefit costs.

(i) Income tax expense in the statement of profit and loss comprises:

Rs In million

Particulars	**As at 30 September 2017***	**As at 31 March 2017**	**As at 31 March 2016 Proforma**	**As at 31 March 2015 Proforma**	**As at 31 March 2014 Proforma**	**As at 31 March 2013 Proforma**
Current taxes	655.56	1,363.17	441.62	36.36	14.91	120.02
Deferred taxes	(84.51)	(166.36)	197.40	192.71	(596.69)	(0.74)
Income tax expense	**571.05**	**1,196.81**	**639.02**	**229.07**	**(581.78)**	**119.28**

*Income tax expenses is recognised based on Management's estimate of the average annual effective income-tax rate applied to the pre-tax income of the interim period.

(ii) Reconciliation of effective tax rate

Rs In million

Particulars	**For the period**	**For the year ended**				
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Profit before income taxes	1,724.33	2,696.06	1,381.54	555.25	(230.91)	(155.85)
Enacted tax rates in India	34.61%	34.61%	34.61%	33.99%	32.45%	32.45%
Computed expected tax expense	596.79	933.11	478.15	188.73	(74.93)	(50.57)
Previously unrecognised temporary differences	-	-	-	-	(535.35)	-
Tax exempt income	-	-	-	(8.66)	-	(1.63)
Temporary difference	(88.21)	136.37	(15.03)	(41.64)	(36.21)	25.80
Current year losses for which no deferred tax was recognised	32.40	12.15	109.58	39.85	48.49	142.23
Effect of non deductible expenses	35.84	94.30	87.94	67.81	38.17	-
Others	(5.76)	20.88	(21.62)	(17.02)	(21.94)	3.45
Income tax expense	**571.05**	**1,196.81**	**639.02**	**229.07**	**(581.78)**	**119.28**

(iii) The following table provides the details of income tax assets and income tax liabilities as at :

Rs In million

	As at					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Non current						
Income tax assets	217.67	240.73	150.18	112.34	94.83	32.13
	217.67	**240.73**	**150.18**	**112.34**	**94.83**	**32.13**
Current						
Current income tax liabilities	676.27	604.87	219.28	29.36	4.51	46.98
	676.27	**604.87**	**219.28**	**29.36**	**4.51**	**46.98**
Net current income-tax assets/ (liabilities) at the end	**(458.60)**	**(364.14)**	**(69.10)**	**82.98**	**90.32**	**(14.85)**

Rs in million

	As at					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Deferred tax asset/liabilities						
Deferred tax asset	454.83	370.32	203.96	408.74	600.44	6.59
Deferred tax liabilities	-	-	-	7.38	6.83	9.67
	454.83	**370.32**	**203.96**	**401.36**	**593.61**	**(3.08)**

27 Income taxes (continued)

(iv) Movement in deferred tax assets and liabilities

Rs In million

Movement during the year ended 31 March 2013 Proforma	**As at 31 March 2012 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2013 Proforma**
Provisions - Employee benefits	0.70	0.29	-	0.99
Provision for doubtful debts and advances	4.33	0.20	-	4.53
Unutilised tax loss	38.58	(29.81)	-	8.77
Property, plant and equipment	(52.98)	18.56	-	(34.42)
Expenditure covered under section 40(a) of Income-tax Act, 1961	2.97	6.50	-	9.47
Minimum alternative tax	-	5.89	-	5.89
Others	2.58	(0.89)	-	1.69
	(3.82)	**0.74**	**-**	**(3.08)**

Rs In million

Movement during the year ended 31 March 2014 Proforma	**As at 31 March 2013 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2014 Proforma**
Provisions - Employee benefits	0.99	32.52	(1.06)	32.45
Provision for doubtful debts and advances	4.53	1.73	-	6.26
Unutilised tax loss	8.77	493.17	-	501.94
Property, plant and equipment	(34.42)	(13.80)	-	(48.22)
Expenditure covered under section 40(a) of Income-tax Act, 1961	9.47	63.68	-	73.15
Unamortised expenditure covered under section 35DD of Income-tax Act, 1961	-	7.76	-	7.76
Minimum alternative tax	5.89	5.89	-	11.78
Others	1.69	6.80	-	8.49
	(3.08)	**597.75**	**(1.06)**	**593.61**

Rs In million

Movement during the year ended 31 March 2015 Proforma	**As at 31 March 2014 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2015 Proforma**
Provisions - Employee benefits	32.45	23.03	1.90	57.38
Provision for doubtful debts and advances	6.26	0.75	-	7.01
Unutilised tax loss	501.94	(261.68)	-	240.26
Property, plant and equipment	(48.22)	35.77	-	(12.45)
Expenditure covered under section 40(a) of Income-tax Act, 1961	73.15	(41.65)	-	31.50
Unamortised expenditure covered under section 35DD of Income-tax Act, 1961	7.76	(1.84)	-	5.92
Minimum alternative tax	11.78	15.54	-	27.32
Others	8.49	35.93	-	44.42
	593.61	**(194.15)**	**1.90**	**401.36**

27 Income taxes (continued)

(iv) Movement in deferred tax assets and liabilities (continued)

Rs In million

Movement during the year ended 31 March 2016 Proforma	**As at 31 March 2015 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2016 Proforma**
Provisions - Employee benefits	57.38	27.45	7.26	92.09
Provision for doubtful debts and advances	7.01	(3.26)	-	3.75
Unutilised tax loss	240.26	(240.26)	-	-
Property, plant and equipment	(12.45)	21.18	-	8.73
Expenditure covered under section 40(a) of Income-tax Act, 1961	31.50	22.06	-	53.56
Provision for expected claims and litigated cases	-	-	-	-
Unamortised expenditure covered under section 35DD of Income-tax Act, 1961	5.92	(1.98)	-	3.94
Minimum alternative tax	27.32	(27.32)	-	-
Uamortised installation charges	-	34.21	-	34.21
Others	44.42	(36.74)	-	7.68
	401.36	**(204.66)**	**7.26**	**203.96**

Rs In million

Movement during the year ended 31 March 2017	**As at 31 March 2016 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2017**
Provisions - Employee benefits	92.09	60.30	7.33	159.72
Provision for doubtful debts and advances	3.75	1.61	-	5.36
Property, plant and equipment	8.73	41.17	-	49.90
Expenditure covered under section 40(a) of Income-tax Act, 1961	53.56	(0.02)	-	53.54
Provision for expected claims and litigated cases	-	49.18	-	49.18
Unamortised expenditure covered under section 35DD of Income-tax Act, 1961	3.94	(1.98)	-	1.96
Uamortised installation charges	34.21	7.61	-	41.82
Others	7.68	1.16	-	8.84
	203.96	**159.03**	**7.33**	**370.32**

Rs In million

Movement during the period ended 30 September 2017	**As at 31 March 2017**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 30 September 2017**
Provision for impairment	-	67.97	-	67.97
Provisions - Employee benefits	159.72	6.26	11.30	177.28
Provision for doubtful debts and advances	5.36	(0.85)	-	4.51
Unutilised tax loss	-	-	-	-
Property, plant and equipment	49.90	11.82	-	61.72
Expenditure covered under section 40(a) of Income-tax Act, 1961	53.54	(0.21)	-	53.33
Provision for expected claims and litigated cases	49.18	(6.51)	-	42.67
Unamortised expenditure covered under section 35DD of Income-tax Act, 1961	1.96	(0.00)	-	1.96
Uamortised installation charges	41.82	(5.81)	-	36.01
Others	8.84	0.54	-	9.38
	370.32	**73.21**	**11.30**	**454.83**

27 Income taxes (continued)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the loss will be set off

Rs In million

Particulars	As at 30 September 2017		
	Gross amount	Unrecognised tax effect	Expiry
Tax losses (business loss)	530.28	183.52	Various dates
Tax losses (unabsorbed depreciation)	322.88	111.74	Infinite period
Total	**853.16**	**295.26**	

Rs In million

Particulars	As at 31 March 2017		
	Gross amount	Unrecognised tax effect	Expiry
Tax losses (business loss)	530.28	183.52	Various dates
Tax losses (unabsorbed depreciation)	322.88	111.74	Infinite period
Total	**853.16**	**295.26**	

Rs In million

Particulars	As at 31 March 2016 -Proforma		
	Gross amount	Unrecognised tax effect	Expiry
Tax losses (business loss)	477.13	165.13	Various dates
Tax losses (unabsorbed depreciation)	400.16	138.49	Infinite period
Total	**877.29**	**303.61**	

Rs In million

Particulars	As at 31 March 2015 -Proforma		
	Gross amount	Unrecognised tax effect	Expiry
Tax losses (business loss)	371.81	126.38	Various dates
Tax losses (unabsorbed depreciation)	201.27	68.41	Infinite period
Total	**573.08**	**194.79**	

Rs In million

Particulars	As at 31 March 2014 -Proforma		
	Gross amount	Unrecognised tax effect	Expiry
Tax losses (business loss)	300.13	97.39	Various dates
Tax losses (unabsorbed depreciation)	206.96	67.16	Infinite period
Total	**507.09**	**164.55**	

Rs In million

Particulars	As at 31 March 2013 -Proforma		
	Gross amount	Unrecognised tax effect	Expiry
Tax losses (business loss)	230.47	74.79	Various dates
Tax losses (unabsorbed depreciation)	167.89	54.48	Infinite period
Total	**398.36**	**129.27**	

28 Financial instruments

A Accounting classification and fair values

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 30 September 2017 were as follows : *Rs in million*

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	0.23	-	-	**0.23**	0.23	-	-	-
Financial asset not measured at fair value*										
Loans	402.06	-	-	-	-	**402.06**	-	-	-	-
Trade receivables	222.04	-	-	-	-	**222.04**	-	-	-	-
Cash and cash equivalents	1,007.31	-	-	-	-	**1,007.31**	-	-	-	-
Bank balances other than above	1,117.03	-	-	-	-	**1,117.03**	-	-	-	-
Other financial assets	283.79	-	-	-	-	**283.79**	-	-	-	-
Total	**3,032.23**	**-**	**0.23**	**-**	**-**	**3,032.46**	**0.23**	**-**	**-**	**-**
Financial liabilities measured at fair value										
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	2,528.76	**2,528.76**	-	-	-	-
Trade payables	-	-	-	-	327.16	**327.16**	-	-	-	-
Other financial liabilities	-	-	-	-	3,168.82	**3,168.82**	-	-	-	-
Total	**-**	**-**	**-**	**-**	**6,024.74**	**6,024.74**	**-**	**-**	**-**	**-**

* The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2017 were as follows *Rs in million*

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	0.23	-	-	0.23	0.23	-	-	0.23
Derivative assets	-	-	18.79	-	-	18.79	-	18.79	-	18.79
Financial asset not measured at fair value*										
Loans	593.75	-	-	-	-	593.75	-	-	-	-
Trade receivables	167.91	-	-	-	-	167.91	-	-	-	-
Cash and cash equivalents	787.33	-	-	-	-	787.33	-	-	-	-
Bank balances other than above	61.27	-	-	-	-	61.27	-	-	-	-
Other financial assets	292.56	-	-	-	-	292.56	-	-	-	-
Total	**1,902.82**	**-**	**19.02**	**-**	**-**	**1,921.84**	**0.23**	**18.79**	**-**	**19.02**
Financial liabilities measured at fair value										
Derivative liabilities	-	-	21.93	-	-	**21.93**	-	21.93	-	**21.93**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	2,027.24	**2,027.24**	-	-	-	-
Trade payables	-	-	-	-	278.00	**278.00**	-	-	-	-
Other financial liabilities	-	-	-	-	3,098.47	**3,098.47**	-	-	-	-
Total	**-**	**-**	**21.93**	**-**	**5,403.71**	**5,425.64**	**-**	**21.93**	**-**	**21.93**

* The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

28 Financial instruments (continued)

A Accounting classification and fair values (continued)

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2016 (Proforma) were as follows *Rs in million*

Particulars	**Other financial assets amortised cost**	**Financial assets/ liabilities at fair value through profit or loss**		**Fair value through OCI**	**Other financial liabilities**	**Total carrying value**	**Fair value**			
		Designated upon initial recognition	**Mandatory**				**Level 1**	**Level 2**	**Level 3**	**Total**
Financial asset measured at fair value										
Investments in mutual funds	-	-	2.92	-	-	**2.92**	2.92	-	-	2.92
Derivative assets	-	-	366.88	-	-	**366.88**	-	366.88	-	366.88
Financial asset not measured at fair value*										
Loans	707.29	-	-	-	-	**707.29**	-	-	-	-
Trade receivables	119.89	-	-	-	-	**119.89**	-	-	-	-
Cash and cash equivalents	269.46	-	-	-	-	**269.46**	-	-	-	-
Bank balances other than above	42.38	-	-	-	-	**42.38**	-	-	-	-
Other financial assets	439.59	-	-	-	-	**439.59**	-	-	-	-
Total	**1,578.61**	**-**	**369.80**	**-**	**-**	**1,948.41**	**2.92**	**366.88**	**-**	**369.80**
Financial liabilities measured at fair value										
Derivatives liabilities	-	-	343.51	-	-	**343.51**	-	343.51	-	343.51
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	2,464.92	**2,464.92**	-	-	-	-
Trade payables	-	-	-	-	234.54	**234.54**	-	-	-	-
Other financial liabilities	-	-	-	-	2,866.03	**2,866.03**	-	-	-	-
Total	**-**	**-**	**343.51**	**-**	**5,565.49**	**5,909.00**	**-**	**343.51**	**-**	**343.51**

* The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2015 (Proforma) were as follows *Rs in million*

Particulars	**Other financial assets amortised cost**	**Financial assets/ liabilities at fair value through profit or loss**		**Fair value through OCI**	**Other financial liabilities**	**Total carrying value**	**Fair value**			
		Designated upon initial recognition	**Mandatory**				**Level 1**	**Level 2**	**Level 3**	**Total**
Financial asset measured at fair value										
Investments in mutual funds	-	-	2.78	-	-	**2.78**	2.78	-	-	2.78
Derivative assets	-	-	532.01	-	-	**532.01**	-	532.01	-	532.01
Financial asset not measured at fair value*										
Loans	575.13	-	-	-	-	**575.13**	-	-	-	-
Trade receivables	75.44	-	-	-	-	**75.44**	-	-	-	-
Cash and cash equivalents	596.87	-	-	-	-	**596.87**	-	-	-	-
Bank balances other than above	93.62	-	-	-	-	**93.62**	-	-	-	-
Other financial assets	510.88	-	-	-	-	**510.88**	-	-	-	-
Total	**1,851.94**	**-**	**534.79**	**-**	**-**	**2,386.73**	**2.78**	**532.01**	**-**	**534.79**
Financial liabilities measured at fair value										
Derivatives liabilities	-	-	527.92	-	-	**527.92**	-	527.92	-	527.92
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	3,632.93	**3,632.93**	-	-	-	-
Other financial liabilities	-	-	-	-	3,378.32	**3,378.32**	-	-	-	-
Trade payables	-	-	-	-	136.17	**136.17**	-	-	-	-
Total	**-**	**-**	**527.92**	**-**	**7,147.42**	**7,675.34**	**-**	**527.92**	**-**	**527.92**

* The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

28 Financial instruments (continued)

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2014 (Proforma) were as follows : *Rs in million*

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	3.97	-	-	**3.97**	3.97	-	-	**3.97**
Derivative assets	-	-	31.63	-	-	**31.63**	-	31.63	-	**31.63**
Financial asset not measured at fair value*										
Loans	16.34	-	-	-	-	**16.34**	-	-	-	-
Trade receivables	134.77	-	-	-	-	**134.77**	-	-	-	-
Cash and cash equivalents	507.90	-	-	-	-	**507.90**	-	-	-	-
Bank balances other than above	93.41	-	-	-	-	**93.41**	-	-	-	-
Other financial assets	288.75	-	-	-	-	**288.75**	-	-	-	-
Total	**1,041.17**	**-**	**35.60**	**-**	**-**	**1,076.77**	**3.97**	**31.63**	**-**	**35.60**
Financial liabilities measured at fair value										
Derivative liabilities	-	-	33.73	-	-	**33.73**	-	33.73	-	**33.73**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	3,299.78	**3,299.78**	-	-	-	-
Trade payables	-	-	-	-	235.68	**235.68**	-	-	-	-
Other financial liabilities	-	-	-	-	3,046.72	**3,046.72**	-	-	-	-
Total	**-**	**-**	**33.73**	**-**	**6,582.18**	**6,615.91**	**-**	**33.73**	**-**	**33.73**

The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2013 (Proforma) were as follows : *Rs in million*

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	15.64	-	-	**15.64**	15.64	-	-	**15.64**
Derivative assets	-	-	92.90	-	-	**92.90**	-	92.90	-	**92.90**
Financial asset not measured at fair value*										
Loans	13.42	-	-	-	-	**13.42**	-	-	-	-
Trade receivables	145.87	-	-	-	-	**145.87**	-	-	-	-
Cash and cash equivalents	219.85	-	-	-	-	**219.85**	-	-	-	-
Bank balances other than above	317.28	-	-	-	-	**317.28**	-	-	-	-
Other financial assets	111.79	-	-	-	-	**111.79**	-	-	-	-
Total	**808.21**	**-**	**108.54**	**-**	**-**	**916.75**	**15.64**	**92.90**	**-**	**108.54**
Financial liabilities measured at fair value										
Derivative liabilities	-	-	94.31	-	-	**94.31**	-	94.31	-	**94.31**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	1,310.36	**1,310.36**	-	-	-	-
Trade payables	-	-	-	-	209.43	**209.43**	-	-	-	-
Other financial liabilities	-	-	-	-	2,709.49	**2,709.49**	-	-	-	-
Total	**-**	**-**	**94.31**	**-**	**4,229.28**	**4,323.59**	**-**	**94.31**	**-**	**94.31**

Measurement of fair values

The following methods and assumptions were used to estimate the fair value:

a) The fair value of the units of mutual fund schemes are based on net asset value at the reporting date.

b) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

c) The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Group reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

28 Financial Instruments (continued)

B Financial risk management

The Group's activities expose it to a variety of financial risks as mentioned below :
- Market risk
- Credit risk
- Liquidity risk.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices, such as foreign exchange rates and interest rates.

1 Currency risk

The Company purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

The following table analyzes foreign currency risk from financial instruments : *Rs In million*

	As at					
Particulars	**30 September 2017**	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Trade payables (USD)	2.78	22.73	260.42	67.69	15.09	20.92
Borrowings (USD)	-	-	279.91	447.81	-	-
Buyers credit (USD)	-	18.48	63.60	80.10	31.12	89.32
Net liabilities	**2.78**	**41.21**	**603.93**	**595.60**	**46.21**	**110.24**

Sensitivity analysis

A reasonably possible strengthening(weakening) of the Indian Rupee against all other currencies as at the end of the period would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all others variables , in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. *Rs In million*

	As at					
Particulars	**30 September 2017**	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Impact on profit or loss						
USD by 1% increase	(0.03)	(0.41)	(6.04)	(5.96)	(0.46)	(1.10)
USD by 1% decrease	0.03	0.41	6.04	5.96	0.46	1.10
Impact on equity, net of taxes						
USD by 1% increase	(0.03)	(0.41)	(6.04)	(5.96)	(0.46)	(1.10)
USD by 1% decrease	0.03	0.41	6.04	5.96	0.46	1.10

28 Financial Instruments (continued)

2 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's debt obligations with floating interest rates and investments. such risks are overseen by the company's corporate treasury department are well as senior management.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows.

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Floating Rate instruments						
Financial liabilities	3,405.86	2,891.37	3,853.64	1,287.86	1,157.40	1,231.48
Impact on Profit : Increase/(Decrease)						
Interest rates - increase by 100 basis points	(34.06)	(28.91)	(38.54)	(12.88)	(11.57)	(12.31)
Interest rates - decrease by 100 basis points	34.06	28.91	38.54	12.88	11.57	12.31
Impact on Equity : Increase/(Decrease)						
Interest rates - increase by 100 basis points	(34.06)	(28.91)	(38.54)	(12.88)	(11.57)	(12.31)
Interest rates - decrease by 100 basis points	34.06	28.91	38.54	12.88	11.57	12.31

3 Credit risk

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed. The Group's exposure to credit risk arises mainly from the trade receivables, loans given, financial guarantee contracts and derivative financial instruments.

The Group's major revenue streams arise from services provided to end use customers in the form of monthly subscription. The trade receivables on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. As the customer base is distributed economically and geographically, there is no concentration of credit risk.

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.222.04 million as on 30 September 2017, Rs.167.91 million as on 31 March 2017, Rs.119.89 million as on 31 March 2016, Rs.75.44 million as on 31 March 2015, Rs.134.77 million as on 31 March 2014 and Rs.145.87 million as on 31 March 2013.
Trade receivables are normally unsecured and are derived from revenue earned from domestic customers.The Company minimizes the exposure by disconnecting the service to direct customers whose outstanding is due for more than 45 days. In case of indirect customers, the Company follows a credit period ranging from 0 days -180 days.

Reconciliation of changes in in the loss allowances - Trade receivable

Rs In Million

Particulars	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Opening balance	84.30	72.48	89.06	81.28	76.08	38.31
Provided during the year	5.22	15.60	9.91	6.74	19.96	23.68
Amounts written off/reversal of provision	30.29	3.78	26.49	(1.04)	14.76	(14.09)
Closing balance	59.23	84.30	72.48	89.06	81.28	76.08

28 Financial Instruments (continued)

C Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group will always have sufficient liquidity to meet its liabilities when due, by maintaining positive operating cash flows. The Company's senior management monitors the Company's net liquidity position through rolling forecast on basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 30 September 2017: *Rs In million*

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Secured Bank Loan	868.76	1,994.39	534.37	3,397.52
Finance lease	8.34	-	-	8.34
Trade payables	327.16	-	-	327.16
Other financial liabilities	2,242.80	-	-	2,242.80

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2017: *Rs In million*

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Secured Bank Loan	845.64	1,655.55	351.78	2,852.97
Foreign currency buyer's credit	18.48	-	-	18.48
Finance lease	18.50	1.43	-	19.93
Trade payables	278.00	-	-	278.00
Other financial liabilities	2,207.35	-	-	2,207.35

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2016 Proforma : *Rs In million*

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Secured Bank Loan	1,361.55	1,467.08	913.88	3,742.51
Foreign currency buyer's credit	46.12	17.47	-	63.59
Finance lease	27.17	20.36	-	47.53
Trade payables	234.54	-	-	234.54
Other financial liabilities	1,756.36	-	-	1,756.36

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2015 Proforma : *Rs In million*

Particulars	Less than 1 year	1-3 years	Above 3years	Total
11% Redeemable Non- Convertible Debentures	-	2,005.48	-	2,005.48
Preference shares classified as financial liabilities	-	737.36	-	737.36
Secured Bank Loan	331.61	558.18	223.23	1,113.02
Foreign currency buyer's credit	42.66	37.44	-	80.10
Finance lease	66.16	28.58	-	94.74
Trade payables	136.17	-	-	136.17
Other financial liabilities	3,137.08	-	-	3,137.08

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2014 Proforma : *Rs In million*

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Preference shares classified as financial liabilities	-	666.25	-	666.25
11% Redeemable Non- Convertible Debentures	-	1,428.84	-	1,428.84
Secured Bank Loan	272.74	726.06	17.34	1,016.14
Foreign currency buyer's credit	31.12	-	-	31.12
Finance lease	62.01	48.13	-	110.14
Loans repayable on demand	382.04	-	-	382.04
Trade payables	235.68	-	-	235.68
Other financial liabilities	2,703.16	-	-	2,703.16

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2013 Proforma *Rs In million*

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Bank overdraft	0.51	-	-	0.51
Secured Bank Loan	270.27	675.96	43.61	989.84
Foreign currency buyer's credit	89.32	-	-	89.32
Finance lease	62.88	88.94		151.82
Loans repayable on demand	412.04	-	-	412.04
Trade payables	209.43	-	-	209.43
Other financial liabilities	2,440.16	-	-	2,440.16

Capital management

The Group's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 14 and 31 March 2013 was as follows:

Rs in million

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Total equity attributable to the equity shareholders of the group	6,095.85	4,835.92	3,178.38	363.69	(7.95)	(201.25)
As a percentage of total capital	**64.16%**	**62.58%**	**45.20%**	**8.28%**	**-0.22%**	**-13.95%**
Long-term borrowings including current maturities	3,405.86	2,872.90	3,807.52	3,988.04	3,221.37	1,141.65
Short-term borrowings	-	18.48	46.12	42.66	413.16	501.87
Total borrowings	**3,405.86**	**2,891.38**	**3,853.64**	**4,030.70**	**3,634.53**	**1,643.52**
As a percentage of total capital	35.84%	37.42%	54.80%	91.72%	100.22%	113.95%
Total capital (equity and borrowings)	**9,501.72**	**7,727.30**	**7,032.02**	**4,394.39**	**3,626.58**	**1,442.27**

29 Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Rs in million except equity share and per equity share data)

	For the period ended 30 September 2017	For year ended 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Profit / (loss) after tax attributable to equity share holders	1,207.70	1,489.39	729.45	305.14	348.56	(373.60)
Weighted average number of equity shares used for computation of basic earnings per share	53,010,897	52,993,367	48,094,238	36,458,796	34,905,162	34,829,266
Add : Effect of potentially dilutive equity shares - Share application money pending allotment	-	-	3,850,274	15,485,716	-	-
Add : Effect of potentially dilutive equity shares - Employee Stock option	195,159	30,801	995,242	671,123	-	-
Weighted average number of equity shares used for computation of diluted earnings per share	53,206,056	53,024,168	52,939,754	52,615,635	34,905,162	34,829,266
Earnings/ (loss) per share						
Basic	22.78 *	28.11	15.17	8.37	9.99	(10.73)
Diluted	22.70 *	28.09	13.78	5.80	9.99	(10.73)

* (Not annualised)

30 Contingent liabilities and commitments (to the extent not provided for)

Rs In million

Particulars	As at 30 September 2017	As at 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Contingent liabilities :						
Expected claims	10.00	10.00	-	-	-	-
Direct and indirect tax litigations	137.20	131.66	158.76	154.55	142.25	98.41
Uncalled liability on equity shares partly paid up	-	-	-	0.07	-	-
Penalty on non compliance of requirement of Companies Act, 1956	-	-	-	-	-	0.75
Provident fund assessment orders	20.87	20.87	20.87	20.87	20.87	-
Commitments :						
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (Refer note (i) below)	1,054.03	908.57	494.20	270.58	186.06	247.91
Other commitments	-	-	-	-	45.25	-

The Parent Company has given letter of support to the following associate company and companies with common shareholders to provide the necessary financial support to ensure that they can continue uninterrupted business operations to operate as a going concern and meet its obligation.

a) Associate company

(i) Atria Broadband Services Private Limited- for twelve months from 31 March 2016 and 31 March 2017.

b) Companies with common shareholders

OBRM Service Management Private Limited, CTV Content Management Private Limited and Clover Program Management Private Limited- for twelve months from 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016.

Notes

i) The Group is required to spend under a contract to purchase property, plant and equipment and other intangible assets.

ii) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

iii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the advice from the Group's legal counsel, management does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.

31 Operating lease

a) The Group is obligated under cancellable operating leases for offices and rent towards placement of PoP boxes which are renewable at the option of both the lessor and the lessee. The Group is obligated under non-cancellable operating leases for office premises and also obligated to pay fees for usage of electric poles for laying cables in certain cities.The details of expenses are here under:

Rs In million

	For the period ended 30 September 2017	For year ended 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
i) Cancellable operating lease	201.57	334.62	227.17	156.62	106.25	78.64
ii) Fees for usage of electric poles	62.64	144.25	89.57	26.39	-	-
iii) Non cancellable operating lease	40.92	73.09	66.29	68.14	61.73	35.19
	305.14	**551.96**	**383.03**	**251.15**	**167.98**	**113.83**

Future minimum lease payments under non-cancellable operating leases are as follows: *Rs In million*

	As at 30 September 2017	As at 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Payable within one year	74.87	78.01	65.07	68.01	60.28	35.31
Payable between one and five years	208.44	235.15	189.55	273.39	276.64	182.80
Payable after five years	41.85	52.76	52.26	48.21	127.61	73.49

32 With effect from 1 October 2014, the Parent Company had approved a reorganisation of its business activities, resulting in the transfer of certain activities and their related assets and liabilities to a subsidiary and an associate company within the group.

33 During the financial year 2014-15, as part of reorganisation the Parent Company divested 13,181 shares of Á.C.N Cable Private Limited ("A.C.N"), a subsidiary and 4,947 shares of Atria Broadband Services Private Limited ("ABS"), a subsidiary to Nine International Securities Private Limited and 255 shares of ABS to Fine Tune Trading Services Private Limited. Total purchase consideration for A.C.N shares aggregated to Rs. 172.8 million and for ABS shares was Rs. 24.67 million. Pursuant to this, ACN and ABS became associate of the Company.

34 During the financial year 2013-14, the Parent Company had refunded share application money of Rs 2,030 million to Clover Program Management Private Limited and received fresh share application money of Rs 2,070 million from India Value Fund III-A. This share application money was outstanding for more than one year pending approval from Foreign Investment Promotion Board, India (‘FIPB’). During the financial year 2015-16, the Company had allotted the equity shares post receipt of approval from FIPB.

35 (a) Beam Telecom Private Limited ('Beam'), a subsidiary Company, had entered into contracts for certain services with two companies where there were common directors. There was a non compliance of section 297 of the Companies Act, 1956, as Beam had common directors with both those companies and paid up share capital of the Beam was in excess of the limit specified under this section. The provision of this section required prior central government approval before entering into the contract with these companies. Beam had applied to the Ministry of corporate affairs, Government of India, for compounding of offence and approval of the contracts.

(b) During the financial year 2012-13, the Parent Company had renewed a contract with Kable First India Private Limited (Kable First), a subsidiary, for certain services. There was a non compliance of section 297 of the Companies Act, 1956, as the Company had common directors with Kable First and paid up share capital was in excess of the limit specified under this section. The provision of this section required prior central government approval before entering into the renewed contract. The Company had applied to the Ministry of corporate affairs, Government of India, for compounding of offence and approval of the contract.

36 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Group are given below:

	As at 30 September 2017	As at 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
The principal amount remaining unpaid to any supplier as at the end of the year	-	-	-	-	-	-
The interest due on the principal remaining outstanding as at the end of the year	-	-	-	-	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-	-	-	-	-

37 Impairment testing for cash-generating units containing goodwill *Rs In million*

Statement of carrying value of goodwill on consolidation

Particulars	**As at 30 September 2017**	**As at 31 March 2017**	**2016 Proforma**	**2015 Proforma**	**2014 Proforma**	**2013 Proforma**
Carrying amount at the beginning of the year	261.44	261.44	260.06	366.60	529.91	498.49
Acquisition/ (divestment of investments)	-	-	1.38	(106.54)	(163.31)	31.42
Provision for impairment of goodwill	(120.19)	-	-	-	-	-
Carrying amount at the end of the year	**141.25**	**261.44**	**261.44**	**260.06**	**366.60**	**529.91**

Impairment analysis was performed for the goodwill on consolidation. For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. The aggregate carrying amounts of goodwill allocated to each unit are as follows :

	As at 30 September 2017	**As at 31 March 2017**	**2016 Proforma**	**2015 Proforma**	**2014 Proforma**	**2013 Proforma**
ACT Digital Home Entertainment Private Limited	88.16	88.16	88.16	86.78	94.69	94.69
Kable First India Private Limited	53.09	173.28	173.28	173.28	173.28	173.28
Beam Telecom Private Limited	-	-	-	-	-	165.94
Others	-	-	-	-	98.63	96.00
	141.25	**261.44**	**261.44**	**260.06**	**366.60**	**529.91**

The Company has a procedure for testing goodwill impairment for determining the recoverable value of such assets.The recoverable amount of the Cash-Generating Unit ("CGU") is based on its value in use ("VIU"). The VIU is determined based on discounted cash flow projections. The Company has been witnessing a significant decline in the expected cash flows of Kable First India Private Limited, a subisidiary providing cable TV services-a CGU. During the period ended 30 September 2017, the Company determined that the estimated recoverable value of the CGU is lower than its carrying cost and consequently, the Company has recorded an impairment loss following the guidance under Ind AS 36 "Impairment of assets".

Key assumptions on which the Company has based its determination of VIUs include:

a) Estimated cash flow for five years based on formal approved internal management budgets with extrapolation of remaining period, wherever such budgets were shorter than five years period.

b) Weighted Average Cost of Capital % (WACC)- before tax 15.00% - 15.60%

c) Average sale value growth 15.06% - 15.76%

d) The growth rates used to estimate future performance are based on the estimates from past performance.

38 Scheme of Amalgamation

a) Background

Beam Telecom Private Limited ('Beam') was a private limited company incorporated under the Companies Act, 1956 ('the Act') with its registered office in Hyderabad, India. Beam was a subsidiary of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited) (ACT).

Vide a Scheme of Amalgamation (the Scheme) pursuant to Section 391 to 394 of the Companies Act, 1956 (the Act) and other applicable provisions of the Act and Rules was approved for merger of Beam with ACT by the Hon'ble High Court of judicature at Bangalore vide its order dated 26 June 2014 and by the Hon'ble High Court of judicature at Hyderabad vide their Order dated 21 July 2014. The Scheme had become effective on 23 September 2014, the appointed date of the Scheme being 1 April 2013.

Therefore though the High Court approval of the order was passed in financial year 2014-15, it is adjusted retrospectively as part of restatement to the year to which it relates in the restated consolidated financial statements (i.e financial year 2013-14).

b) The method of accounting used to reflect the amalgamation

The Amalgamation was accounted for under the "Purchase" method as prescribed in the Accounting Standard 14 – "Accounting for Amalgamation" notified by the Central Government under section 211 (3C) of the Act, as amended from time to time, except that the goodwill shall be adjusted against the capital reserve. Accordingly, the assets, liabilities and reserves of Transferor companies as at 1 April 2013 have been taken over at their fair value, except to ensure uniformity of accounting policies. The details of the same are given below:

Rs In million

Particulars	**Beam Telecom Private Limited**
Gross assets as at 1 April 2013	1,870.43
Less: loans and other liabilities as at 1 April 2013	1,010.86
Net assets (A) as at 1 April 2013	**859.57**
Existing investment in Beam Telecom Private Limited as at 1 April 2013	458.80
Further investment during the year ended 31 March 2014 in Beam Telecom Private Limited	667.44
Total investment made (B)	**1,126.24**
Purchase consideration payable (C) - Fair value of 920,842, 0.0001%, Optionally Convertible Redeemable Preference Shares of Rs 10/- each fully paid-up	**602.00**
Goodwill (C-A+B)	**868.67**

In accordance with Ind AS 109, the aforementioned purchase consideration of Rs 602 million have been accounted as preference share capital - financial liability at amortised cost.

The Company has been amortizing Goodwill on Merger in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bangalore and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted Goodwill on Merger in accordance with Ind AS from the date of transition to Ind AS, and the surplus in the statement of profit and loss would have been higher by Rs.173.73 million and Rs 86.63 million for the financial year ended 31 March 2017 and for the six months period ended 30 September 2017, respectively.

38 Scheme of Amalgamation (continued)

c) Authorized share capital

i) Upon the Scheme coming into effect and with effect from the Appointed Date, the authorized share capital of the transferee of Rs 600,000,000/- (divided into 60,000,000 equity shares of Rs 10/- each) shall stand enhanced by an aggregate amount of Rs 100,000,000/- and the entire authorized share capital of transferor so transferred shall all be classified as 0.0001% Optionally Convertible Redeemable Preference Share Capital of transferee. Accordingly, clause V of the Memorandum of Association of the Company shall, without any further act, instrument or deed, stand modified and reclassified as necessary.

ii) Accordingly, the Authorized Share Capital of the Company is Rs 700,000,000 (Rupees Seven hundred million only) divided into 60,000,000 (Sixty million) equity shares of Rs 10 each and 10,000,000 (ten million) 0.0001% Optionally Convertible Redeemable Preference Shares of Rs 10 each.

d) The following adjustments were made to the audited consolidated financial statements for financial year 2013-14 owing to the retrospective adjustment for merger as part of restatement:

Balance sheet *Rs In million*

	As per audited consolidated financial statements (A)	Restated previous GAAP figures (B)	Variance (B-A)	Note reference
Non current liabilities	2,356.81	2,958.81	602.00	(i)
Current liabilities	4,495.96	4,274.92	(221.04)	(ii)
Non current assets	5,784.52	5,898.02	113.50	(iii)
Current assets	1,031.81	1,018.91	(12.90)	(iv)

Statement of profit and loss *Rs In million*

	As per audited financial statements (A)	Restated previous GAAP figures (B)	Variance (B-A)	Note reference
Total revenues **(A)**	4,275.42	4,275.42	-	
Expenses **(B)**	4,220.85	4,407.48	186.63	(v)
Profit before tax (**C**)=A-B	54.57	(132.06)	(186.63)	(v)
Tax expense (**D)**	235.75	15.16	(220.59)	(vi)
Loss after tax (E)=C-D	**(181.18)**	**(147.22)**	**33.96**	

Notes

(i) Pertains to purchase consideration payable to the shareholders of the transferor Company .

(ii) Pertains to provision for income-tax in the books of transferor Company for the financial year 2013-14, reversed since the transferee Company did not have a tax liability under the provisions of Income-tax Act, 1961 .

(iii) Non current assets were adjusted for the following : *Rs In million*

Particulars	**Amount**
Goodwill on amalgamation recognised (net of amortisation for financial year 2013-14)	694.93
Goodwill on consolidation of the transferor Company derecognised as at 31 March 2014	(581.02)
De-recognition of deferred tax assets recognised by the transferor Company as there was no virtual certainty of future taxable income in the transferee Company.	(34.96)
Withholding tax receivable of the financial year 2013-14 of the tranferor Company earlier netted of with provision for income tax	34.55
Net impact	**113.50**

(iv) The transferor Company had the policy to maintain inventory which on amalgamation has been charged off by the transferee Company as it did not have an policy to maintain inventory.

(v) The impact on expenses is on account of the following adjustments: *Rs In million*

Particulars	**Amount**
Amortisation of goodwill on consolidation	173.73
Inventory charged off	12.90
Total impact	**186.63**

(vi) Tax expense pertains to provision for income tax and deferred tax as explained in note ii and iii above.

39 Employee Benefits

a. Defined contribution plan

The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance for the period ended 30 September 2017 aggregated to Rs 70.53 million and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 aggregated to Rs. 100.45 million, Rs.79.52 million, Rs. 69.31 million, Rs.59.54 million and Rs.43.89 million respectively.

b. Defined benefit plan

The Group has unfunded defined benefit gratuity plan. Every employee who had completed five years or more of service was eligible to a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following table summarizes the components of net benefit expense recognized in the statement of profit and loss, funded status of the gratuity plans and amounts recognized in the balance sheet as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013:

c. Statement of reconciliation of present value of defined benefit obligations

Rs in million

Particulars	As at 30 September 2017	As at 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Change in benefit obligations						
Benefit at the beginning of the year	129.96	83.43	47.09	33.64	26.32	13.01
Current service cost	16.26	24.23	14.70	9.50	8.62	16.17
Interest cost	4.31	6.10	3.56	2.75	1.94	1.11
Remeasurements due to :						
change in experience adjustment	11.00	10.22	19.16	2.56	0.60	-
change in demographic assumptions	-	(3.38)	-	-	(0.15)	-
changes in financial assumptions	20.57	14.36	1.81	2.92	(2.22)	-
Benefits paid	(2.18)	(5.00)	(2.89)	(4.28)	(1.47)	(3.97)
Balance at the end of the year	**179.92**	**129.96**	**83.43**	**47.09**	**33.64**	**26.32**

d. Net defined benefit liability

Rs in million

Particulars	As at 30 September 2017	As at 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Non-current	154.76	110.89	74.42	42.19	29.68	24.05
Current	25.16	19.07	9.01	4.90	3.96	2.27

e. Expenses recognised in the statement of profit and loss under employee benefits expense:

Rs in million

Particulars	For the period ended 30 September 2017	For the year ended 31 March				
		2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Current service cost	16.26	24.23	14.70	9.50	8.62	16.17
Interest cost	4.31	6.10	3.56	2.75	1.94	1.11
Net gratuity cost	**20.57**	**30.33**	**18.26**	**12.25**	**10.56**	**17.28**

f. Remeasurement recognised in other comprehensive income

Remeasurements recognised in other comprehensive income (excluding tax)

Rs in million

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
(Gain)/loss from changes in demographic assumptions	-	(3.38)	-	-	(0.15)	-
(Gain)/loss from changes in experience adjustments	11.00	10.22	19.16	2.56	0.60	-
(Gain)/loss from changes in financial assumptions	20.57	14.36	1.81	2.92	(2.22)	-
	31.57	**21.20**	**20.97**	**5.48**	**(1.77)**	**-**

g. Actuarial assumptions

The weighted-average assumptions used to determine benefit obligations are set out below:

Particulars	As at 30 September 2017	As at 31 March 2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Discount rate	6.70%	7.25%	7.75% to 8.10%	8.00% to 8.10%	7.90% to 8.70%	7.90% to 8.70%
Salary escalation rate	11.00% to 12.00%	8.00% to 11.00%	8.00% to 10.00%	8.00% to 10.00%	8.00%	8.00%
Retirement age	60 years	60 years	60 years	60 years	60 years	60 years
Attrition rate	18.00% to 20.00%	18% to 20%	8% to 15%	8% to 15%	8% to 15%	8% to 15%
Mortality rate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate

Notes:

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

h. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Rs in million

	30 September 2017		31 March 2017		31 March 2016 Proforma		31 March 2015 Proforma		31 March 2014 Proforma		31 March 2013 Proforma	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (50bps movement)	(4.97)	5.24	(3.41)	3.59	(2.67)	2.83	(1.49)	1.58	(0.95)	1.00	(0.95)	1.00
Future salary growth (50bps movement)	4.36	(4.25)	3.17	(3.08)	2.61	(2.51)	1.46	(1.40)	0.83	(0.80)	0.92	(0.86)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

i. Expected future cash flows

Rs in million

Expected future benefits payments	As at 30 September 2017	As at 31 March 2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Within one year	24.78	19.01	8.96	4.86	3.85	2.19
Between one to three years	51.12	39.55	21.08	11.69	8.55	5.11
Between three to five years	46.59	35.97	21.77	12.82	9.60	6.05
After five years	158.95	113.00	106.06	60.95	46.64	42.59

The weighted average duration to the payment of these cash flows is 5.72 to 6.04 years as at 30 September 2017, 5.34 to 10.37 years as at 31 March 2017, 6.48 to 10.58 years as at 31 March 2016, 6.50 to 8.19 years as at 31 March 2015, 5.74 to 8.06 years as at 31 March 2014 and 6.85 to 10.71 years as at 31 March 2013.

40 Related Party Transactions

a) Parties where control exists:

India Value Fund III-A	Represented by its sole trustee IVF Trustee Company Private Limited upto 5 May 2016
Argan (Mauritius) Limited	Holding company from 6 May 2016
TA FVCI Investors Limited	Shareholder from 6 May 2016

b) Parties with whom transactions have taken place

A.C.N. Cable Private Limited	Subsidiary company upto 25 September 2014. Associate company from 26 September 2014
Atria Broadband Services Private Limited	Subsidiary company upto 25 September 2014. Associate company from 26 September 2014
IB Communications Network Private Limited	Step down Subsidiary company upto 25 September 2014. Associate company from 26 September 2014
Raja Rajeshwari Entertainment Private Limited	Step down Subsidiary company upto 25 September 2014. Subsidiary of a associate company from 26 September 2014
ATS Broadcom Services	Firm in which director is a partner

c) List of key management personnel

C.S. Sunder Raju	Managing Director upto 8 March 2018
Bala S.Malladi	Chief Executive Officer
Venkatesh H. Bhat	Chief Finance Officer upto 03 September 2017
Eashwar.S.Iyer	Chief Finance Officer from 04 September 2017
Jithesh Chathambil	Company Secretary from 21 December 2015

d) Non-executive directors

C.S. Sunder Raju	With effect from 9 March 2018
Kupparaju Nagaraju	Resigned on 6 May 2016
Dhiraj Poddar	Appointed on 6 May 2016
Naveen Wadhera	Appointed on 6 May 2016
Pramod Kabra	
Vishal Gangadhar Nevatia	Resigned on 9 March 2018
Vikram Nirula	Resigned on 9 March 2018
Mahendrakumar Sharma	Appointed on 11 December 2014 upto 8 March 2018

e) Non-executive independent directors

Mahendrakumar Sharma	With effect from 9 March 2018
Nishi Vasudeva	With effect from 9 March 2018
Pangulury Mohan Murty	With effect from 9 March 2018

f) Entities having common control

India Value Fund Managers LLP	Upto 5 May 2016

The details of amounts due to or due from related parties as at 30 September 2017, 31 March 2017, 31 March 2016 ,31 March 2015, 31 March 2014 and 31 March 2013 are as follows:

Rs in million

Nature of transaction	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Balance receivable/(payable)						
India Value Fund - IIIA	-	-	-	-	(3.93)	-
TA FVCI Investors Limited	(11.00)	(11.00)	-	-	-	-
A.C.N. Cable Private Limited	12.53	31.05	189.02	141.89	-	-
Raja Rajeshwari Entertainment Private Limited	1.72	0.96	0.02	-	-	-
Atria Broadband Services Private Limited	325.98	318.43	316.24	252.50	-	-
IB Communications Network Private Limited	(0.19)	0.06	0.59	-	-	-
Bala Malladi	22.82	29.99	29.99	30.98	4.58	0.03
Venkatesh H. Bhat	-	3.49	5.49	3.58	0.60	0.55
Eashwar.S.Iyer	1.06	-	-	-	-	-
	352.92	**372.98**	**541.35**	**428.95**	**1.25**	**0.58**
Balance of share application money received from an entity where control exists						
India Value Fund - IIIA	-	-	-	(2,070.00)	(2,070.00)	-
	-	**-**	**-**	**(2,070.00)**	**(2,070.00)**	**-**
Corporate guarantee given by the company						
A.C.N. Cable Private Limited	-	2.30	-	-	-	-
	-	**2.30**	**-**	**-**	**-**	**-**
Investment in associates						
A.C.N. Cable Private Limited	260.64	246.63	232.71	216.08	-	-
Atria Broadband Services Private Limited	-	-	-	0.05	-	-
I.B.Communication Network Private Limited	14.09	16.98	20.81	12.75	-	-
	274.73	**263.61**	**253.52**	**228.88**	**-**	**-**
Purchase consideration receivable						
Atria Broadband Services Private Limited	-	-	-	47.50	-	-
	-	-	-	**47.50**	-	-
Balances of advance towards equity subscription						
Atria Broadband services Private limited	-	-	-	0.37	0.37	0.37
	-	-	-	**0.37**	**0.37**	**0.37**
Interest receivable						
A.C.N. Cable Private Limited	-	-	-	0.03	-	-
	-	-	-	**0.03**	-	-
Balances of advances impaired						
Atria Broadband Services Private Limited	196.39	-	-	-	-	-
	196.39	-	-	-	-	-

40 Related Party Transactions (continued)

The details of the related parties transactions entered into by the Company *Rs in million*

	For the period ended 30 September 2017	For the year ended 31 March 2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Advances given						
A.C.N. Cable Private Limited	20.00	67.50	145.99	67.16	-	-
Atria Broadband Services Private Limited	-	-	69.50	55.46	-	-
IB Communications Network Private Limited	-	-	0.87	0.15	-	-
	20.00	**67.50**	**216.36**	**122.77**	**-**	**-**
Advances repaid						
A.C.N. Cable Private Limited	50.00	307.70	5.00	29.87	-	-
Atria Broadband Services Private Limited	-	21.57	55.51	89.29	-	-
IB Communications Network Private Limited	-	-	-	1.03	-	-
	50.00	**329.27**	**60.51**	**120.19**	**-**	**-**
Issue of equity shares including securities premium						
India Value Fund - IIIA	-	-	2,070.00	-	-	-
	-	**-**	**2,070.00**	**-**	**-**	**-**
Sale of fixed assets/consumables						
A.C.N. Cable Private Limited	14.26	53.18	4.65	74.82	-	-
Atria Broadband Services Private Limited	-	-	0.03	0.83	-	-
	14.26	**53.18**	**4.68**	**75.65**	**-**	**-**
Purchase of fixed assets/consumables						
A.C.N. Cable Private Limited	3.37	2.20	-	-	-	-
Atria Broadband Services Private Limited	-	-	-	0.08	-	-
	3.37	**2.20**	**-**	**0.08**	**-**	**-**
Income received						
Atria Broadband Services Private Limited	-	-	-	0.30	-	-
	-	**-**	**-**	**0.30**	**-**	**-**
Franchisee fees						
A.C.N. Cable Private Limited	106.46	189.40	122.95	68.08	-	-
	106.46	**189.40**	**122.95**	**68.08**	**-**	**-**
Link charges						
Atria Broadband Services Private Limited	-	-	-	10.65	-	-
	-	**-**	**-**	**10.65**	**-**	**-**
Expense incurred by the Company						
A.C.N. Cable Private Limited	13.59	30.93	26.23	17.43	-	-
India Value Fund - IIIA	-	-	-	4.25	-	-
Atria Broadband Services Private Limited	42.98	140.95	87.46	72.45	-	-
IB Communications Network Private Limited	0.26	0.87	0.87	0.86	-	-
India Value Fund Managers LLP	-	-	-	1.30	-	-
Raja Rajeshwari Entertainment Private Limited	0.75	0.95	0.02	-	-	-
	57.58	**173.70**	**114.58**	**96.29**	**-**	**-**
Share application money received						
India Value Fund - IIIA	-	-	-	-	2,070.00	-
	-	**-**	**-**	**-**	**2,070.00**	**-**
Reimbursement of expenses						
A.C.N. Cable Private Limited	3.38	2.61	1.51	27.79	-	-
India Value Fund - IIIA	-	-	-	0.32	3.93	-
Atria Broadband Services Private Limited	20.88	45.34	-	-	-	-
IB Communications Network Private Limited	0.42	1.40	0.27	-	-	-
	24.68	**49.35**	**1.78**	**28.11**	**3.93**	**-**
Collection for the Company						
A.C.N. Cable Private Limited	0.09	-	0.69	-	-	-
Atria Broadband Services Private Limited	6.03	11.04	6.36	-	-	-
	6.12	**11.04**	**7.05**	**-**	**-**	**-**
Refund of equity subscription						
Atria Broadband Services Private Limited	-	-	0.37	-	-	-
	-	**-**	**0.37**	**-**	**-**	**-**
Purchase consideration received						
Atria Broadband Services Private Limited	-	28.50	14.50	4.50	-	-
	-	**28.50**	**14.50**	**4.50**	**-**	**-**
Billing on behalf of associate						
Atria Broadband Services Private Limited	-	-	4.30	-	-	-
	-	**-**	**4.30**	**-**	**-**	**-**
Collection by the Company						
A.C.N. Cable Private Limited	0.79	-	0.97	-	-	-
Atria Broadband Services Private Limited	20.28	53.87	25.30	-	-	-
	21.07	**53.87**	**26.27**	**-**	**-**	**-**
Others						
A.C.N. Cable Private Limited	-	0.14	-	-	-	-
Atria Broadband Services Private Limited	(0.30)	0.52	-	-	-	-
	(0.30)	**0.67**	**-**	**-**	**-**	**-**
Proceeds received on issue of equity shares (including securities premium)						
Bala S.Malladi	-	15.00	-	-	30.00	-
Venkatesh H. Bhat	-	2.75	-	-	3.50	-
	-	**17.75**	**-**	**-**	**33.50**	**-**

40 Related Party Transactions (continued)

The details of the related parties transactions entered into by the Company (continued) *Rs in million*

	For the period ended	For the year ended 31 March				
	30 September 2017	**2017**	**2016 Proforma**	**2015 Proforma**	**2014 Proforma**	**2013 Proforma**
Advance given (net of repayments) to key managerial personnel						
Bala S.Malladi	(7.17)	-	(1.00)	26.40	4.56	0.03
Venkatesh H. Bhat	0.04	(2.00)	1.90	2.98	0.05	0.55
Eashwar.S.Iyer	1.06	-	-	-	-	-
	(6.07)	**(2.00)**	**0.91**	**29.38**	**4.61**	**0.58**

The table below describes the compensation to key managerial personnel: *Rs in million*

Particulars	For the period ended	For the year ended 31 March				
	30 September 2017	**2017**	**2016 Proforma**	**2015 Proforma**	**2014 Proforma**	**2013 Proforma**
Short term employee benefits	44.20	79.75	62.52	61.04	46.61	36.34
Share based payments	36.92	88.42	4.35	4.35	13.30	-
Total	**81.12**	**168.17**	**66.87**	**65.39**	**59.91**	**36.34**

Managerial remunerations does not include gratuity and compensated absences since these have been provided based on the actuarial valuation carried out for the Company as a whole.

41 Segment information

Ind AS 108 “Operating Segment” (“Ind AS 108”) establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance and allocates resources on overall basis.

The Group has structured its business broadly into two verticals – broadband internet services and cable television distribution services. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income.

The assets of the Group are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to certain assets and liabilities since a meaningful segregation is not possible.

Revenue from major customers

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

The Group has the following business segments based on the information reviewed by Group's CODM :

Broadband internet services : comprises of internet services

Cable television distribution services : comprises of cable TV services

Summary of the segmental information for the period ended and as at 30 September 2017 is as follows: *Rs in million*

Particulars	Broadband services	Cable TV services	Unallocated	Consolidated
Segment revenue	6,328.68	432.75	-	6,761.43
Segment results	2,898.04	(83.34)	6.70	2,821.40
Interest income	33.00	0.39	4.91	38.30
Depreciation and amortisation	846.78	48.88	60.19	955.85
Finance costs	161.67	-	17.85	179.52
Profit before taxation	1,922.59	(131.83)	(66.43)	1,724.33
Income tax expense	549.77	32.58	-	582.35
Profit / (loss) for the period	1,372.82	(164.41)	(66.43)	1,141.98
Other information				
Segment assets	13,027.85	1,258.03	553.76	14,839.64
Segment liabilities	7,921.32	595.99	561.25	9,078.59
Capital expenditure	-	-	2,120.48	2,120.48
Share of profit in associates	-	-	11.17	11.17
Investment in associates	-	-	274.73	274.73

Summary of the segmental information for the year ended and as at 31 March 2017 is as follows: *Rs in million*

Particulars	Broadband services	Cable TV services	Unallocated	Consolidated
Segment revenue	11,319.84	764.67	-	12,084.51
Segment results	4,686.87	(58.92)	6.51	4,634.46
Interest income	38.63	0.95	5.00	44.58
Dividend income	0.04	-	0.07	0.11
Depreciation and amortisation	1,357.80	123.24	52.68	1,533.72
Finance costs	419.37	1.08	28.91	449.36
Profit before taxation	2,948.36	(182.29)	(70.01)	2,696.06
Income tax expense	1,209.25	(5.11)	-	1,204.14
Profit / (loss) for the year	1,739.11	(177.18)	(70.01)	1,491.92
Other information				
Segment assets	10,713.10	991.07	818.44	12,522.61
Segment liabilities	6,138.52	1,449.89	476.50	8,064.91
Capital expenditure	-	-	4,040.56	4,040.56
Share of profit in associates	-	-	10.14	10.14
Investment in associates	-	-	263.61	263.61

41 Segment information (continued)

Summary of the segmental information for the year ended and as at 31 March 2016 (Proforma) is as follows: *Rs in million*

Particulars	Broadband services	Cable TV services	Unallocated	Consolidated
Segment revenue	8,033.41	561.18	-	8,594.59
Segment results	3,168.25	(32.59)	(1.42)	3,134.24
Interest income	93.33	3.18	3.23	99.74
Dividend income	0.06	-	0.09	0.15
Depreciation and amortisation	1,064.79	67.30	35.79	1,167.88
Finance costs	680.49	2.25	1.96	684.70
Profit before taxation	1,516.35	(98.96)	(35.85)	1,381.54
Income tax expense	635.70	2.09	8.49	646.28
Profit / (loss) for the year	880.65	(101.05)	(44.34)	735.26
Other information				
Segment assets	8,890.83	668.34	883.01	10,442.18
Segment liabilities	6,905.29	432.24	296.93	7,634.46
Capital expenditure	-	-	2,904.96	2,904.96
Share of profit in associates	-	-	17.79	17.79
Investment in associates	-	-	253.52	253.52

Summary of the segmental information for the year ended and as at 31 March 2015 (Proforma) is as follows: *Rs in million*

Particulars	Broadband services	Cable TV services	Unallocated	Consolidated
Segment revenue	5,193.53	748.37	-	5,941.90
Segment results	1,908.46	31.01	103.24	2,042.71
Interest income	4.09	2.22	67.16	73.47
Dividend income	-	-	0.58	0.58
Depreciation and amortisation	31.10	117.04	785.68	933.82
Finance costs	-	0.14	627.54	627.68
Profit before taxation	1,881.44	(83.95)	(1,242.24)	555.25
Income tax expense	-	5.18	225.79	230.97
Profit / (loss) for the year	1,881.44	(89.13)	(1,468.03)	324.28
Other information				
Segment assets	7,737.86	494.34	390.21	8,622.41
Segment liabilities	8,333.50	196.46	80.01	8,609.97
Capital expenditure	-	-	1,363.10	1,363.10
Share of profit in associates	-	-	(0.14)	(0.14)
Investment in associates	-	-	228.88	228.88

Summary of the segmental information for the year ended and as at 31 March (Proforma) 2014 is as follows: *Rs in million*

Particulars	Broadband services	Cable TV services	Unallocated	Consolidated
Segment revenue	3,332.53	877.34	-	4,209.87
Segment results	953.73	(9.98)	2.74	946.49
Interest income	15.97	0.01	19.78	35.76
Dividend income	-	-	1.96	1.96
Depreciation and amortisation	323.69	113.64	366.86	804.19
Finance costs	68.02	0.27	342.63	410.92
Profit before taxation	577.98	(123.88)	(685.01)	(230.91)
Income tax expense	-	-	(582.84)	(582.84)
Profit / (loss) for the year	577.98	(123.88)	(102.17)	351.93
Other information				
Segment assets	2,786.11	1,048.74	3,300.40	7,135.25
Segment liabilities	1,327.17	314.60	5,703.27	7,345.04
Capital expenditure	-	-	1,713.05	1,713.05

41 Segment information (continued)

Summary of the segmental information for the year ended and as at 31 March 2013 (Proforma) is as follows: *Rs in million*

Particulars	**Broadband internet services**	**Cable television distribution services**	**Unallocated**	**Consolidated**
Segment revenue	2,074.51	802.84	-	2,877.35
Segment results	480.03	(57.80)	(1.48)	420.75
Interest income	7.35	2.75	6.84	16.94
Dividend income	-	3.67	1.36	5.03
Depreciation and amortisation	218.85	175.45	102.92	497.22
Finance costs	41.18	10.55	49.62	101.35
Profit before tax	227.34	(237.38)	(145.81)	(155.85)
Income tax expense	109.93	9.53	(0.18)	119.28
Profit / (loss) for the year	117.41	(246.91)	(145.63)	(275.13)
Other information				
Segment assets	2,008.38	1,290.28	1,270.09	4,568.75
Segment liabilities	1,044.01	363.20	3,384.38	4,791.59
Capital expenditure	-	-	1,424.99	1,424.99

42 A. Investment in equity accounted investees

The Group has interest in the following company listed below. The Group's interest in the company is accounted for using equity method in the consolidated financial statements. The Group has significant influence either by virtue of shareholding being more than 20%. However the Group does not have control or joint control over any of these entities.

Rs in million

Name of the entity *	Place of business	% of ownership interest	Share of profits/(losses)			
			As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma
A.C.N Cable Private Limited	Andhra Pradesh	47.56%	14.01	13.92	16.64	(0.85)
Atria Broadband Services Private Limited	Karnataka	49.00%	-	-	(0.05)	-

Rs in million

Name of the entity *	Place of business	% of ownership interest	Carrying value of investments			
			As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma
A.C.N Cable Private Limited	Andhra Pradesh	47.56%	260.64	246.63	232.71	216.08
Atria Broadband Services Private Limited	Karnataka	49.00%	-	-	-	0.05

* The Companies were subsidiaries upto 26 September 2014.

i) A.C.N Cable Private Limited

The Group has a 47.56% interest in A.C.N Cable Private Limited, an entity which is not listed on any public exchange. The table below also reconciles the summarised financial information to the carrying amount of the groups interest in A.C.N Cable Private Limited.

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma
Non-current assets	942.87	904.20	737.34	562.62
Current assets	213.79	154.86	107.78	85.37
Non-current liabilities	365.24	328.74	73.61	60.29
Current liabilities	362.53	331.06	402.61	242.47
Net assets	**428.89**	**399.26**	**368.90**	**345.23**
Ownership held by the group	47.56%	47.56%	47.56%	47.56%
Groups' share of net assets	**203.98**	**189.89**	**175.45**	**164.19**

Rs In million

	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma
Revenue from operations	400.58	600.47	459.68	223.84
Profit before tax	23.82	42.58	36.00	4.69
Income tax expense	(5.70)	13.37	(0.64)	6.17
Profit/(loss) after tax	29.52	29.20	35.37	(1.48)
Other comprehensive income	(0.05)	0.07	(0.38)	(0.31)
Total comprehensive income	**29.47**	**29.27**	**34.99**	**(1.79)**
Ownership held by the group	47.56%	47.56%	47.56%	47.56%
Group's share of total comprehensive income	**14.01**	**13.92**	**16.64**	**(0.85)**

A. Investment in equity accounted investees (continued)

ii) Atria Broadband Services Private Limited

The Group has a 49.00% interest in Atria Broadband Services Private Limited, an entity which is not listed on any public exchange. The table below also reconciles the summarised financial information to the carrying amount of the groups interest in Atria Broadband Services Private Limited

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma
Non-current assets	197.65	201.05	191.66	148.61
Current assets	41.06	39.93	36.17	24.57
Non-current liabilities	0.83	0.70	0.22	-
Current liabilities	372.69	360.06	340.05	269.63
Net assets	**(134.81)**	**(119.78)**	**(112.44)**	**(96.45)**
Ownership held by the group	49.00%	49.00%	49.00%	49.00%
Group's share of net assets	**(66.06)**	**(58.69)**	**(55.10)**	**(47.26)**

Rs In million

	For the period ended 30 September 2017	For the year ended 31 March 2017	For th year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma
Revenue from operations	109.93	220.20	206.27	90.09
Loss before tax	(15.04)	(7.34)	(15.98)	(5.37)
Income tax expense	-	-	-	-
Loss after tax	(15.04)	(7.34)	(15.98)	(5.37)
Other comprehensive income		-	-	-
Total comprehensive income	**(15.04)**	**(7.34)**	**(15.98)**	**(5.37)**
Ownership held by the group	49.00%	49.00%	49.00%	49.00%
Group's share of Total comprehensive income *	-	-	**(0.05)**	-
Unrecognised share of losses on applying the equity method	**(7.37)**	**(3.60)**	**(7.78)**	**(2.63)**
Cumulative unrecognised share of losses on applying the equity method	**(21.38)**	**(14.01)**	**(10.41)**	**(2.63)**

* The group's share of losses of the associate has been restricted to its interest in the associate.

B. Non Controlling interest

Financial information of subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business	Principal activities	Ownership interest held by the group					
			As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Beam Telecom Private Limited (merged with ACT with effect from 1 April 2013)	Telangana	Broadband internet business	-	-	-	-	-	60.30%
A.C.N Cable Private Limited (subsidiary upto 25 September 2014)	Andhra Pradesh	Cable business	-	-	-	-	91.47%	88.73%
ACT Digital Home Entertainment Private Limited	Andhra Pradesh	Cable business	74.00%	74.00%	74.00%	74.00%	74.00%	74.00%

B. Non Controlling interest (continued)

Financial information of subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business	Principal activities	Ownership interest held by non-controlling interest					
			As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Beam Telecom Private Limited (merged with ACT with effect from 1 April 2013)	Telangana	Broadband internet business	-	-	-	-	-	39.70%
A.C.N Cable Private Limited (subsidiary upto 25 September 2014)	Andhra Pradesh	Cable business	-	-	-	-	8.53%	11.27%
ACT Digital Home Entertainment Private Limited	Andhra Pradesh	Cable business	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%

i) Beam Telecom Private Limited

Summarised statement of profit or loss

Rs in million

	For the year ended 31 March 2013 Proforma
Revenue from operations	1,804.55
Profit for the year	229.17
Other comprehensive income	-
Profit allocated to non-controlling interests	90.98
Other comprehensive income allocated to non-controlling interests	-

Summarised financial information

Rs In million

	As at 31 March 2013 Proforma
Non-current assets	1,525.37
Current assets	345.05
Non current liabilities	194.40
Current liabilities	816.47
Net assets	**859.55**
Net assets attributable to non controlling interest	**341.25**

Summarised cash flow information

Rs In million

	As at 31 March 2013 Proforma
Cash flows from operating activities	613.99
Cash flows used in investing activities	(661.54)
Cash flows from financing activities	103.91
Net increase in cash and cash equivalents	**56.36**

B. Non Controlling interest (continued)

ii) A.C.N Cable Private Limited
Summarised statement of profit or loss

Rs in million

	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Revenue from operation	282.32	232.78
Profit for the year	19.65	9.91
Other comprehensive income	(0.08)	-
Profit allocated to non-controlling interests	2.57	1.12
Other comprehensive income allocated to non-controlling interests	(0.01)	-

Summarised financial information

Rs In million

	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current assets	409.86	281.34
Current assets	75.36	63.51
Non current liabilities	30.65	23.73
Current liabilities	110.42	101.62
Net assets	**344.15**	**219.50**
Net assets attributable to non controlling interest	**29.36**	**24.74**

Summarised cash flow information

Rs In million

	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Cash flows from operating activities	75.71	42.47
Cash flows used in investing activities	(144.50)	(40.31)
Cash flows from/(used in) financing activities	75.17	(0.72)
Net increase in cash and cash equivalents	**6.38**	**1.44**

B. Non Controlling interest (continued)

iii) ACT Digital Home Entertainment Private Limited

Summarised statement of profit or loss

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Revenue from operations	560.37	971.58	572.39	411.33	323.34	369.23
Profit/(loss) for the year	(67.53)	(223.95)	(198.79)	(7.19)	(14.86)	18.06
Other comprehensive income	(0.28)	0.14	0.32	(0.08)	(0.54)	-
Profit/(loss) allocated to non-controlling interests#	(65.19)	2.53	5.42	10.90	0.80	6.38
Other comprehensive income allocated to non-controlling interests	0.06	0.04	0.08	(0.02)	(0.14)	-
Dividends paid to non-controlling interests	-	-	-	-	-	5.81

Summarised financial information

Rs In million

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current assets	1,616.02	1,660.26	1,353.17	622.67	507.33	270.90
Current assets	308.56	268.24	226.51	151.61	75.64	63.30
Non current liabilities	1,069.37	1,103.85	744.25	116.75	54.62	19.12
Current liabilities	1,087.85	1,028.22	815.04	430.19	266.32	38.19
Net assets	**(232.64)**	**(203.57)**	**20.39**	**227.34**	**262.03**	**276.89**
Net assets attributable to non controlling interest#	**77.47**	**142.65**	**140.69**	**136.33**	**134.66**	**64.55**

#Losses has been absorbed by the non-controlling interests to the extent of the non-controlling interests.

Summarised cash flow information

Rs In million

	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Cash flows from operating activities	112.64	271.31	220.21	84.98	110.19	2.98
Cash flows from/(used in) investing activities	(52.64)	(599.27)	(644.64)	(168.31)	(273.67)	46.22
Cash flows from/(used in) financing activities	(75.64)	390.55	420.83	96.17	176.39	(36.38)
Net increase/(decrease) in cash and cash equivalents	**(15.64)**	**62.59**	**(3.60)**	**12.84**	**12.91**	**12.82**

1 Summarized below are the restatement adjustments made to the audited financial statements for the year ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and their impact on the profit / (loss) of the Company:Statement on Adjustments to Audited consolidated financial statements

Rs in million

Particulars	Notes	For the year ended				
		31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
A. Net profit after tax and associates share of profit as per audited financial statements prepared under previous GAAP (including other comprehensive income)		1,995.71	1,274.00	760.16	(147.22)	(271.48)
B. Ind AS Adjustments						
Derivative accounting	A	4.23	(10.45)	6.54	(0.79)	0.21
Employee benefits	B (i)	(8.90)	(27.76)	22.52	2.80	(0.20)
Finance costs	C, D and E	(6.38)	(184.17)	(234.74)	(116.58)	(3.65)
Share based payments	B (ii)	(132.49)	(2.29)	(1.72)	(1.72)	-
Impact on taxes	F	(140.20)	(27.03)	(22.17)	(67.22)	0.20
Others		0.71	1.04	0.23	(0.09)	(0.21)
C. Net profit after tax as per Ind AS		**1,712.68**	**1,023.34**	**530.82**	**(330.82)**	**(275.13)**
D. Restatement adjustments						
Finance costs	C and D	-	(1.46)	(17.83)	19.30	-
Share based payments	B (ii)	12.86	(32.78)	-	-	-
Impact on taxes	F	(247.54)	(267.73)	(192.44)	664.16	-
Total		**(234.68)**	**(301.97)**	**(210.27)**	**683.46**	**-**
E. Total restated comprehensive income for the year		**1,478.00**	**721.37**	**320.55**	**352.64**	**(275.13)**

2 Reconciliation of statement of equity as previously reported under IGAAP and restated Ind AS financial statements

Rs in million

Particulars	Notes	For the year ended				
		31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Total equity as per Indian GAAP		5,258.45	3,139.29	738.27	(481.56)	(173.29)
Ind AS adjustments						
Derivative accounting	A	(0.25)	(4.48)	5.97	(0.58)	0.21
Employee benefits	B (i)	(11.54)	(2.64)	25.12	2.60	(0.20)
Finance costs	C , D and E	(545.53)	(539.15)	(354.97)	(120.23)	(3.65)
Put option over non-controlling Interest	E	(24.32)	(24.32)	(24.32)	(24.32)	(24.32)
Redemption of preference shares debited to securities premium under previous GAAP now reversed	C	176.33	176.33	(410.28)	-	-
Redemption of debentures debited to securities premium and debenture redemption reserve under previous GAAP now reversed	D	344.60	344.60	-	-	-
Impact on taxes	F	(256.42)	(116.22)	(89.19)	(67.02)	0.20
Others		(61.85)	0.97	(0.09)	(0.30)	(0.20)
Total equity as per Ind AS		**4,879.47**	**2,974.38**	**(109.49)**	**(691.41)**	**(201.25)**
Restatement adjustments						
Finance costs	C and D	-	-	1.46	19.30	-
Impact on taxes	F	(43.55)	204.00	471.72	664.16	-
Total restatement adjustments		**(43.55)**	**204.00**	**473.18**	**683.46**	**-**
Total equity		**4,835.92**	**3,178.38**	**363.69**	**(7.95)**	**(201.25)**

Note: To be read together with summary of significant accounting policies in Annexure A-V and notes to the restated consolidated financial information in Annexure A-VI.

3 Notes to the reconciliation

A Other financial assets

Derivative assets & liabilities

Under Indian GAAP, the premium and discount on forward contracts were amortised over the period of the related contract. However, under Ind AS such premium or discount is recognised upfront in the statement of profit and loss. Further, under Ind AS, mark to market gain/(losses) are recorded on the derivative assets/liabilities.

B Employee benefits

i Remeasurement of net defined benefit liability/ asset

Under Ind AS, re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP, the Company has recognised actuarial gains and losses in statement of profit and loss. However, this has no impact in the total comprehensive income and total equity as on 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013.

ii Share based payments

Additional cost recorded in accordance with the requirement of Ind AS 102. Under previous GAAP, the Company used to record cost of share based payments based on intrinsic value.

In the Financial Statements for the years ended 31 March 2017, share based payment expense have been disclosed as prior period items. For the purpose of the Restated Consolidated Financial Information, such prior period items have been adjusted in the respective financial statement captions, in the years to which the prior period items pertains.

3 Notes to the reconciliation (continued)

C Share capital - Reclassification of preference shares as financial liabilities

As per Ind AS 109, the optionally convertible redeemable preference shares have been classified as financial liabilities and have been recognised at amortised cost, using the effective interest rate method. The related interest expense based on effective interest rate is recorded as Ind AS adjustments while the difference in actual payout of interest on early redemption is restated to the respective financials years.

D Borrowings

Debenture

As per Ind AS 109, the redeemable Non- Convertible Debentures have been classified as financial liabilities and have been recognised at amortised cost, using the effective interest rate method. The related additional premium paid on early redemption of non convertible debentures have been recorded as interest expense in the respective financial years.

E Other financial liabilities

Accounting of Put option over Non controlling interest of the subsidiary company.

F Taxes

Current and deferred tax:-

The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments. Certain components of deferred tax have been adjusted in Restated Consolidated Financial Information for the years ended 31 March 2015 and 31 March 2014.

Tax pertaining to earlier years:-

The Statement of Profit and Loss for certain financial years includes amounts paid/ provided for, in respect of shortfall/ excess current tax arising upon filing of tax returns, assessments etc. which have now been adjusted in the respective years to which they relate.

G Retained earnings

Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

H Appropriate adjustments have been made in the restated consolidated summary statements of assets and liabilities, restated consolidated summary statement of profit and loss and restated consolidated summary cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at and for the six months period ended 30 September 2017, prepared in accordance with schedule III of Companies Act, 2013 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

4 Non-adjusting items

An emphasis of matter in the audit report and certain qualifications in the annexure (a statement of matters specified in paragraph 3 and 4 of the Companies [Auditor's Report] Order, 2015) to the audit report of the audited financial statements for the year ended 31 March 2013 and 31 March 2015 respectively, which do not require any quantitative adjustment in the consolidated restated financial information are as follows :

Financial year 2012-13

Emphasis of matter in respect of consolidated financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

The Company had not obtained the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to 31 March 2013. The Company had applied to the Ministry of corporate affairs, Government of India, for compounding of offences and approval of the contracts.

Financial year 2014-15

Qualification in respect of consolidated financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

(i) Undisputed service tax amounting to Rs 0.77 million in one of the subsidiary company was in arrear as at 31 March 2015 for a period of more than six months from the date they became payable; and

(ii) the Parent Company had incurred cash losses in the immediately preceding financial year, One of the associate companies and one subsidiary company has accumulated losses at the end of financial year which is more than fifty percent of their respective net worth and has incurred cash losses in the current and in the immediately preceding financial year, One of the subsidiary companies has not incurred cash losses in the current year, but, had incurred cash losses in the immediately preceding financial year.

5 Restated statement of Other Income *Rs in million*

	Nature (Recurring/non-recurring)	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Interest income from							
-financial assets carried at amortised cost	Recurring	3.75	5.99	5.01	4.09	3.28	1.33
-other advances	Recurring	2.50	11.46	58.29	24.36	4.39	2.14
-fixed deposits	Recurring	26.42	24.25	36.43	45.02	28.09	13.48
-income-tax refund	Non-recurring	5.62	2.87	-	-	-	-
Net gain on foreign exchange fluctuation	Non-recurring	1.25	-	20.73	-	-	-
Changes in fair value of financial assets and liabilities	Non-recurring	-	4.23	-	6.54	-	0.21
Profit on divestment of investments (net)	Non-recurring	-	-	-	90.50	-	-
Profit on sale of business	Non-recurring	-	-	-	1.12	-	-
Profit on sale of fixed assets	Non-recurring	0.06	-	-	11.93	-	-
Provisions/liabilities no longer required written back	Non-recurring	27.39	13.77	8.89	21.14	11.40	10.04
Insurance claims	Non-recurring	-	-	-	12.89	-	-
Dividend income from non-trade mutual funds	Non-recurring	-	0.11	0.15	0.58	1.96	5.03
Miscellaneous income, net	Non-recurring	12.71	23.57	17.76	18.65	19.71	7.34
		79.70	**86.25**	**147.26**	**236.82**	**68.83**	**39.57**

6 Impact of Ind AS adoption on Cash Flows *Rs in million*

Particulars	For the year ended 31 March 2017		
	Previous GAAP*	Adjustments	Ind AS
Net Cash flow from operating activities	4,922.56	466.89	5,389.45
Net cash used in investing activities	(3,265.30)	(464.30)	(3,729.60)
Net cash used in financing activities	(1,342.28)	(2.59)	(1,344.87)
Net increase in cash and cash equivalent	314.98	-	314.98
Cash and cash equivalent as at 1 April 2016	269.46	-	269.46
Cash and cash equivalent as at 31 March 2017	584.44	-	584.44

Particulars	For the year ended 31 March 2016-Proforma		
	Previous GAAP*	Adjustments	Ind AS
Net Cash flow from Operating Activities	3,503.91	(56.73)	3,447.18
Net Cash flow from Investing Activities	(3,011.35)	172.73	(2,838.62)
Net Cash flow from Financing Activities	(819.97)	(112.57)	(932.54)
Net Increase in Cash and Cash Equivalent	(327.41)	3.43	(323.98)
Cash and Cash Equivalent as at 1 April 2015	596.87	(3.43)	593.44
Cash and Cash Equivalent as at 31 March 2016	269.46	-	269.46

	For the year ended 31 March 2015-Proforma		
	Previous GAAP*	Adjustments	Ind AS
Net Cash flow from Operating Activities	2,734.09	(706.26)	2,027.83
Net Cash flow from Investing Activities	(2,449.38)	721.90	(1,727.48)
Net Cash flow from Financing Activities	(195.74)	(10.67)	(206.41)
Net Increase in Cash and Cash Equivalent	88.97	4.97	93.94
Cash and Cash Equivalent as at 1 April 2014	507.90	(8.40)	499.50
Cash and Cash Equivalent as at 31 March 2015	596.87	(3.43)	593.44

	For the year ended 31 March 2014-Proforma		
	Previous GAAP*	Adjustments	Ind AS
Net Cash flow from Operating Activities	1,328.53	190.99	1,519.53
Net Cash flow from Investing Activities	(2,163.03)	525.26	(1,637.77)
Net Cash flow from Financing Activities	1,122.55	(722.47)	400.08
Net Increase in Cash and Cash Equivalent	288.05	(6.21)	281.84
Cash and Cash Equivalent as at 1 April 2013	219.85	(2.19)	217.66
Cash and Cash Equivalent as at 31 March 2014	507.90	(8.40)	499.50

	For the year ended 31 March 2013-Proforma		
	Previous GAAP*	Adjustments	Ind AS
Net Cash flow from Operating Activities	190.10	(100.16)	89.94
Net Cash flow from Investing Activities	(1,365.55)	49.73	(1,315.82)
Net Cash flow from Financing Activities	1,294.71	60.73	1,355.44
Net Increase in Cash and Cash Equivalent	119.26	10.31	129.57
Cash and Cash Equivalent as at 1 April 2012	100.59	(12.49)	88.10
Cash and Cash Equivalent as at 31 March 2013	219.85	(2.19)	217.66

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.

7 Statement of reconciliation between previous GAAP and Ind AS

Explanation of transition to Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS. For the year ended 31 March 2017, the Group had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in note 3 of Annexure A-V have been applied in preparing these financial statements for the six month period ended 30 September 2017 including the comparative information for the year ended 31 March 2017 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Group has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Group in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

Optional exemptions availed and mandatory exceptions

In preparing these consolidated financial statements, the Group has applied the below mentioned optional exemptions and mandatory exceptions.

A Optional exemptions availed

a. Business combination

Ind AS 101, provides the option to apply Ind AS 103, Business Combinations ("Ind AS 103") prospectively from the transition date or from a specific date prior to the transition date.

The Group has elected to apply Ind AS 103 from the transition date. Business combinations occurring prior to the transition date have not been restated.

b. Property plant and equipment and intangible assets

As per Ind AS 101 an entity may elect to:
i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date.
ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to fair value or or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).
iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Group has elected to use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) as it's deemed cost at that date.

c. Investment in subsidiaries and associates

The Group has elected to carry its investment in subsidiaries and associates at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

d. Share based payments

A first-time adopter is encouraged, but not required, to apply Ind AS 102 Share-based payment to equity instruments that vested before date of transition to Ind AS. However, if a first-time adopter elects to apply Ind AS 102 to such equity instruments, it may do so only if the entity has disclosed publicly the fair value of those equity instruments, determined at the measurement date, as defined in Ind AS 102. For all grants of equity instruments to which Ind AS 102 has not been applied (e.g., equity instruments vested but not settled before date of transition to Ind AS), a first time adopter shall nevertheless disclose the information required by Ind AS 102.

The Group has opted to not to apply Ind AS 102 to instruments vested before the date of transition. However necessary disclosure in accordance with Ind AS 102 have been made in the restated financial information.

7 Statement of reconciliation between previous GAAP and Ind AS (continued)
Explanation of transition to Ind AS (continued)

B Mandatory exceptions

a. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Group's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the consolidated financial statements that were not required under the previous GAAP are listed below:
-Determination of the discounted value for financial instruments carried at amortised cost
-Impairment of financial assets based on the expected credit loss model.
-Fair valuation of financial instruments carried at FVTPL

b. Classification and measurement of financial assets

(a) Under Ind AS 109, on initial recognition, a financial asset is classified into amortized cost, fair value through OCI or fair value through profit or loss based on the business model assessment and Solely payment of principal and interest (SPPI) criterion. A first-time adopter is required to make such assessments based on facts and circumstances that exist at the date of transition.

(b) a modified time value of money element of a financial asset is assessed to determine whether it meets the SPPI criterion. If it is impracticable to make such assessment based on the facts and circumstances that existed at the date of transition, then a first-time adopter is required to make the assessment of the SPPI criterion without taking into account the specific requirements for the modified time value of money element.

(c) a prepayment feature in a financial asset is assessed to determine whether the financial asset is eligible for classifying as amortized cost or fair value through OCI. If it is impracticable to assess whether the fair value of a prepayment feature was insignificant based on the facts and circumstances that existed at the date of transition, then a first-time adopter is required to make the classification assessment without taking into account the exception for certain prepayment features required to make the assessment of the SPPI criterion.

If it is impracticable to apply the effective interest method in Indian Accounting Standard (Ind AS) 109 -Financial Instruments retrospectively, then the fair value of the financial asset or financial liability at the date of transition is the new gross carrying amount of that financial asset or the new amortized cost of that liability at the date of transition

Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively.

c. Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the derecognition principles of Ind AS 109 prospectively as reliable information was not available at the time of initially accounting for these transactions.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS

Reconciliation of equity as previously reported under previous GAAP to restated Ind AS *Rs in million*

Particulars	Note*	Balance Sheet as at 31 March 2017		
		Previous GAAP	Ind AS/ Restated adjustments	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		8,006.87	-	8,006.87
Capital work-in-progress		586.04	-	586.04
Goodwill		261.44	-	261.44
Other intangible assets		595.61	-	595.61
Equity accounted investees	B(i)	263.99	(0.38)	263.61
Financial assets:				
Other financial assets	A	253.70	(8.75)	244.95
Deferred tax assets (net)	F	670.29	(299.97)	370.32
Income tax assets (net)		240.73	-	240.73
Other non-current assets	A	365.48	10.47	375.95
Total non-current assets		**11,244.15**	**(298.63)**	**10,945.52**
Current assets				
Inventories		40.84	-	40.84
Financial assets:				
Investments		0.23	-	0.23
Trade receivables		167.91	-	167.91
Cash and cash equivalents		787.33	-	787.33
Other bank balances		61.27	-	61.27
Loans		593.75	-	593.75
Other financial assets	A	66.65	(0.25)	66.40
Other current assets		384.41	-	384.41
Total current assets		**2,102.39**	**(0.25)**	**2,102.14**
Total assets		**13,346.54**	**(298.88)**	**13,047.66**
Equity and Liabilities				
Equity				
Share capital		530.11	-	530.11
Other equity		4,728.34	(422.53)	4,305.81
		5,258.45	**(422.53)**	**4,835.92**
Non controlling interest		146.83	-	146.83
Total equity		**5,405.28**	**(422.53)**	**4,982.75**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		2,008.76	-	2,008.76
Other financial liabilities	E	-	48.92	48.92
Provisions	B(i)	106.32	4.57	110.89
Other non current liabilities		336.75	-	336.75
Total non-current liabilities		**2,451.83**	**53.49**	**2,505.32**
Current liabilities				
Financial liabilities				
Borrowings		18.48	-	18.48
Trade Payables		214.48	63.52	278.00
Other financial liabilities	H	2,885.77	185.72	3,071.49
Provisions	B(i) and H	257.98	(179.08)	78.90
Income tax liabilities		604.87	-	604.87
Other current liabilities		1,507.85	-	1,507.85
Total current liabilities		**5,489.43**	**70.16**	**5,559.59**
Total equity and liabilities		**13,346.54**	**(298.88)**	**13,047.66**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Reconciliation of equity as previously reported under previous GAAP to restated Ind AS *Rs in million*

Particulars	Note*	Balance Sheet as at 31 March 2016		
		Previous GAAP	Proforma Ind AS / Restated adjustments	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		5,958.25	-	5,958.25
Capital work-in-progress		496.94	-	496.94
Goodwill		261.44	-	261.44
Other Intangible assets		580.13	-	580.13
Equity accounted investees	B(i)	253.85	(0.33)	253.52
Financial assets:				
Loans		2.98	-	2.98
Other financial assets	A	341.26	(11.68)	329.58
Deferred tax assets (net)	F	215.95	(11.99)	203.96
Income tax assets (net)		150.18	-	150.18
Other non-current assets	A	340.12	10.46	350.58
Total non-current assets		**8,601.10**	**(13.54)**	**8,587.56**
Current assets				
Inventories		28.71	-	28.71
Financial assets:				
Investments		2.92	-	2.92
Trade receivables		119.89	-	119.89
Cash and cash equivalents		269.46	-	269.46
Other bank balances		42.38	-	42.38
Loans		704.31	-	704.31
Other financial assets	A	475.42	1.47	476.89
Other current assets		725.02	-	725.02
Total current assets		**2,368.11**	**1.47**	**2,369.58**
Total assets		**10,969.21**	**(12.07)**	**10,957.14**
Equity and Liabilities				
Equity				
Share capital		519.45	-	519.45
Other equity		2,619.84	39.09	2,658.93
		3,139.29	**39.09**	**3,178.38**
Non controlling interest		144.30	-	144.30
Total equity		**3,283.59**	**39.09**	**3,322.68**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	C and D	2,423.26	(4.46)	2,418.80
Other financial liabilities	E	17.47	47.00	64.47
Provisions	B(i)	73.20	1.22	74.42
Other non current liabilities		242.37	-	242.37
Total non-current liabilities		**2,756.30**	**43.76**	**2,800.06**
Current liabilities				
Financial liabilities				
Borrowings	A	47.16	(1.04)	46.12
Trade Payables		234.54	-	234.54
Other financial liabilities	A and C	3,140.28	4.79	3,145.07
Provisions	B(i)	51.68	1.10	52.78
Income tax liabilities	F	319.05	(99.77)	219.28
Other current liabilities		1,136.61	-	1,136.61
Total current liabilities		**4,929.32**	**(94.92)**	**4,834.40**
Total equity and liabilities		**10,969.21**	**(12.07)**	**10,957.14**

*Notes to adjustments - Refer Note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Reconciliation of equity as previously reported under previous GAAP to restated Ind AS *Rs in million*

Particulars	Note*	Balance Sheet as at 31 March 2015		
		Previous GAAP	Proforma Ind AS / Restated adjustments	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		4,186.23	-	4,186.23
Capital work-in-progress		315.85	-	315.85
Goodwill		260.06	-	260.06
Intangible assets		673.71	-	673.71
Equity accounted investees	B(i)	229.03	(0.15)	228.88
Financial assets:				-
Loans		3.71	-	3.71
Other financial assets	A	648.80	(11.30)	637.50
Deferred tax assets (net)	F	0.23	408.51	408.74
Income tax assets (net)	H	139.66	(27.32)	112.34
Other non-current assets	A	267.33	5.36	272.69
Total non-current assets		**6,724.61**	**375.10**	**7,099.71**
Current assets				
Inventories		2.48	-	2.48
Financial assets:				
Investments		2.78	-	2.78
Trade receivables		75.44	-	75.44
Cash and cash equivalents		596.87	-	596.87
Other bank balances		93.62	-	93.62
Loans		571.42	-	571.42
Other financial assets	A	392.99	12.40	405.39
Other current assets		263.64	-	263.64
Total current assets		**1,999.24**	**12.40**	**2,011.64**
Total assets		**8,723.85**	**387.50**	**9,111.35**
Equity and Liabilities				
Equity				
Share capital	H	373.80	(9.21)	364.59
Other equity		364.47	(365.37)	(0.90)
		738.27	**(374.58)**	**363.69**
Non controlling interest		137.69	-	137.69
Total equity		**875.96**	**(374.58)**	**501.38**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	C and D	2,647.43	942.84	3,590.27
Other financial liabilities	C and E	334.40	36.99	371.39
Provisions	B(i)	41.66	0.53	42.19
Deferred tax liability (net)	F	8.74	(1.36)	7.38
Other non current liabilities		47.95	-	47.95
Total non-current liabilities		**3,080.18**	**979.00**	**4,059.18**
Current liabilities				
Financial liabilities				
Borrowings	A	42.14	0.52	42.66
Trade Payables		136.17	-	136.17
Other financial liabilities	C	3,726.52	(191.66)	3,534.86
Provisions	B(i)	47.27	(25.78)	21.49
Income tax liabilities		29.36	-	29.36
Other current liabilities		786.25	-	786.25
Total current liabilities		**4,767.71**	**(216.92)**	**4,550.79**
Total equity and liabilities		**8,723.85**	**387.50**	**9,111.35**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Reconciliation of equity as previously reported under previous GAAP to restated Ind AS *Rs in million*

Particulars	Note*	Balance Sheet as at 31 March 2014		
		Previous GAAP	Proforma Ind AS / Restated adjustments	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		3,310.00	-	3,310.00
Capital work-in-progress		466.56	-	466.56
Goodwill		366.60	-	366.60
Intangible assets		1,150.10	-	1,150.10
Equity accounted investees		-	-	-
Financial assets:				
Loans		3.23	-	3.23
Other financial assets	A	267.85	(6.50)	261.35
Deferred tax assets (net)	F	1.41	599.03	600.44
Income tax assets (net)	H	106.60	(11.77)	94.83
Other non-current assets	A	225.67	6.26	231.93
Total non-current assets		**5,898.02**	**587.02**	**6,485.04**
Current assets				
Financial assets:				
Investments		3.97	-	3.97
Trade receivables		134.77	-	134.77
Cash and cash equivalents		507.90	-	507.90
Other bank balances		93.41	-	93.41
Loans		13.11	-	13.11
Other financial assets	A and H	27.40	31.63	59.03
Other current assets	H	238.35	(33.73)	204.62
Total current assets		**1,018.91**	**(2.10)**	**1,016.81**
Total assets		**6,916.93**	**584.92**	**7,501.85**
Equity and Liabilities				
Equity				
Share capital		364.59	-	364.59
Other equity		(846.15)	473.61	(372.54)
		(481.56)	**473.61**	**(7.95)**
Non controlling interest		164.76	-	164.76
Total equity		**(316.80)**	**473.61**	**156.81**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	C and D	2,191.53	695.09	2,886.62
Other financial liabilities	C and E	612.37	(569.83)	42.54
Provisions	B(i)	30.23	(0.55)	29.68
Deferred tax liability (net)	F	16.73	(9.90)	6.83
Other non current liabilities		107.95	-	107.95
Total non-current liabilities		**2,958.81**	**114.81**	**3,073.62**
Current liabilities				
Financial liabilities				
Borrowings	A and H	382.04	31.12	413.16
Trade Payables	H	268.24	(32.56)	235.68
Other financial liabilities		3,037.91	-	3,037.91
Provisions	B(i)	15.73	(2.06)	13.67
Income tax liabilities		4.51	-	4.51
Other current liabilities		566.49	-	566.49
Total current liabilities		**4,274.92**	**(3.50)**	**4,271.42**
Total equity and liabilities		**6,916.93**	**584.92**	**7,501.85**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Reconciliation of equity as previously reported under previous GAAP to restated Ind AS *Rs in million*

Particulars	Note*	Balance Sheet as at 31 March 2013		
		Previous GAAP	Proforma Ind AS / Restated adjustments	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		2,270.24	-	2,270.24
Capital work-in-progress		380.68	-	380.68
Goodwill		529.91	-	529.91
Intangible assets		509.57	-	509.57
Financial assets:				
Loans		2.97	-	2.97
Other financial assets	A	93.70	(3.17)	90.53
Deferred tax assets (net)	F	-	6.59	6.59
Income tax assets (net)	H	38.02	(5.89)	32.13
Other non-current assets	A	227.34	2.99	230.33
Total non-current assets		**4,052.43**	**0.52**	**4,052.95**
Current assets				
Inventories		16.17	-	16.17
Financial assets:				
Investments		15.64	-	15.64
Trade receivables		145.87	-	145.87
Cash and cash equivalents		219.85	-	219.85
Other bank balances		317.28	-	317.28
Loans		10.45	-	10.45
Other financial assets	H	21.26	92.90	114.16
Other current assets	H and A	299.15	(92.86)	206.29
Total current assets		**1,045.67**	**0.04**	**1,045.71**
Total assets		**5,098.10**	**0.56**	**5,098.66**
Equity and Liabilities				
Equity				
Share capital		348.29	-	348.29
Other equity		(521.58)	(27.96)	(549.54)
		(173.29)	**(27.96)**	**(201.25)**
Non controlling interest		508.32	-	508.32
Total equity		**335.03**	**(27.96)**	**307.07**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		808.49	-	808.49
Other financial liabilities	H	2.51	27.97	30.48
Provisions	B(i)	27.14	(3.09)	24.05
Deferred tax liability (net)	F	9.17	0.50	9.67
Other non current liabilities		42.36	-	42.36
Total non-current liabilities		**889.67**	**25.38**	**915.05**
Current liabilities				
Financial liabilities				
Borrowings	A and H	412.55	89.32	501.87
Trade Payables		209.43	-	209.43
Other financial liabilities	H	2,862.79	(89.47)	2,773.32
Provisions	B(i)	4.76	3.29	8.05
Income tax liabilities		46.98	-	46.98
Other current liabilities		336.89	-	336.89
Total current liabilities		**3,873.40**	**3.14**	**3,876.54**
Total equity and liabilities		**5,098.10**	**0.56**	**5,098.66**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Rs in million

Particulars	Note*	Year ended 31 March 2017 Previous GAAP	Ind AS/ Restated adjustments	Restated Ind AS
Revenue from operations		12,084.51	-	12,084.51
Other income		76.04	10.21	86.25
Total income		**12,160.55**	**10.21**	**12,170.76**
Expenses				
Cost of materials consumed	H	161.50	12.96	174.46
Purchases of stock-in-trade		221.24	-	221.24
Changes in inventories of stock-in-trade		(10.24)	-	(10.24)
Employee benefits expense	B and H	2,632.74	236.23	2,868.97
Finance costs	E	442.99	6.37	449.36
Depreciation and amortisation expense		1,533.72	-	1,533.72
Other expenses	A and H	4,383.97	(136.64)	4,247.33
Total expenses		**9,365.92**	**118.92**	**9,484.84**
Profit before non-controlling interests/ share in net loss of associates		**2,794.63**	(108.71)	**2,685.92**
Share of profit of associate companies		10.14	-	10.14
Net profit before tax		**2,804.77**	**(108.71)**	**2,696.06**
Tax expense:				
Current tax		1,363.17	-	1,363.17
Taxes for earlier years	F	(99.77)	99.77	-
Deferred tax	F	(454.34)	295.31	(159.03)
Profit for the year after tax		**1,995.71**	**(503.79)**	**1,491.92**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability		-	(21.20)	(21.20)
Equity accounted investee's share of other comprehensive income	B(i)	-	(0.05)	(0.05)
Income tax related to items that will not be reclassified to profit or loss		-	7.33	7.33
Total other comprehensive income, net of income tax		**-**	**(13.92)**	**(13.92)**
Total comprehensive income for the year		**1,995.71**	**(517.71)**	**1,478.00**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Rs in million

Particulars	Note*	Year ended 31 March 2016		
		Previous GAAP	Proforma Ind AS/ Restated adjustments	Restated Ind AS
Revenue from operations		8,594.59	-	8,594.59
Other income		142.24	5.02	147.26
Total income		**8,736.83**	**5.02**	**8,741.85**
Expenses				
Cost of materials consumed	H	137.01	14.46	151.47
Purchases of stock-in-trade		69.06	0.01	69.07
Changes in inventories of stock-in-trade		(19.37)	-	(19.37)
Employee benefits expense	B and H	1,809.09	173.69	1,982.78
Finance costs	C, D and E	499.07	185.63	684.70
Depreciation and amortisation expense		1,167.88	-	1,167.88
Other expenses	A and H	3,473.62	(132.05)	3,341.57
Total expenses		**7,136.36**	**241.74**	**7,378.10**
Profit before non-controlling interests/ share in net loss of associates		**1,600.47**	**(236.72)**	**1,363.75**
Share of profit of associate companies		17.79	-	17.79
Net profit before tax		**1,618.26**	**(236.72)**	**1,381.54**
Tax expense:				
Current tax	F	541.39	(99.77)	441.62
Taxes for earlier years		-	-	-
MAT credit utilisation	H	27.32	(27.32)	-
Deferred tax	F	(224.45)	429.11	204.66
Profit for the year after tax		**1,274.00**	**(538.74)**	**735.26**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability		-	(20.97)	(20.97)
Equity accounted investee's share of other comprehensive income	B(i)	-	(0.18)	(0.18)
Income tax related to items that will not be reclassified to profit or loss		-	7.26	7.26
Total other comprehensive income, net of income tax		**-**	**(13.89)**	**(13.89)**
Total comprehensive income for the year		**1,274.00**	**(552.63)**	**721.37**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Rs in million

Particulars	Note*	Year ended 31 March 2015		
		Previous GAAP	Proforma Ind AS/ Restated adjustments	Restated Ind AS
Revenue from operations		5,941.90	-	5,941.90
Other income		226.18	10.64	236.82
Total income		**6,168.08**	**10.64**	**6,178.72**
Expenses				
Cost of materials consumed	H	-	114.56	114.56
Purchases of stock-in-trade	H	2.48	14.59	17.07
Changes in inventories of stock-in-trade		(2.48)	-	(2.48)
Employee benefits expense	B and H	1,402.82	12.30	1,415.12
Finance costs	C, D and E	375.09	252.59	627.68
Depreciation and amortisation expense		933.82	-	933.82
Other expenses	A and H	2,681.58	(164.02)	2,517.56
Total expenses		**5,393.31**	**230.02**	**5,623.33**
Profit before non-controlling interests/ share in net loss of associates		**774.77**	**(219.38)**	**555.39**
Share of (loss) of associate companies		(0.14)	-	(0.14)
Net profit before tax		**774.63**	**(219.38)**	**555.25**
Tax expense:				
Current tax		36.36	-	36.36
MAT credit utilisation	H	(23.18)	23.18	-
Deferred tax	F	1.29	193.32	194.61
Profit for the year after tax		**760.16**	**(435.88)**	**324.28**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability		-	(5.48)	(5.48)
Equity accounted investee's share of other comprehensive income	B(i)	-	(0.15)	(0.15)
Income tax related to items that will not be reclassified to profit or loss		-	1.90	1.90
Total other comprehensive income, net of income tax		**-**	**(3.73)**	**(3.73)**
Total comprehensive income for the year		**760.16**	**(439.61)**	**320.55**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Rs in million

Particulars	Note*	Year ended 31 March 2014		
		Previous GAAP	Proforma Ind AS/ Restated adjustments	Restated Ind AS
Revenue from operations		4,209.87	-	4,209.87
Other income		65.55	3.28	68.83
Total income		**4,275.42**	**3.28**	**4,278.70**
Expenses				
Cost of materials consumed	H	-	85.07	85.07
Purchases of stock-in-trade	H	-	16.97	16.97
Changes in inventories of stock-in-trade		-	-	-
Employee benefits expense	B and H	1,152.80	11.09	1,163.89
Finance costs	C, D and E	313.63	97.29	410.92
Depreciation and amortisation expense		804.19	-	804.19
Other expenses	A and H	2,136.86	(108.29)	2,028.57
Total expenses		**4,407.48**	**102.13**	**4,509.61**
Net profit before tax		**(132.06)**	**(98.85)**	**(230.91)**
Tax expense:				
Current tax		14.91	-	14.91
MAT credit utilisation	H	(5.89)	5.89	-
Deferred tax	F	6.14	(603.89)	(597.75)
Profit / (Loss) for the year after tax		**(147.22)**	**499.15**	**351.93**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability		-	1.77	1.77
Equity accounted investee's share of other comprehensive income	B(i)	-	0.00	0.00
Income tax related to items that will not be reclassified to profit or loss		-	(1.06)	(1.06)
Total other comprehensive income, net of income tax		**-**	**0.71**	**0.71**
Total comprehensive income for the year		**(147.22)**	**499.86**	**352.64**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on adjustments to audited consolidated Financial Statements

8 Statement of reconciliation between the previous GAAP and restated Ind AS (continued)

Rs in million

Particulars	Note*	Year ended 31 March 2013		
		Previous GAAP	Proforma Ind AS/ Restated adjustments	Restated Ind AS
Revenue from operations		2,877.35	-	2,877.35
Other income		38.04	1.53	39.57
Total income		**2,915.39**	**1.53**	**2,916.92**
Expenses				
Cost of materials consumed	H	125.46	(70.56)	54.90
Purchases of stock-in-trade	H	-	17.31	17.31
Changes in inventories of stock-in-trade		-	-	-
Employee benefits expense	B and H	867.35	(25.70)	841.65
Finance costs	E	97.70	3.65	101.35
Depreciation and amortisation expense		497.22	-	497.22
Other expenses	A and H	1,479.67	80.67	1,560.34
Total expenses		**3,067.40**	**5.37**	**3,072.77**
(Loss) before income tax		**(152.01)**	**(3.84)**	**(155.85)**
Tax expense:				
Current tax	H	115.68	4.34	120.02
MAT credit utilisation	H	(1.55)	1.55	-
Deferred tax	H	5.34	(6.08)	(0.74)
Loss for the year after tax		**(271.48)**	**(3.65)**	**(275.13)**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability		-	-	-
Equity accounted investee's share of other comprehensive income		-	-	-
Income tax related to items that will not be reclassified to profit or loss		-	-	-
Total other comprehensive income, net of income tax		**-**	**-**	**-**
Total comprehensive income for the year		**(271.48)**	**(3.65)**	**(275.13)**

*Notes to adjustments - Refer note 3 under Annexure A - VII.

9 Restated Statement of Accounting Ratios

(Rs. in million except equity share and per equity share data)

	Particulars	As at/ for the period ended 30 September 2017*	As at/ for the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
1	Restated profit/(loss) attributable to equity holders	1,207.70	1,489.39	729.45	305.14	348.56	(373.60)
2	Weighted average number of basic Equity Shares outstanding during the period	53,010,897	52,993,367	48,094,238	36,458,796	34,905,162	34,829,266
3	Weighted average number of diluted Equity Shares outstanding during the period	53,206,056	53,024,168	52,939,754	52,615,635	34,905,162	34,829,266
4	Number of equity shares outstanding at the end of the year	53,010,897	53,010,897	51,944,512	36,458,796	36,458,796	34,829,266
5	Net Worth for Equity Shareholders	6,095.85	4,835.92	3,178.38	363.69	(7.95)	(201.25)
6	Accounting Ratios:						
	Earnings per share						
	Basic Earnings/(loss) per share	22.78	28.11	15.17	8.37	9.99	(10.73)
	Diluted Earnings/(loss) per share	22.70	28.09	13.78	5.80	9.99	(10.73)
	Return on Net worth for equity shareholders(1)/(5)	19.81%	30.80%	22.95%	83.90%	4384.40%	(185.64)%
	Net Asset Value Per Share (₹) (5)/(4)	114.99	91.22	61.19	9.98	(0.22)	(5.78)
	Face value (Rs)	10.00	10.00	10.00	10.00	10.00	10.00

**Not annualised*

Note :

1. The above ratios are calculated as under:

a) Basic earnings per share = Net profit attributable to equity shareholders / weighted average number of shares outstanding during the period/ year.

b) Diluted earnings per share = Net profit attributable to equity shareholders / weighted average number of diluted potential shares outstanding during the period/ year. The number of equity shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which would have been issued on conversion of all potentially dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The potentially dilutive equity shares have been adjusted for the proceeds receivable had the shares been actually issued at a fair value (i.e. the average market value of the outstanding shares). In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduces profit per share are included.

c) Return on net worth (%) = Net profit attributable to equity shareholders / net worth as at the end of period/ year.

d) Net asset value (Rs) = Net worth / number of equity shares as at the end of period/ year.

2. Earning per shares (EPS) calculation is in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per share" prescribed by the The Companies (Indian Accounting Standards) Rules, 2015.

3.The above ratios have been computed on the basis of the Restated Consolidated Summary Statements- Annexure A- I & Annexure A-II .

10 Restated statement of capitalisation

Rs in million

Particulars	Pre-issue as at 30 September 2017
Long term borrowings	2,528.76
Current portion of secured long-term borrowings, included in other current liabilities	877.10
Total borrowings (A)	**3,405.86**
Equity share capital	530.11
Other equity	5,565.74
Total Equity (B)	**6,095.85**
Total borrowings / equity (A/B)	55.87%

Note :

i) To be read together with summary of significant accounting policies in Annexure A-V, notes to the restated consolidated financial information in Annexure A-VI and impact of adjustments to consolidated audited financials in Annexure A-VII

ii) The corresponding Post IPO capitalisation data in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same has not been provided in the above statement.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VIII
Statement of dividend paid

Rs. in million except for number of shares and per share data

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	2016 Proforma	2015 Proforma	2014 Proforma	2013 Proforma
Number of fully paid equity shares	53,010,897	53,010,897	51,944,512	36,458,796	36,458,796	34,829,266
Equity share capital	530.11	530.11	519.45	364.59	364.59	348.29
Face value (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Rate of dividend %	-	-	-	-	-	-
Amount of dividend	-	-	-	-	-	-

Note: To be read together with summary of significant accounting policies in Annexure A-V, notes to the restated consolidated financial information in Annexure A-VI and impact of adjustments to consolidated audited financials in Annexure A-VII.

EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

To,
The Board of Directors
Atria Convergence Technologies Limited
No. 1, 2nd and 3rd Floor, Indian Express Building,
Queens Road, Bangalore - 560 001

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of Atria Convergence Technologies Limited (the "Company") which comprise of the restated standalone summary statement of assets and liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the restated standalone summary statement of profit and loss, the restated standalone summary statement of changes in equity and the restated standalone summary statement of cash flows for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the summary of significant accounting policies, read together with the annexures and notes thereto and other restated financial information explained in paragraph 7 below (collectively, together with the notes and annexures thereto, the "Restated Standalone Financial Information"), for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO"). The Restated Standalone Financial Information has been approved by the Board of Directors of the Company and is prepared in terms of the requirements of :

    a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules'); and

    b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

2. The preparation of the Restated Standalone Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules and ICDR Regulations.

3. We have examined such Restated Standalone Financial Information taking into consideration:

    a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 29 January 2018 in connection with the proposed IPO of the Company; and

    b. The Guidance note on Reports in Company's Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI') ('the Guidance Note').

4. The Restated Standalone Financial Information has been compiled by the Management as follows:

   a. As at and for the six months period ended 30 September 2017: From the audited standalone financial statements of the Company as at and for the six months period ended 30 September 2017, prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) (Amendment) Rules 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors on 16 March 2018.

   b. As at and for the year ended 31 March 2017: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2017, prepared in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and other relevant provisions of the Act, which have been approved by the Board of Directors at their Board meeting held on 6 July 2017 and which has been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on 1 April 2016 ('transition date').

   c. As at and for the year ended 31 March 2016 and 31 March 2015: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2016 and 31 March 2015, prepared in accordance with Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 and the relevant provisions of the Act, which has been approved by the Board of Directors on 15 July 2016 and 28 May 2015, respectively and which has been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on 1 April 2016 ('transition date').

   d. As at and for the year ended 31 March 2014 and 31 March 2013: From the audited standalone financial statements of the Company as at and for the year ended 31 March 2014 and 31 March 2013, prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with Accounting Standards as prescribed in Companies (Accounting Standards) Rules, 2006, issued by the Central Government, and the relevant provisions of the Companies Act, 1956. The financial statements for the year ended 31 March 2014 have also been prepared in accordance with the relevant provisions of the Companies Act. 2013 notified and to the extent applicable for the financial year ended 31 March 2014. These financials have been approved by the Board of Directors on 30 May 2014 and 28 September 2013, respectively and which have been translated into figures as per Ind AS to align accounting policies, exemptions and disclosures as adopted by the Company on its first time adoption of Ind AS as on 1 April 2016 ('transition date').

   The Restated Standalone Financial Information mentioned in the 4c. and 4d. above, as at and for the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 are referred to as "the Proforma Ind AS Restated Standalone Financial Information" as per the Guidance note.

5. The audit of the Company's standalone financial statements for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 was conducted by us B S R & Associates LLP.

   The audit of the Company's standalone financial statements for the financial years ended 31 March 2014 and 31 March 2013 was conducted by B S R and Associates, Chartered Accountants, one of the other member entities of B S R & Affiliates, a network registered with the ICAI, and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years, i.e., 31 March 2014 and 31 March 2013 are based solely on the report submitted by B S R and Associates. Further, B S R and Associates have also confirmed that the restated standalone financial information:

   (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
   (b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
   (c) do not contain any extra-ordinary items that need to be disclosed separately [other than those presented] in the Restated Standalone Financial Information] and do not contain any qualification requiring adjustments.

6. We have also examined the financial information of the Company for the period 1 April 2017 to 30 September 2017 prepared and approved by the Board of Directors for the purpose of disclosure in the offer document of the Company. Based on the above, we report that in our opinion and according to the information and explanations given to us, the above interim financial information are in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act, as applicable and the interim financial information are presented with the Restated Standalone Financial Information appropriately.

7. Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act, read with Rules, the ICDR Regulations, the Guidance Note and terms of our engagement agreed with you, we report that:

   a. The restated standalone summary statement of assets and liabilities of the Company, including as at 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and as at 30 September 2017, 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A-I to the Restated Standalone Financial Information, have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the notes appearing in Annexure A-VI and Annexure A-VII to the Restated Standalone Financial Information.

   b. The restated standalone summary statement of profit and loss of the Company, including for each of the years ended 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 and each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A-II to the Restated Standalone Financial Information have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the notes appearing in Annexure A-VI and Annexure A-VII to the Restated Standalone Financial Information.

c. The restated standalone summary statement of changes in equity of the Company, including for each of the years ended 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 and the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A-III to the Restated Standalone Financial Information have been arrived at after making adjustments and regroupings/reclassifications as in our opinion, were appropriate and more fully described in the notes appearing in Annexure A-VI and Annexure A-VII to the Restated Standalone Financial information.

d. The restated standalone summary statement of cash flows of the Company, including for each of the years ended 31 March 2014 and 31 March 2013 examined and reported upon by B S R and Associates, Chartered Accountants, on which reliance has been placed by us, and for the six months period ended 30 September 2017 and each of the years ended 31 March 2017, 31 March 2016 and 31 March 2015 examined by us, as set out in Annexure A-IV to the Restated Standalone Financial Information have been arrived at after making adjustments and regroupings/reclassifications as in our opinion were appropriate and more fully described in the notes appearing in Annexure A-VI and Annexure A-VII to the Restated Standalone Financial Information.

e. Based on the above and according to the information and explanations given to us and also as per reliance placed on the report submitted by B S R and Associates, Chartered Accountants, one of the other member entities of B S R & Affiliates, a network registered with the ICAI, for the financial years ended 31 March 2014 and 31 March 2013, we further report that the Restated Standalone Financial Information:

    i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

    ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

    iii. do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.

8. We have also examined the following Other Restated Standalone Financial Information of the Company as set out in the Annexures prepared by the management and approved by the Board of Directors on 16 March 2018 for the six months period ended 30 September 2017 and for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. In respect of the years ended 31 March 2014 and 31 March 2013 these information have been included based upon the report submitted by B S R and Associates, Chartered Accountants, one of the other member entities of B S R & Affiliates, a network registered with the ICAI and relied upon by us:

    i. Basis of preparation and significant accounting policies as enclosed in Annexure A-V;

    ii. Notes to the Restated Standalone Financial Information as enclosed in Annexure A-VI;

    iii. Restated statement of current and non-current investments, as enclosed in Note 3 of Annexure A-VI;

    iv. Restated statement of trade receivables, as enclosed in Note 8 of Annexure A-VI;

v. Restated statement of non-current and current borrowings and statement of details of terms and conditions of the non-current and current borrowings, as enclosed in Note 13 of Annexure A-VI;

vi. Restated statement of related parties and related party transactions, as enclosed in Note 42 of Annexure A-VI;

vii. Impact of adjustments to standalone audited financial statements, as enclosed in Annexure A-VII;

viii. Statement of reconciliation between the previous GAAP and Ind AS, as enclosed in Note 1 and Note 2 of Annexure A-VII;

ix. Restated statement of other income, as enclosed in Note 6 of Annexure A-VII;

x. Restated statement of accounting ratios, as enclosed in Note 7 of Annexure A-VII;

xi. Restated capitalisation statement, as enclosed in Note 8 of Annexure A-VII;

xii. Restated statement of tax shelter, as enclosed in Note 9 of Annexure A-VII.

xiii. Restated statement of dividends paid, as enclosed in Note 10 of Annexures A-VII;

9. In our opinion and according to the information and explanations given to us, and also as per the reliance placed on the report submitted by B S R and Associates, Chartered Accountants, the Restated Standalone Financial Information of the Company as at and for the six months period ended 30 September 2017 and the year ended 31 March 2017 including the above mentioned Other Restated Standalone Financial Information contained in Annexures A-I to A-VII, read with summary of significant accounting policies disclosed in Annexure A-V, are prepared after making adjustments and regroupings as considered appropriate as disclosed in Annexure A-VII and the Proforma Ind AS Restated Standalone Financial Information of the Company as at and for the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, contained in Annexures A-I to A-VII, read with summary of significant accounting policies disclosed in Annexure A-V, are prepared after making proforma adjustments as mentioned in Annexure A-VII and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act, read with Rules, ICDR Regulations and the Guidance Note.

10. Emphasis of matter

a. We draw attention to note 36 of Annexure A-VI to the Restated Standalone Financial Information regarding the Company not obtaining the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to 31 March 2013. The Company had made an application to the appropriate authorities for obtaining required approvals and for condonation of delay in obtaining the said approvals. As at the date of audit report for financial year ended 31 March 2013, the application was pending approval from the authorities. The approval was received subsequently.

b. We draw attention to note 37 of Annexure A-VI to the Restated Standalone Financial Information, where it is reported that the Company, as at 31 March 2015, had share application money aggregating Rs 2,070 million which was outstanding for more than one year. The Companies (Acceptance of Deposits) Amendment Rules, 2015, stated that the Company should either allot equity shares against the share application money or return such amounts prior to 1 June 2015.
   In this regard, the Company was unable to allot shares till 29 June 2015 as there was an application (filed on 20 December 2013) pending with the Foreign Investment Promotion Board, India ('FIPB') for additional investment proposed to be made in the Company. The Company was legally advised that it cannot change its share capital structure pending approval / disposal of the FIPB application and that equity shares were to be allotted upon disposal of the FIPB application. Accordingly the FIPB approval was subsequently received on 23 June 2015 and Company issued equity shares on 30 June 2015.

c. We draw attention to note 39 of Annexure A-VI to the Restated Standalone Financial Information, where it is reported that the Company has been amortizing Goodwill on Merger in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bangalore and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted Goodwill on Merger in accordance with Ind AS from the date of transition to Ind AS, and the surplus in the statement of profit and loss would have been higher by Rs 173.73 million and Rs 86.63 million for the financial year ended 31 March 2017 and for the six months period ended 30 September 2017, respectively.

Our report is not qualified in respect of these matters.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous Audit' Reports issued by us or by other firms of Chartered Accountants, nor should this report be construed as a new opinion on any of the standalone financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the offer document to be filed with the Securities and Exchange Board of India, stock exchanges where the equity shares are proposed to be listed and the relevant Registrar of Companies in India in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

for **B S R & Associates LLP**
Chartered Accountants
ICAI firm registration number: 116231W/W-100024

Rushank Muthreja
Partner
Membership No.: 211386

Bangalore
17 March 2018

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - I
Restated standalone summary statement of assets and liabilities *Rs in million*

	Note No. of Annexure A - VI	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Assets							
Non-current assets							
Property, plant and equipment	1	7,780.50	6,700.30	5,028.38	3,801.08	2,800.07	659.72
Capital work-in-progress	1	628.98	471.51	261.38	167.15	366.06	273.06
Intangible assets	2	578.12	585.02	585.47	677.51	821.08	113.26
Financial assets							
Investments	3	387.72	387.72	388.42	388.42	562.42	925.11
Loans	4	558.34	534.03	487.38	2.98	3.23	2.97
Other financial assets	5	225.58	217.59	307.26	618.26	235.06	46.87
Deferred tax assets, (net)	26	709.44	645.87	348.78	514.46	666.89	-
Income tax assets, (net)	26	104.02	126.95	87.89	85.70	70.34	13.46
Other non-current assets	6	328.51	323.63	271.65	221.20	181.64	146.31
Total non - current assets		**11,301.21**	**9,992.62**	**7,766.61**	**6,476.76**	**5,706.79**	**2,180.76**
Current assets							
Inventories	7	28.50	28.98	20.70	-	-	-
Financial assets							
Investments	3	-	-	1.24	1.18	0.78	9.16
Trade receivables	8	115.49	105.38	41.83	29.92	48.30	43.74
Cash and cash equivalents	9	926.99	689.42	238.83	532.48	446.50	86.04
Other bank balances	10	1,083.38	37.33	28.15	85.54	91.77	223.58
Loans	4	500.52	736.36	1,141.64	1,124.72	806.51	342.49
Other financial assets	5	23.26	299.59	614.41	477.58	75.74	199.29
Other current assets	6	236.69	301.01	607.12	187.99	143.13	108.94
Total current assets		**2,914.83**	**2,198.07**	**2,693.92**	**2,439.41**	**1,612.73**	**1,013.24**
Total assets		**14,216.04**	**12,190.69**	**10,460.53**	**8,916.17**	**7,319.52**	**3,194.00**
Equity and liabilities							
Equity							
Share capital	11	530.11	530.11	519.45	364.59	364.59	348.29
Other equity	12	5,751.04	4,694.57	3,031.12	237.75	(91.16)	(648.71)
Total equity		**6,281.15**	**5,224.68**	**3,550.57**	**602.34**	**273.43**	**(300.42)**
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings	13	2,328.76	1,808.76	2,418.80	3,590.27	2,886.62	618.93
Other financial liabilities	14	-	-	21.93	318.54	-	-
Provisions	15	150.23	107.15	71.68	40.35	27.36	8.44
Other non-current liabilities	17	11.88	6.63	1.95	1.50	51.92	27.84
Total non - current liabilities		**2,490.87**	**1,922.54**	**2,514.36**	**3,950.66**	**2,965.90**	**655.21**
Current liabilities							
Financial liabilities							
Borrowings	13	-	18.48	46.12	42.66	413.12	412.00
Trade payables	16						
Dues to micro enterprises and small enterprises		-	-	-	-	-	-
Due to others		189.48	154.80	115.14	61.21	176.09	18.96
Other financial liabilities	14	2,910.18	2,853.04	2,940.80	3,478.91	2,976.29	2,356.75
Provisions	15	119.09	77.11	51.94	20.89	12.66	3.71
Income tax liabilities, (net)	26	586.30	539.45	197.55	25.93	-	-
Other current liabilities	17	1,638.97	1,400.59	1,044.05	733.57	502.03	47.79
Total current liabilities		**5,444.02**	**5,043.47**	**4,395.60**	**4,363.17**	**4,080.19**	**2,839.21**
Total equity and liabilities		**14,216.04**	**12,190.69**	**10,460.53**	**8,916.17**	**7,319.52**	**3,194.00**

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and statement of adjustments to audited financial statements appearing in Annexure A-VII.

As per our report of even date attached.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number: 211386

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer
Place : Bangalore
Date : 17 March 2018

Jithesh Chathambil
Company Secretary
Membership number : 22213
Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - II
Restated standalone summary statement of profit and loss *Rs in million*

	Note No. of Annexure A - VI	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Income							
Revenue from operations	18	6,328.69	11,319.84	8,033.42	5,323.65	3,512.59	411.58
Other income	19	61.31	212.84	223.12	161.12	60.71	22.44
Total income		**6,390.00**	**11,532.68**	**8,256.54**	**5,484.77**	**3,573.30**	**434.02**
Expenses							
Cost of materials consumed	20	83.06	161.50	137.01	109.39	83.20	15.23
Purchases of stock-in-trade	21	27.52	71.86	56.37	14.59	16.97	-
Changes in inventories of stock-in-trade	22	8.59	(6.39)	(13.84)	-	-	-
Employee benefits expense	23	1,368.07	2,801.70	1,966.25	1,353.43	1,082.41	221.40
Finance costs	24	161.67	413.00	674.94	622.21	403.39	45.97
Depreciation and amortisation expense	1 & 2	826.92	1,328.19	1,052.40	833.37	701.34	161.05
Other expenses	25	2,360.74	4,229.82	2,921.39	2,042.70	1,435.04	625.46
Total expenses		**4,836.57**	**8,999.68**	**6,794.52**	**4,975.69**	**3,722.35**	**1,069.11**
Profit / (loss) before income tax		**1,553.43**	**2,533.00**	**1,462.02**	**509.08**	**(149.05)**	**(635.09)**
Tax expense:							
Current tax (including Minimum Alternate Tax (MAT))	26	601.86	1,317.00	434.54	25.93	-	-
Deferred tax (including MAT entitlement credit)	26	(52.27)	(289.80)	172.82	154.34	(660.96)	-
Profit / (loss) for the period/ year		**1,003.84**	**1,505.80**	**854.66**	**328.81**	**511.91**	**(635.09)**
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							-
Remeasurements of defined benefit liability	40	(31.29)	(21.05)	(20.65)	(5.57)	1.15	-
Income tax related to items that will not be reclassified to profit or loss	26	11.30	7.29	7.15	1.93	(0.39)	-
Total other comprehensive income, net of income tax		**(19.99)**	**(13.76)**	**(13.50)**	**(3.64)**	**0.76**	**-**
Total comprehensive income for the period/ year		**983.85**	**1,492.04**	**841.16**	**325.17**	**512.67**	**(635.09)**
Earnings / (loss) per share	28						
Basic earnings / (loss) per share		18.94 *	28.41	17.77	9.02	14.67	(18.23)
Diluted earnings / (loss) per share		18.87 *	28.40	16.14	6.25	14.67	(18.23)

* *(Not annualised)*

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and Statement of adjustments to audited financial statement appearing in Annexure A-VII.

As per our report of even date attached.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number. 211386

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer
Place : Bangalore
Date : 17 March 2018

Jithesh Chathambil
Company Secretary
Membership number : 22213
Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - III
Restated standalone summary statement of changes in equity

Rs in million

A. Equity share capital

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Balance at the beginning of the reporting period	530.11	519.45	364.59	364.59	348.29	348.29
Changes in equity share capital during the period / year						
Issue of shares	-	10.66	154.86	-	16.30	-
Balance at the end of the reporting period	**530.11**	**530.11**	**519.45**	**364.59**	**364.59**	**348.29**

B. Other equity

For the year ended 31 March 2013 - Proforma

Particulars	Reserves and Surplus					Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Share based payment reserve	Debenture redemption reserve ('DRR')	Capital redemption reserve	Remeasurement of net defined benefit plan	
Balance as at 1 April 2012	**1,418.83**	**(1,432.45)**	**-**	**-**	**-**	**-**	**(13.62)**
Total comprehensive income for the year							
Loss for the year ended 31 March 2013	-	(635.09)	-	-	-	-	(635.09)
Total comprehensive income	**-**	**(635.09)**	**-**	**-**	**-**	**-**	**(635.09)**
Transactions with the owners recorded directly in equity							
Total transaction with owners	-	-	-	-	-	-	-
Balance as at 31 March 2013	**1,418.83**	**(2,067.54)**	**-**	**-**	**-**	**-**	**(648.71)**

For the year ended 31 March 2014 - Proforma

Particulars	Reserves and Surplus					Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Share based payment reserve	Debenture redemption reserve ('DRR')	Capital redemption reserve	Remeasurement of net defined benefit plan	
Balance as at 1 April 2013	**1,418.83**	**(2,067.54)**	**-**	**-**	**-**	**-**	**(648.71)**
Total comprehensive income for the year							
Loss for the year ended 31 March 2014	-	511.91	-	-	-	-	511.91
Other comprehensive income (net of tax)	-	-	-	-	-	0.76	0.76
Total comprehensive income	**-**	**511.91**	**-**	**-**	**-**	**0.76**	**512.67**
Transferred to retained earnings	-	0.76	-	-	-	(0.76)	-
Transactions with the owners recorded directly in equity							
Issue of shares	29.04	-	-	-	-	-	29.04
Share based payment to employees (refer to note 11 (i) of Annexure A-VI)	-	-	15.84	-	-	-	15.84
Exercise of stock options (refer to note 11 (i) of Annexure A-VI)	12.11	-	(12.11)	-	-	-	-
Total transaction with owners	**41.15**	**-**	**3.73**	**-**	**-**	**-**	**44.88**
Balance as at 31 March 2014	**1,459.98**	**(1,554.87)**	**3.73**	**-**	**-**	**-**	**(91.16)**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - III
Restated standalone summary statement of changes in equity (continued)

Rs in million

B. Other equity (continued)

For the year ended 31 March 2015 - Proforma

Particulars	Reserves and Surplus					Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Share based payment reserve	Debenture redemption reserve ('DRR')	Capital redemption reserve	Remeasurement of net defined benefit plan	
Balance as at 1 April 2014	**1,459.98**	**(1,554.87)**	**3.73**	**-**	**-**	**-**	**(91.16)**
Total comprehensive income for the year							
Profit for the year ended 31 March 2015	-	328.81	-	-	-	-	328.81
Other comprehensive income (net of tax)	-	-	-	-	-	(3.64)	(3.64)
Total comprehensive income	**-**	**328.81**	**-**	**-**	**-**	**(3.64)**	**325.17**
Transferred to retained earnings	-	(3.64)	-	-	-	3.64	-
Transactions with the owners recorded directly in equity							
Share based payment to employees (refer to note 11 (i) of Annexure A-VI)	-	-	3.74	-	-	-	3.74
Transferred to capital redemption reserve	-	(9.21)	-	-	9.21	-	-
Transferred to debenture redemption reserve	-	(119.22)	-	119.22	-	-	-
Total transaction with owners	**-**	**(128.43)**	**3.74**	**119.22**	**9.21**	**-**	**3.74**
Balance as at 31 March 2015	**1,459.98**	**(1,358.13)**	**7.47**	**119.22**	**9.21**	**-**	**237.75**

For the year ended 31 March 2016 - Proforma

Particulars	Reserves and Surplus					Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Share based payment reserve	Debenture redemption reserve ('DRR')	Capital redemption reserve	Remeasurement of net defined benefit plan	
Balance as at 1 April 2015	**1,459.98**	**(1,358.13)**	**7.47**	**119.22**	**9.21**	**-**	**237.75**
Total comprehensive income for the year							
Profit for the year ended 31 March 2016	-	854.66	-	-	-	-	854.66
Other comprehensive income (net of tax)	-	-	-		-	(13.50)	(13.50)
Total comprehensive income	**-**	**854.66**	**-**	**-**	**-**	**(13.50)**	**841.16**
Transferred to retained earnings	-	(13.50)	-	-	-	13.50	-
Transactions with the owners recorded directly in equity							
Issue of shares	1,915.12	-	-	-	-	-	1,915.12
Reclassification of DRR to retained earnings	-	170.11	-	(170.11)	-	-	-
Share based payment to employees (refer to note 11 (i) of Annexure A-VI)	-	-	37.09	-	-	-	37.09
Transferred to debenture redemption reserve	-	(50.89)	-	50.89	-	-	-
Total transaction with owners	**1,915.12**	**119.22**	**37.09**	**(119.22)**	**-**	**-**	**1,952.21**
Balance as at 31 March 2016	**3,375.10**	**(397.75)**	**44.56**	**-**	**9.21**	**-**	**3,031.12**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - III
Restated standalone summary statement of changes in equity (continued)

Rs in million

B. Other equity (continued)

For the year ended 31 March 2017

Particulars	Reserves and Surplus					Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Share based payment reserve	Debenture redemption reserve ('DRR')	Capital redemption reserve	Remeasurement of net defined benefit plan	
Balance as at 1 April 2016	**3,375.10**	**(397.75)**	**44.56**	**-**	**9.21**	**-**	**3,031.12**
Total comprehensive income for the year							
Profit for the year ended 31 March 2017	-	1,505.80	-	-	-	-	1,505.80
Other comprehensive income (net of tax)	-	-	-	-	-	(13.76)	(13.76)
Total comprehensive income	**-**	**1,505.80**	**-**	**-**	**-**	**(13.76)**	**1,492.04**
Transferred to retained earnings	-	(13.76)	-	-	-	13.76	-
Transactions with the owners recorded directly in equity							
Issue of shares	19.00	-		-	-	-	19.00
Share based payment to employees (refer to note 11 (i) of Annexure A-VI)	-	-	152.41	-	-	-	152.41
Exercise of stock options (refer to note 11 (i) of Annexure A-VI)	44.56	-	(44.56)	-	-	-	-
Total transaction with owners	**63.56**	**-**	**107.85**	**-**	**-**	**-**	**171.41**
Balance as at 31 March 2017	**3,438.66**	**1,094.29**	**152.41**	**-**	**9.21**	**-**	**4,694.57**

For the period ended 30 September 2017

Particulars	Reserves and Surplus					Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Securities premium	Retained earnings	Share based payment reserve	Debenture redemption reserve ('DRR')	Capital redemption reserve	Remeasurement of net defined benefit plan	
Balance as at 1 April 2017	**3,438.66**	**1,094.29**	**152.41**	**-**	**9.21**	**-**	**4,694.57**
Total comprehensive income for the period							
Profit for the period ended 30 September 2017	-	1,003.84	-	-	-	-	1,003.84
Other comprehensive income (net of tax)	-		-	-	-	(19.99)	(19.99)
Total comprehensive income	**-**	**1,003.84**	**-**	**-**	**-**	**(19.99)**	**983.85**
Transferred to retained earnings		(19.99)	-	-	-	19.99	-
Transactions with the owners recorded directly in equity							
Share based payment to employees (refer to note 11 (i) of Annexure A-VI)	-	-	72.62	-	-	-	72.62
Total transaction with owners	**-**	**-**	**72.62**	**-**	**-**	**-**	**72.62**
Balance as at 30 September 2017	**3,438.66**	**2,078.14**	**225.03**	**-**	**9.21**	**-**	**5,751.04**

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and Statement of adjustments to audited financial statement appearing in Annexure A-VII.

As per our report of even date attached.

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number: 211386

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer

Jithesh Chathambil
Company Secretary
Membership number : 22213

Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - IV
Restated standalone summary statement of cash flows

Rs in million

	For the period ended 30 September 2017	For the year ended				
		31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from operating activities:						
Profit / (loss) before tax	1,553.43	2,533.00	1,462.02	509.08	(149.05)	(635.09)
Adjustments for :						
Depreciation and amortisation	826.92	1,328.19	1,052.40	833.37	701.34	161.05
Finance costs	161.67	413.00	674.94	622.21	403.39	45.97
Interest income	(29.25)	(174.36)	(195.18)	(102.24)	(41.47)	(6.84)
Interest from income tax	(3.74)	(2.18)	-	-	-	-
Dividend income from non-trade mutual funds	-	(0.03)	(0.06)	(0.40)	(1.76)	(1.36)
Dividend income from long term investments	-	-	-	-	-	(14.23)
Provisions and liabilities no longer required written back	(21.16)	(5.04)	-	(9.78)	(3.06)	-
Profit on sale of business	-	-	-	(1.12)	-	-
Profit on sale of investments	-	-	-	(23.97)	-	-
Gain on sale of property, plant and eqipment	(0.18)	-	-	-	(0.05)	-
Gain on foreign exchange fluctuation, (net)	(1.25)	-	(15.22)	-	-	-
Loss on foreign exchange fluctuation	-	2.21	-	21.61	8.83	-
Provision for impairment no longer required written back	-	(6.47)	-	-	-	-
Provision for doubtful advances and deposits	-	11.54	-	-	0.78	-
Provision for equity settled share based payments	72.62	152.41	37.09	3.74	15.84	-
Provision for doubtful debts	-	-	2.33	35.47	1.43	-
Provision for impairment	210.43	458.96	126.08	40.36	20.36	286.83
Provision for doubtful receivables	256.84	-	-	-	-	-
Loss on sale of property, plant and eqipment, (net)	-	-	0.24	0.16	-	-
Changes in fair value of financial assets and liabilities	-	(4.23)	10.45	(6.54)	0.58	-
Property, plant and eqipment written-off	2.83	99.94	23.18	17.49	20.64	-
	1,475.73	**2,273.94**	**1,716.25**	**1,430.36**	**1,126.85**	**471.42**
	3,029.16	**4,806.94**	**3,178.27**	**1,939.44**	**977.80**	**(163.67)**
Adjustments for changes in:						
Inventories	0.48	(8.28)	(20.70)	-	-	-
Trade receivables	(10.11)	(63.54)	(14.24)	(17.09)	(6.00)	(21.34)
Loans and financial assets and other assets	18.09	348.55	(445.55)	(257.49)	601.29	(261.01)
Liabilities and provisions	232.72	1,089.41	834.30	283.10	(90.39)	109.61
	241.18	**1,366.14**	**353.81**	**8.52**	**504.90**	**(172.74)**
Cash generated from / (used in) operations	**3,270.34**	**6,173.08**	**3,532.08**	**1,947.96**	**1,482.70**	**(336.41)**
Income taxes paid, net of refund	(528.33)	(1,012.00)	(265.09)	(15.34)	(50.59)	(11.14)
Net cash generated from / (used in) operating activities (A)	**2,742.01**	**5,161.08**	**3,266.99**	**1,932.62**	**1,432.11**	**(347.55)**
Cash flow from investing activities:						
Acquisition of property, plant and eqipment and intangible assets	(2,044.66)	(3,450.62)	(2,266.30)	(1,675.32)	(1,302.36)	(649.21)
Advance towards equity subscription	-	-	0.37	-	-	(9.00)
Proceeds from sale of property, plant and eqipment and intangible assets	17.67	121.98	42.73	75.83	0.04	0.30
Purchase of mutual funds	-	-	(0.06)	(80.40)	(1,136.76)	(594.86)
Proceeds from sale of mutual funds	-	1.24	-	80.00	1,145.15	610.63
Sale/ (purchase) of shares in subsidiaries	-	-	103.68	94.29	(763.54)	(254.39)
Movement in term deposits, net	(1,030.00)	-	40.17	62.36	(102.54)	-
Advances given to related parties	(401.10)	(637.54)	(719.88)	(604.31)	(1,052.40)	(72.49)
Advances repaid by related parties	154.77	543.63	94.18	306.30	587.17	65.99
Dividend received	-	0.03	0.06	0.40	1.76	15.59
Interest received	287.07	103.03	56.27	59.16	21.10	2.76
Net cash flow used in investing activities (B)	**(3,016.25)**	**(3,318.25)**	**(2,648.78)**	**(1,681.69)**	**(2,602.38)**	**(884.68)**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - IV
Restated standalone summary statement of cash flows (continued)

Rs in million

	For the period ended 30 September 2017	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Cash flow from financing activities:						
Proceeds from issue of equity shares including share premium on exercise of options	-	29.67	-	-	32.14	-
Redemption of preference shares	-	-	(778.33)	-	-	-
Share application money received	-	-	-	-	2,070.00	260.00
Share application money refunded	-	-	(0.02)	-	(2,030.00)	-
Proceeds from issue of debentures	-	-	-	400.00	1,400.00	-
Redemption of debentures	-	-	(2,144.60)	-	-	-
Proceeds from unsecured loans	950.00	200.00	2,762.09	845.63	1,651.79	1,486.43
Repayment of unsecured loans	(413.69)	(1,406.48)	(226.02)	(1,089.32)	(1,282.90)	(407.53)
Finance costs	(159.95)	(418.32)	(524.98)	(321.26)	(310.30)	(45.97)
Net cash provided by / (used in) financing activities (C)	**376.36**	**(1,595.13)**	**(911.86)**	**(164.95)**	**1,530.73**	**1,292.93**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**102.12**	**247.70**	**(293.65)**	**85.98**	**360.46**	**60.70**
Cash and cash equivalents at the beginning	486.53	238.83	532.48	446.50	86.04	25.34
Cash and cash equivalents at the end	**588.65**	**486.53**	**238.83**	**532.48**	**446.50**	**86.04**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 Statement of Cash Flows notified under section 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

2. Figures in bracket indicate cash outflow.

The above statement should be read with the basis of preparation and significant accounting policies appearing in Annexure A-V, notes to the restated financial information appearing in Annexure A-VI and Statement of adjustments to audited financial statement appearing in Annexure A-VII.

As per our report of even date attached.
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

Rushank Muthreja
Partner
Membership number: 211386

Mahendrakumar Sharma
Independent Director and Chairman
DIN : 00327684
Place : Mumbai
Date : 16 March 2018

Dhiraj Poddar
Director
DIN : 01946905
Place : Mumbai
Date : 16 March 2018

Pramod Kabra
Director
DIN : 02252403
Place : Mumbai
Date : 16 March 2018

Eashwar Iyer
Chief Finance Officer
Place : Bangalore
Date : 17 March 2018

Jithesh Chathambil
Company Secretary
Membership number : 22213
Place : Bangalore
Date : 17 March 2018

Place : Bangalore
Date : 17 March 2018

Annexure A-V
Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Notes to the Restated Standalone Financial Information

1 Company overview

Atria Convergence Technologies Private Limited ('the Company') carries on the business of broadband internet and cable television distribution services. The Company was converted into a public limited company with effect from 05 March 2018.

2 Basis of preparation

A Statement of compliance

The Restated Standalone Financial Information relates to the Company and have been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), Registrar of Companies (“RoC”) and Stock Exchanges in connection with the proposed Initial Public Offering ('IPO') of equity shares of the Company (referred to as the "Issue"). The Restated Standalone Financial Information comprise of the restated standalone summary statement of assets and liabilities as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the restated standalone summary statement of profit and loss, the restated standalone summary statement of cash flows and standalone summary statement of changes in equity for the six months period ended 30 September 2017 and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and Annexures A.VI to A.XI thereto (hereinafter collectively referred to as “the Restated Standalone Financial Information”).

The Restated Standalone Financial Information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”) read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“the Rules’) and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“ICDR Regulations”).

These Restated Standalone Financial Information were approved by the Board of Directors of the Company in their meeting held on 16 March 2018.

The Restated Standalone Financial Information has been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of Companies Act, 2013 (to the extent applicable) read with Companies (Indian Accounting Standards) Rules, 2015. The Restated Standalone Financial Information have been compiled by the Company from:

a) The Audited Standalone Financial Statements of the Company as at and for the years ended 31 March 2016, 2015, 2014 and 2013 (Audited Standalone Financial Statements) were prepared under previous generally accepted accounting principles followed in India (“Previous GAAP” or “Indian GAAP”), and have been translated into figures as per Ind AS to align with accounting policies, exemptions and disclosures adopted by the Company on its first time adoption of Ind AS on 1 April 2016 (‘transition date’). The Restated Standalone Financial Information for these years along with the respective underlying schedules and notes are “Proforma Ind AS Restated Standalone Financial Information”, as per the Guidance note on Reports in Company Prospectus, issued by the Institute of Chartered Accountants of India.

2 Basis of preparation (continued)

A Statement of compliance (continued)

b) The Audited Standalone Financial Statement of the Company for the six month period ended 30 September 2017 and year ended 31 March 2017 (including comparative of 31 March 2016) has been prepared under Ind AS.

c) The standalone financial statements for the six month period ended 30 September 2017 have been prepared in accordance with the recognition and measurement criteria laid down in Ind AS 34 – 'Interim Financial Reporting' notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

For the preparation of proforma Ind AS financial statements as at and for the years ended 31 March 2016, 2015, 2014 and 2013 and based on the SEBI circular SEBI/HO/ CFD/DIL/CIR/P/2016/47 dated 31 March 2016, following accounting policies/ restatements were made:

i. Ind AS transition adjustments and accounting policy choices as initially adopted on 1 April 2016 were effected from 1 April 2012 for the preparation of Proforma Ind AS financial statements;

ii. Opening balance sheet was restated to recognize all assets and liabilities whose recognition is required by Ind AS;

iii. All mandatory exceptions and optional exemptions available under Ind AS 101 was analyzed on case to case basis for the first-time adoption and restatement adjustments were made accordingly; and

iv. In accordance with Ind AS 101, the Company has opted for optional exemption for not applying retrospectively accounting principles of Ind AS 103 for business combinations that occurred before the transition date (i.e. 1 April 2016) and accordingly not to apply Ind AS 103 for business combinations that have occurred between the period 1 April 2012 and 31 March 2016.

The Restated Standalone Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI Regulations:

(a) Adjustments for audit qualification requiring corrective adjustment in the financial statements, if any;
(b) Adjustments for the material amounts in respective years to which they relate, if any;
(c) Adjustments for previous years identified and adjusted in arriving at the profits of the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred, if any;
(d) Adjustments to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years, if any;

2 Basis of preparation (continued)

A Statement of compliance (continued)

(e) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Company for the year ended 31 March 2017 and the requirements of the SEBI Regulations, if any;

(f) The resultant impact of tax due to the aforesaid adjustments, if any.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria as set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained their operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Significant accounting policies – The accounting policies set out below have been applied consistently to the periods presented in the restated standalone financial statements.

B Functional and presentation currency

These Restated Standalone Financial Information are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

C Basis of measurement

The Restated Standalone Financial Information have been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit liability	Present value of defined benefit obligations

D Use of estimates and judgements

In preparing these Restated standalone financial information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

2 Basis of preparation (continued)

D Use of estimates and judgements (continued)

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is as mentioned below:

Franchisee income

Franchisee income relates to the sale of services in which the Company acts as a principal in the transaction and other group companies act as an agent. In assessing the Company's role to be that of principal, the management considered the following factors

a. The title of the services rendered is retained by the Company and Company bears the responsibility in respect of services rendered;
b. The price of the services rendered is fixed by the Company and the group companies acting as an agent cannot vary the selling prices; and
c. The Company collects majority of the revenue from the customers, except for cash collections which are done by the group companies acting as agents. However all the credit risk is borne by the Company.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2017 is included in the following notes:

- Note 26 of Annexure A-VI - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 41 of Annexure A-VI - measurement of defined benefit obligations: key actuarial assumptions;
- Note 29 of Annexure A-VI -- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.1 of Annexure-V and Note 1 of Annexure A-VI - useful life of property, plant and equipment;
- Note 3.2 of Annexure-V and Note 2 of Annexure A-VI - useful life of intangible assets;
- Notes 31 to 34 of Annexure A-VI - impairment of financial assets;
- Note 11 of Annexure A-VI - Fair valuation of employee share options.

2 Basis of preparation (continued)

E Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 11 of Annexure A-VI : share-based payment arrangements.

- Note 27 of Annexure A-VI : financial instruments.

3 Significant accounting policies

3.1 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

3 Significant accounting policies (continued)

3.1 Property, plant and equipment (continued)

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit and loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under long-term loans and advances. The cost of fixed assets not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see note 1.1 of Annexure A-VI)

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation on fixed assets is provided using the straight-line method (SLM) over the estimated useful lives of fixed assets based on technical evaluation carried out by Management. If Management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the Management's estimate of the useful life / remaining useful life. Pursuant to this policy, depreciation on assets has been provided at the rates based on the following useful lives of fixed assets based on technical evaluation carried out by Management.

Asset description	**Useful life considered by the Company**
Plant and machinery	
- Head ends	8 years
- Set top boxes	7 years
- Cables	10 years
- Indefeasible Right of Connectivity	25 years
- Cinematography	8 years
- Network switches	8 years
- Realty projects network material	Over the agreement period
- Others	
- Wi-Fi Routers	3 years
- Other Plant and machinery	5 years

3 Significant accounting policies (continued)

3.1 Property, plant and equipment (continued)

Asset description	**Useful life considered by the Company**
Furniture and fixtures	6 years
Office equipments	6 years
Computers	4 years
Vehicles	6 years
Leasehold improvements	Over the period of lease or estimated useful life, whichever is lower.

The Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical evaluation where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.
Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

3.2 Intangible assets

i. Recognition and measurement

Intangibles assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

The estimated useful lives are as follows:

Asset description	**Useful life considered by the Company**
Software	6 years
Non-compete fee	15 years
Network acquisition / Goodwill	
- Bangalore unit	15 years
- Hyderabad unit	10 years
Goodwill on amalgamation	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3 Significant accounting policies (continued)

3.2 Intangible assets (continued)

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit and loss as incurred.

iii. Intangible assets acquired in business combination

Intangible assets acquired in business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

iv. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per previous GAAP, and use that carrying value as the deemed cost of such intangible asset (see note 2.1 of Annexure A-VI).

3.3 Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. The Company recognises loss allowances using the expected credit loss ('ECL') model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The expected credit loss for trade receivables is mainly based on the ageing of the receivable balances and historical experience. The trade receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

3 Significant accounting policies (continued)

3.3 Impairment (continued)

i. Impairment of financial instruments (continued)

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

ii. Impairment of non- financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.
The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a nonfinancial item in accordance with the entity's expected purchase, sale or usage requirements.

3 Significant accounting policies (continued)

3.4 Financial instruments (continued)

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Recognition and initial measurement – Financial Assets and Financial Liabilities

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Financial guarantees, issued in relation to obligations of subsidiaries, are initially recognized at fair value (as part of the cost of the investment in the subsidiary).

- **Classification and Subsequent Measurement:**

Financial assets

The Company classifies financial assets as measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and

- the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Amortized cost:

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 Significant accounting policies (continued)

3.4 Financial instruments (continued)

Fair value through other comprehensive income (“FVTOCI”):

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

Fair value through profit or loss (“FVTPL”)

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVTOCI. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company’s continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

- *Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest*

3 Significant accounting policies (continued)

3.4 Financial instruments (continued)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable interest rate features;

- prepayment and extension features; and

- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

- *Financial assets: Subsequent measurement and gains and losses*

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit and loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on DE recognition is recognized in profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit and loss.

Financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

3 Significant accounting policies (continued)

3.4 Financial instruments (continued)

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured

at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss.*Other financial liabilities:*

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit and loss. Any gain or loss on de-recognition is also recognized in profit and loss.

- **De-recognition of Financial Assets and Financial Liabilities:**

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de recognized.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires.

The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit and loss.

- **Offsetting Financial Instruments**:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3 Significant accounting policies (continued)

3.4 Financial instruments (continued)

Investment in Subsidiaries, Joint Venture and Associates

A subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following;

(i) Power over the investee,
(ii) exposure, or rights, to variable returns from its involvement with the investee and
(iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted at cost and reviewed for impairment at each reporting date.

3.5 Revenue recognition

Revenue from internet and cable television distribution services is recognised when the related services are provided and when there is a reasonable certainty of collection. The amount recognized as revenues is exclusive of service tax, entertainment tax and trade discounts.

Revenue from sale of goods is recognised on transfer of all significant risk and rewards of ownership to the buyer. The amount is recognised as sale and is exclusive of sale tax.

'Unearned revenue' represents the amounts billed to the client in excess of value of services rendered as at the balance sheet date.

Installation charges on set-top boxes are amortised over the tenure of the useful life of the asset i.e, 7 years.

Installation charges on wifi router are recognized as income as and when service is being provided to customers.

Interest income is recognised using the effective interest rate method.

Dividend income is recognized when the Company's right to receive payment is established.

Assets given by the Company under operating lease are included in fixed assets. Lease income from operating leases is recognised in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognized as expenses.

3 Significant accounting policies (continued)

3.6 Income taxes

Income tax comprises current and deferred tax. It is recognized in profit and loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.

- temporary differences related to investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets recognized or unrecognized are reviewed at each reporting date and are recognized /reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

3 Significant accounting policies (continued)

3.6 Income taxes (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3.7 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.8 Employee benefits

i. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

ii. Post-employment obligations

Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees.

Defined benefit plans
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

3 Significant accounting policies (continued)

3.8 Employee benefits (continued)

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income (OCI). The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

iii. *Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit and loss in the period in which they arise.

iv. *Share- based payment transactions*

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.9 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3 Significant accounting policies (continued)

3.9 Provisions (other than employee benefits) (continued)

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

3.10 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit and loss.

3.11 Earnings / (loss) per share

The basic earnings / (loss) per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

3.12 Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

3 Significant accounting policies (continued)

3.12 Leases (continued)

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.13 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories of the company comprises of network consumables and wifi routers. The method of determination of cost of these network consumables and wifi routers is "weighted average" method.

3.14 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

Rs in million

1 Property, plant and equipment

For the year ended 31 March 2013 - Proforma

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2012 (refer note 1.1 below)	7.59	400.68	7.50	7.87	2.92	0.92	427.48	68.01	495.49
Additions/(transfers)	21.53	297.73	6.43	2.95	1.98	-	330.62	205.05	535.67
Disposals	(0.01)	(0.07)	(0.04)	(0.02)	-	-	(0.14)	-	(0.14)
Balance as at 31 March 2013	**29.11**	**698.34**	**13.89**	**10.80**	**4.90**	**0.92**	**757.96**	**273.06**	**1,031.02**
Accumulated depreciation									
Balance as at 1 April 2012 (refer note 1.1 below)	-	-	-	-	-	-	-	-	-
Depreciation for the year	4.60	85.63	3.90	2.47	1.29	0.35	98.24	-	98.24
Disposals	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2013	**4.60**	**85.63**	**3.90**	**2.47**	**1.29**	**0.35**	**98.24**	**-**	**98.24**
Net carrying value as at 31 March 2013	**24.51**	**612.71**	**9.99**	**8.33**	**3.61**	**0.57**	**659.72**	**273.06**	**932.78**

For the year ended 31 March 2014 - Proforma

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2013	29.11	698.34	13.89	10.80	4.90	0.92	757.96	273.06	1,031.02
Adjustments - merger (refer note no 1.3 below)	34.91	1,696.92	24.63	40.80	15.11	7.74	1,820.11	68.59	1,888.70
Additions/(transfers)	54.85	1,153.04	25.36	29.08	11.78	8.81	1,282.92	24.41	1,307.33
Disposals	-	(25.64)	-	-	-	-	(25.64)	-	(25.64)
Balance as at 31 March 2014	**118.87**	**3,522.66**	**63.88**	**80.68**	**31.79**	**17.47**	**3,835.35**	**366.06**	**4,201.41**
Accumulated depreciation									
Balance as at 1 April 2013	4.60	85.63	3.90	2.47	1.29	0.35	98.24	-	98.24
Adjustments - merger (refer note no 1.3 below)	11.93	435.29	5.48	21.85	5.21	3.42	483.18	-	483.18
Depreciation for the year	14.50	418.81	10.23	8.86	4.59	1.88	458.87	-	458.87
Disposals	-	(5.01)	-	-	-	-	(5.01)	-	(5.01)
Accumulated depreciation as at 31 March 2014	**31.03**	**934.72**	**19.61**	**33.18**	**11.09**	**5.65**	**1,035.28**	**-**	**1,035.28**
Net carrying value as at 31 March 2014	**87.84**	**2,587.94**	**44.27**	**47.50**	**20.70**	**11.82**	**2,800.07**	**366.06**	**3,166.13**

For the year ended 31 March 2015 - Proforma

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2014	118.87	3,522.66	63.88	80.68	31.79	17.47	3,835.35	366.06	4,201.41
Additions/(transfers)	64.88	1,620.20	31.99	52.23	14.85	-	1,784.15	(198.91)	1,585.24
Disposals	(0.12)	(169.31)	(0.07)	(1.28)	(0.14)	(0.07)	(170.99)	-	(170.99)
Balance as at 31 March 2015	**183.63**	**4,973.55**	**95.80**	**131.63**	**46.50**	**17.40**	**5,448.51**	**167.15**	**5,615.66**
Accumulated depreciation									
Balance as at 1 April 2014	31.03	934.72	19.61	33.18	11.09	5.65	1,035.28	-	1,035.28
Depreciation for the year	20.32	557.10	20.56	14.02	6.19	2.76	620.95	-	620.95
Disposals	-	(8.38)	(0.05)	(0.27)	(0.07)	(0.03)	(8.80)	-	(8.80)
Accumulated depreciation as at 31 March 2015	**51.35**	**1,483.44**	**40.12**	**46.93**	**17.21**	**8.38**	**1,647.43**	**-**	**1,647.43**
Net carrying value as at 31 March 2015	**132.28**	**3,490.11**	**55.68**	**84.70**	**29.29**	**9.02**	**3,801.08**	**167.15**	**3,968.23**

For the year ended 31 March 2016 - Proforma

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2015	183.63	4,973.55	95.80	131.63	46.50	17.40	5,448.51	167.15	5,615.66
Additions/(transfers)	63.85	1,926.05	33.89	77.69	11.73	0.26	2,113.47	94.23	2,207.70
Disposals	(0.04)	(63.03)	(0.45)	(0.77)	(0.03)	(1.26)	(65.58)	-	(65.58)
Balance as at 31 March 2016	**247.44**	**6,836.57**	**129.24**	**208.55**	**58.20**	**16.40**	**7,496.40**	**261.38**	**7,757.78**
Accumulated depreciation									
Balance as at 1 April 2015	51.35	1,483.44	40.12	46.93	17.21	8.38	1,647.43	-	1,647.43
Depreciation for the year	26.63	753.30	25.79	24.66	7.39	2.01	839.78	-	839.78
Disposals	-	(19.01)	(0.02)	(0.03)	-	(0.13)	(19.19)	-	(19.19)
Accumulated depreciation as at 31 March 2016	**77.98**	**2,217.73**	**65.89**	**71.56**	**24.60**	**10.26**	**2,468.02**	**-**	**2,468.02**
Net carrying value as at 31 March 2016	**169.46**	**4,618.84**	**63.35**	**136.99**	**33.60**	**6.14**	**5,028.38**	**261.38**	**5,289.76**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VI
Notes to the restated standalone financial information (continued)

Rs in million

1 Property, plant and equipment (continued)

For the year ended 31 March 2017

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2016 (refer note 1.1 below)	169.46	4,618.84	63.35	136.99	33.60	6.14	5,028.38	261.38	5,289.76
Additions/(transfers)	46.54	2,801.46	26.51	61.30	7.31	-	2,943.12	210.13	3,153.25
Disposals	-	(182.97)	-	(0.53)	-	-	(183.50)	-	(183.50)
Balance as at 31 March 2017	**216.00**	**7,237.33**	**89.86**	**197.76**	**40.91**	**6.14**	**7,788.00**	**471.51**	**8,259.51**
Accumulated depreciation									
Balance as at 1 April 2016 (refer note 1.1 below)	-	-	-	-	-	-	-	-	-
Depreciation for the year	38.97	990.45	29.96	35.00	8.75	1.64	1,104.77	-	1,104.77
Disposals	-	(17.03)	-	(0.04)	-	-	(17.07)	-	(17.07)
Accumulated depreciation as at 31 March 2017	**38.97**	**973.42**	**29.96**	**34.96**	**8.75**	**1.64**	**1,087.70**	**-**	**1,087.70**
Net carrying value as at 31 March 2017	**177.03**	**6,263.91**	**59.90**	**162.80**	**32.16**	**4.50**	**6,700.30**	**471.51**	**7,171.81**

For the period ended 30 September 2017

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying value									
Balance as at 1 April 2017	216.00	7,237.33	89.86	197.76	40.91	6.14	7,788.00	471.51	8,259.51
Additions/(transfers)	49.48	1,694.82	6.51	28.92	1.83	21.14	1,802.70	157.47	1,960.17
Disposals	-	(29.88)	-	(0.16)	-	(0.23)	(30.27)	-	(30.27)
Balance as at 30 September 2017	**265.48**	**8,902.27**	**96.37**	**226.52**	**42.74**	**27.05**	**9,560.43**	**628.98**	**10,189.41**
Accumulated depreciation									
Balance as at 1 April 2017	38.97	973.42	29.96	34.96	8.75	1.64	1,087.70	-	1,087.70
Depreciation for the period	24.43	634.25	14.56	21.07	4.73	3.75	702.79	-	702.79
Disposals	-	(10.38)	-	-	-	(0.18)	(10.56)	-	(10.56)
Accumulated depreciation as at 30 September 2017	**63.40**	**1,597.29**	**44.52**	**56.03**	**13.48**	**5.21**	**1,779.93**	**-**	**1,779.93**
Net carrying value as at 30 September 2017	**202.08**	**7,304.98**	**51.85**	**170.49**	**29.26**	**21.84**	**7,780.50**	**628.98**	**8,409.48**

Note 1.1

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at 1 April 2016 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the PPE. While preparing Proforma Ind AS restated financial information for each of the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Company has opted the same accounting policy choice as adopted on transition date and accordingly the carrying value of its PPE as at 31 March 2012 has been used as deemed cost of PPE as at 1 April 2012.

Deemed cost as on 1 April 2016

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total
Gross block as on 1 April 2016	252.56	6,796.77	114.89	205.53	60.12	13.84	7,443.71
Accumulated depreciation till 1 April 2016	83.10	2,177.93	51.55	68.54	26.52	7.70	2,415.34
Net block treated as deemed cost upon transition	**169.46**	**4,618.84**	**63.34**	**136.99**	**33.60**	**6.14**	**5,028.37**

Deemed cost as on 1 April 2012 - Proforma

Particulars	Leasehold improvements	Plant and machinery	Computer equipment	Office equipment	Furniture and fixtures	Motor vehicles	Total
Gross block as on 1 April 2012	18.33	716.80	16.95	17.26	8.72	2.33	780.39
Accumulated depreciation till 1 April 2012	10.74	316.12	9.44	9.39	5.80	1.41	352.90
Net block treated as deemed cost upon transition	**7.59**	**400.68**	**7.51**	**7.87**	**2.92**	**0.92**	**427.49**

Note 1.2

Plant and equipment held under finance lease

The gross and net carrying amount of property, plant and equipment acquired under finance lease and included in the above are as follows:

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Cost or deemed cost	41.89	41.89	53.83	17.76	13.88	3.86
Accumulated depreciation	9.71	6.61	11.94	1.56	1.10	0.01
Net carrying value	**32.18**	**35.28**	**41.89**	**16.20**	**12.78**	**3.85**

Note 1.3

Figures under 'Adjustments Merger' relates to assets taken over by the Company from Beam Telecom Private Limited as per the scheme of amalgamation/ merger. Refer note 39 of Annexure A-VI for details of the scheme.

Note 1.4

For details of property, plant and equipment pledged, refer note 13.4 of Annexure A-VI.

Rs in million

2 Intangible assets

For the year ended 31 March 2013 - Proforma

Particulars	**Software**	**Non-compete fees**	**Network acquisitions**	**Goodwill on amalgamation**	**Total**
Gross carrying value					
Balance as at 1 April 2012 (refer note 2.1 below)	105.65	16.77	11.82	-	134.24
Additions	38.41	-	3.58	-	41.99
Disposals	-	-	(0.16)	-	(0.16)
Balance as at 31 March 2013	**144.06**	**16.77**	**15.24**	**-**	**176.07**
Accumulated amortization					
Balance as at 1 April 2012	-	-	-	-	-
Amortization for the year	45.12	2.72	0.92	-	48.76
Impairment loss (refer note no 2.4 below)	-	14.05	-	-	14.05
Disposal	-	-	-	-	-
Accumulated amortization as of 31 March 2013	**45.12**	**16.77**	**0.92**	**-**	**62.81**
Net carrying value as on 31 March 2013	**98.94**	**-**	**14.32**	**-**	**113.26**

For the year ended 31 March 2014 - Proforma

Particulars	**Software**	**Non-compete fees**	**Network acquisitions**	**Goodwill on amalgamation**	**Total**
Gross carrying value					
Balance as at 1 April 2013	144.06	16.77	15.24	-	176.07
Adjustments - merger (refer note no 2.2 below)	14.62	-	52.85	-	67.47
Additions	-	-	23.17	868.67	891.84
Disposals	-	-	-	-	-
Balance as at 31 March 2014	**158.68**	**16.77**	**91.26**	**868.67**	**1,135.38**
Accumulated amortization					
Balance as at 1 April 2013	45.12	16.77	0.92	-	62.81
Adjustments - merger (refer note no 2.2 below)	-	-	9.02	-	9.02
Amortization for the year	51.87	-	7.45	173.73	233.05
Impairment loss (refer note no 2.5 below)	-	-	9.42	-	9.42
Disposal	-	-	-	-	-
Accumulated amortization as of 31 March 2014	**96.99**	**16.77**	**26.81**	**173.73**	**314.30**
Net carrying value as on 31 March 2014	**61.69**	**-**	**64.45**	**694.94**	**821.08**

For the year ended 31 March 2015 - Proforma

Particulars	**Software**	**Non-compete fees**	**Network acquisitions**	**Goodwill on amalgamation**	**Total**
Gross carrying value					
Balance as at 1 April 2014	158.68	16.77	91.26	868.67	1,135.38
Additions	41.27	-	33.03	-	74.30
Disposals	(1.54)	-	(3.98)	-	(5.52)
Balance as at 31 March 2015	**198.41**	**16.77**	**120.31**	**868.67**	**1,204.16**
Accumulated amortization					
Balance as at 1 April 2014	96.99	16.77	26.81	173.73	314.30
Amortization for the year	29.92	-	8.77	173.73	212.42
Disposals	(0.07)	-	-	-	(0.07)
Accumulated amortization as of 31 March 2015	**126.84**	**16.77**	**35.58**	**347.46**	**526.65**
Net carrying value as on 31 March 2015	**71.57**	**-**	**84.73**	**521.21**	**677.51**

For the year ended 31 March 2016 - Proforma

Particulars	**Software**	**Non-compete fees**	**Network acquisitions**	**Goodwill on amalgamation**	**Total**
Gross carrying value					
Balance as at 1 April 2015	198.41	16.77	120.31	868.67	1,204.16
Additions	68.58	-	52.00	-	120.58
Disposals	-	-	-	-	-
Balance as at 31 March 2016	**266.99**	**16.77**	**172.31**	**868.67**	**1,324.74**
Accumulated amortization					
Balance as at 1 April 2015	126.84	16.77	35.58	347.46	526.65
Amortization for the year	27.36	-	11.05	174.21	212.62
Disposals	-	-	-	-	-
Accumulated amortization as of 31 March 2016	**154.20**	**16.77**	**46.63**	**521.67**	**739.27**
Net carrying value as on 31 March 2016	**112.79**	**-**	**125.68**	**347.00**	**585.47**

Rs in million

2 Intangible assets (continued)

For the year ended 31 March 2017

Particulars	Software	Non-compete fees	Network acquisitions	Goodwill on amalgamation	Total
Gross carrying value					
Balance as at 1 April 2016 (refer note 2.1 below)	112.79	-	125.68	347.00	585.47
Additions	151.29	-	71.68	-	222.97
Disposals	-	-	-	-	-
Balance as at 31 March 2017	**264.08**	**-**	**197.36**	**347.00**	**808.44**
Accumulated amortization					
Balance as at 1 April 2016 (refer note 2.1 below)	-	-	-	-	-
Amortization for the year	33.95	-	15.74	173.73	223.42
Disposals	-	-	-	-	-
Accumulated amortization as of 31 March 2017	**33.95**	**-**	**15.74**	**173.73**	**223.42**
Net carrying value as on 31 March 2017	**230.13**	**-**	**181.62**	**173.27**	**585.02**

For the period ended 30 September 2017

Particulars	Software	Non-compete fees	Network acquisitions	Goodwill on amalgamation	Total
Gross carrying value					
Balance as at 1 April 2017	264.08	-	197.36	347.00	808.44
Additions	92.52	-	25.32	-	117.84
Disposals	-	-	(0.61)	-	(0.61)
Balance as at 30 September 2017	**356.60**	**-**	**222.07**	**347.00**	**925.67**
Accumulated amortization					
Balance as at 1 April 2017	33.95	-	15.74	173.73	223.42
Amortization for the period	28.53	-	8.97	86.63	124.13
Disposals	-	-	-	-	-
Accumulated Amortization as of 30 September 2017	**62.48**	**-**	**24.71**	**260.36**	**347.55**
Net carrying value as on 30 September 2017	**294.12**	**-**	**197.36**	**86.64**	**578.12**

Note 2.1

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the intangible assets. While preparing Proforma Ind AS restated financial information for each of the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Company has opted the same accounting policy choice as adopted on transition date and accordingly the carrying value of its intangible assets as at 31 March 2012 has been used as deemed cost as at 1 April 2012.

Deemed cost as on 1 April 2016

Particulars	Software	Non-compete fees	Network acquisitions	Goodwill on amalgamation	Total
Gross block as on 1 April 2016	325.98	25.50	160.95	868.67	1,381.10
Accumulated amortization till 1 April 2016	213.19	25.50	35.27	521.67	795.63
Net block treated as deemed cost upon transition	**112.79**	**-**	**125.68**	**347.00**	**585.47**

Deemed cost as on 1 April 2012 - Proforma

Particulars	Software	Non-compete fees	Network acquisitions	Goodwill on amalgamation	Total
Gross block as on 1 April 2012	165.28	25.50	12.68	-	203.46
Accumulated amortization till 1 April 2012	59.64	8.73	0.86	-	69.23
Net block treated as deemed cost upon transition	**105.64**	**16.77**	**11.82**	**-**	**134.23**

Note 2.2

Figures under 'Adjustments Merger' relates to assets taken over by the Company from Beam Telecom Private Limited as per the scheme of amalgamation/ merger. Refer note 39 of Annexure A-VI or details of the scheme.

Note 2.3

For details of intangible assets pledged, refer Note 13.4 of Annexure A - VI

Note 2.4

Impairment loss recognised against non compete fees in line with impairment of investment in SR Cable TV Private Limited. Refer Note 31 of Annexure A-VI for details of impairment.

Note 2.5

Impairment loss recognised against non compete fees in line with impairment of loans and advances, advanced to Chitradurga Entertainment Private Limited. Refer note 32 of Annexure A -VI for details of impairment.

Note 2.6

Total depreciation charge as per statement of profit and loss includes impairment loss of Rs 14.05 million and Rs 9.42 million for the financial year ended 31 March 2013 and 31 March 2014 respectively.

Rs in million

3 Investments

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current investments, unquoted						
Investments in equity instruments of subsidiaries (at cost)						
Beam Telecom Private Limited (Merged with ACT from 1 April 2013 - refer note 39 of Annexure A-VI) 31 March 2013: 2,818,602 fully paid up equity shares of Rs 10 each	-	-	-	-	-	458.79
A.C.N. Cable Private Limited (Considered as associate from 1 October 2014 - refer note 41 of Annexure A-VI) 31 March 2014: 27,877 and 31 March 2013: 20,477 fully paid-up equity shares of Rs 10 each	-	-	-	-	362.39	266.19
Atria Broadband Services Private Limited (Considered as associate from 1 October 2014 - refer note 41 of Annexure A-VI) 31 March 2014: 10,200 and 31 March 2013: 10,200 fully paid up equity shares of Rs 10 each	-	-	-	-	0.10	0.10
ACT Digital Home Entertainment Private Limited (formerly known as Excite Digital Home Entertainment Private Limited) 284,616 (31 March 2017: 284,616, 31 March 2016: 284,616, 31 March 2015: 284,616, 31 March 2014: 284,616 and 31 March 2013: 284,616) fully paid up equity shares of Rs 10 each	199.23	199.23	199.23	199.23	199.23	199.23
Chitradurga Entertainment Private Limited 9,999(31 March 2017: 9,999, 31 March 2016: 9,999, 31 March 2015: 9,999, 31 March 2014: 9,999 and 31 March 2013: 9,999) fully paid up equity shares of Rs 10 each	0.10	0.10	0.10	0.10	0.10	0.10
Less : Impairment loss (refer note 32 of Annexure A-VI)	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)	-
Kable First India Private Limited 70,000 (31 March 2017: 70,000, 31 March 2016: 70,000, 31 March 2015: 70,000, 31 March 2014: 70,000 and 31 March 2013: 70,000) fully paid equity shares of Rs 10 each	0.70	0.70	0.70	0.70	0.70	0.70
Less : Impairment loss (refer note no 34 of Annexure A-VI)	(0.70)	(0.70)	-	-	-	-
SR Cable TV Private Limited 10,000 (31 March 2017: 10,000, 31 March 2016: 10,000, 31 March 2015: 10,000, 31 March 2014: 10,000 and 31 March 2013: 10,000) fully paid up equity shares of Rs 10 each	0.10	0.10	0.10	0.10	0.10	0.10
Less : Impairment loss (refer note no 31 of Annexure A-VI)	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)
	199.23	**199.23**	**199.93**	**199.93**	**562.42**	**925.11**
Investments in equity instruments of an associates						
A.C.N. Cable Private Limited (Considered as associate from 1 October 2014 - refer note 41) 14,496 (31 March 2017: 14,496, 31 March 2016: 14,496 and 31 March 2015: 14,496) fully paid up equity shares of Rs 10 each	188.44	188.44	188.44	188.44	-	-
Atria Broadband Services Private Limited (Considered as associate from 1 October 2014 - refer note 41 of Annexure A-VI) 4,998 (31 March 2017: 4,998, 31 March 2016: 4,998 and 31 March 2015: 4,998) fully paid up equity shares of Rs 10 each	0.05	0.05	0.05	0.05	-	-
	188.49	**188.49**	**188.49**	**188.49**	**-**	**-**
Total non-current investments	**387.72**	**387.72**	**388.42**	**388.42**	**562.42**	**925.11**
Aggregate book value of unquoted investments	388.62	388.62	388.62	388.62	562.62	925.21
Aggregate amount of impairment in value of investments	(0.90)	(0.90)	(0.20)	(0.20)	(0.20)	(0.10)

Rs in million

3 Investments (continued)

Name of the subsidiaries and associates	Place of business	% holding As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Beam Telecom Private Limited	Hyderabad	-	-	-	-	-	60.30%
A.C.N. Cable Private Limited	Nellore	47.56%	47.56%	47.56%	47.56%	90.81%	90.81%
Atria Broadband Services Private Limited	Bangalore	49.00%	49.00%	49.00%	49.00%	99.99%	99.99%
ACT Digital Home Entertainment Private Limited	Vijayawada and Vishakhapatnam	74.00%	74.00%	74.00%	74.00%	74.00%	74.00%
Chitradurga Entertainment Private Limited	Chitradurga	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
Kable First India Private Limited	Bangalore	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
SR Cable TV Private Limited	Indore	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Current investments, quoted						
Investments at fair value through profit or loss						
Investments in mutual funds						
Treasury Advantage Plan Savings - Wholesale-Daily dividend - Nil (31 March 2017 : Nil, 31 March 2016 :113,769, 31 March 2015 : 107,868.058, 31 March 2014: 70,366.092 and 31 March 2013: Nil) units fully paid-up	-	-	1.22	1.16	0.76	-
Treasury Advantage Plan - Direct Plan - Retail - Daily dividend - Nil (31 March 2017 : Nil, 31 March 2016 :2,300, 31 March 2015: 2,179.060, 31 March 2014: 2,048.140 and 31 March 2013: 841,603.39) units fully paid-up	-	-	0.02	0.02	0.02	8.44
Treasury Advantage Plan - Direct Plan - Retail - Daily dividend - Nil (31 March 2013: 71,889.83) units fully paid-up	-	-	-	-	-	0.72
	-	**-**	**1.24**	**1.18**	**0.78**	**9.16**
Aggregate market value of quoted current investments	-	-	1.24	1.18	0.78	9.16
Aggregate book value of quoted current investments	-	-	1.24	1.18	0.78	9.16

4 Loans

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Loans to related parties (Refer to note 41 of Annexure A-VI)						
Unsecured, considered good	558.34	534.03	487.38	2.98	3.23	2.97
Unsecured, considered doubtful	0.45	3.43	0.45	0.45	0.45	0.45
Less : Provision for doubtful advances	(0.45)	(3.43)	(0.45)	(0.45)	(0.45)	(0.45)
	558.34	**534.03**	**487.38**	**2.98**	**3.23**	**2.97**
Current						
Loans to related parties (Refer to note 41 of Annexure A-VI)						
Unsecured, considered good	430.14	675.39	1,086.39	1,071.18	794.67	336.20
Unsecured, considered doubtful	767.96	880.76	428.97	325.83	289.97	226.20
Less : Provision for doubtful advances	(767.96)	(880.76)	(428.97)	(325.83)	(289.97)	(226.20)
Loans to employees						
Key management personnel (Refer to note 41 of Annexure A-VI)	23.88	33.48	35.47	34.56	5.19	0.58
Others	46.50	27.49	19.78	18.98	6.65	5.71
	500.52	**736.36**	**1,141.64**	**1,124.72**	**806.51**	**342.49**

Rs in million

5 Other financial assets

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Rent and other deposits (refer note 5.2 below)						
Unsecured, considered good	216.60	178.96	114.14	71.04	53.15	25.87
Unsecured, considered doubtful	1.25	1.25	1.25	1.25	1.25	1.25
Less : Provision for doubtful deposits	(1.25)	(1.25)	(1.25)	(1.25)	(1.25)	(1.25)
Interest accrued on fixed deposits	-	-	-	-	2.38	-
Derivative assets	-	-	17.47	311.81	-	-
Bank deposits (due to mature after 12 months from the reporting date)	-	-	-	-	19.64	-
Margin money deposits (due to mature after 12 months from the reporting date)	8.98	38.63	175.65	235.41	159.89	21.00
	225.58	**217.59**	**307.26**	**618.26**	**235.06**	**46.87**
Current						
Derivative assets	-	18.75	349.40	220.20	31.63	-
Purchase consideration receivable						
- from related parties (refer note 41 of Annexure A-VI)	-	-	55.50	79.00	-	-
- from others	-	-	-	103.68	-	-
Advance towards equity subscription						
Unsecured, considered good						
- from related parties (refer note 41 of Annexure A-VI)	-	-	-	0.37	4.87	178.04
- from others	-	-	-	-	14.10	14.10
Unsecured, considered doubtful						
- from related parties (refer note 41 of Annexure A-VI)	-	4.50	4.50	4.50	74.40	60.53
- from others	14.10	14.10	14.10	14.10	-	-
Less : Provision for impairment	(14.10)	(18.60)	(18.60)	(18.60)	(74.40)	(60.53)
Interest accrued but not due						
Unsecured, considered good						
- from related parties (refer note 41 of Annexure A-VI)	8.32	265.16	126.55	47.62	11.98	-
- from others	14.71	15.68	82.96	22.98	13.16	7.15
Unsecured, considered doubtful						
- from related parties (refer note 41 of Annexure A-VI)	348.25	44.99	22.94	-	-	-
Less : Provision for doubtful receivables	(348.25)	(44.99)	(22.94)	-	-	-
Others	0.23	-	-	3.73	-	-
	23.26	**299.59**	**614.41**	**477.58**	**75.74**	**199.29**

Note 5.1 - For details of current financial assets pledged, refer note 13.4 of Annexure A - VI.

Note 5.2 - The Management has determined its security deposits not to be in the nature of loans and accordingly have been classified as other financial assets.

6 Other assets

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Capital advances	107.63	115.27	73.07	88.67	82.67	88.47
Prepaid expenses	207.59	195.44	190.23	132.53	98.97	57.84
Deposits with Government authorities	13.29	12.92	8.35	-	-	-
	328.51	**323.63**	**271.65**	**221.20**	**181.64**	**146.31**
Current						
Advance to suppliers	55.85	10.48	15.56	9.18	14.52	21.21
Prepaid expenses	139.41	70.74	61.84	48.26	42.37	16.20
Balances with Government authorities	36.16	188.60	122.89	65.22	80.81	67.54
Other loans and advances						
Unsecured, considered good	5.27	31.19	406.83	65.33	5.43	3.99
Unsecured, considered doubtful	9.34	9.34	0.78	0.78	1.94	2.16
Less : Provision for doubtful advances	(9.34)	(9.34)	(0.78)	(0.78)	(1.94)	(2.16)
	236.69	**301.01**	**607.12**	**187.99**	**143.13**	**108.94**

For details of other current assets pledged, refer note 13.4 of Annexure A - VI.

Rs in million

7 Inventories

(Valued at lower of cost and net realisable value)

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Stock-in-trade	11.64	20.23	13.84	-	-	-
Network consumables	16.86	8.75	6.86	-	-	-
	28.50	**28.98**	**20.70**	**-**	**-**	**-**

For details of inventories pledged, refer note 13.4 of Annexure A - VI.

8 Trade receivables

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Unsecured						
Considered good	115.49	105.38	41.83	29.92	48.30	43.74
Considered doubtful	80.01	54.10	35.12	50.22	14.77	-
	195.50	159.48	76.95	80.14	63.07	43.74
Less: Allowance for expected credit loss	(80.01)	(54.10)	(35.12)	(50.22)	(14.77)	-
Net trade receivables	**115.49**	**105.38**	**41.83**	**29.92**	**48.30**	**43.74**
a) Of the above, trade receivables from related parties are as below:						
Total trade receivables from related parties (refer note 41 of Annexure A-VI)	80.01	54.10	32.46	32.46	-	-
Allowance for expected credit loss	(80.01)	(54.10)	(32.46)	(32.46)	-	-
	-	**-**	**-**	**-**	**-**	**-**
b) Due date based ageing						
Debts outstanding for a period exceeding six months from the date they became due	54.10	27.05	39.33	26.32	13.14	-
Other debts	141.40	132.43	37.62	53.82	49.93	43.74
	195.50	**159.48**	**76.95**	**80.14**	**63.07**	**43.74**

For details of trade receivables pledged, refer Note 13.4 of Annexure A-VI.
The Company's exposure to credit and loss allowances related to trade receivables are disclosed in Note 27 of Annexure A-VI.

9 Cash and cash equivalents

Particulars	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Cash on hand	3.81	2.92	4.32	5.94	11.80	4.21
Cheques on hand	-	-	-	-	3.26	-
Balances with banks						
On current accounts	176.14	208.18	157.67	291.27	431.44	81.83
On fixed deposits (with the original maturity of three months or less)	747.04	478.32	76.84	235.27	-	-
	926.99	**689.42**	**238.83**	**532.48**	**446.50**	**86.04**
Book overdrafts used for cash management purposes (refer note 14 of Annexure A-VI)	338.34	202.89	-	-	-	-
Cash and cash equivalents in the statement of cash flows	**588.65**	**486.53**	**238.83**	**532.48**	**446.50**	**86.04**

10 Other bank balances

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Balances with bank						
In deposit accounts (with original maturity of more than 3 months)	1,030.00	-	-	40.17	82.89	-
In margin money deposits	53.38	37.33	28.15	45.37	8.88	223.58
	1,083.38	**37.33**	**28.15**	**85.54**	**91.77**	**223.58**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VI
Notes to the restated standalone financial information (continued)

Rs in million

11 Share capital

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
a Authorised						
Equity shares						
60,000,000 (31 March 2017 : 60,000,000, 31 March 2016 : 60,000,000, 31 March 2015 : 60,000,000, 31 March 2014 : 60,000,000 and 31 March 2013 : 60,000,000) equity shares of Rs 10 each	600.00	600.00	600.00	600.00	600.00	600.00
Preference shares						
10,000,000 (31 March 2017 : 10,000,000, 31 March 2016 : 10,000,000 and 31 March 2015 : 10,000,000 0.0001% Optionally Convertible Redeemable Preference Shares of Rs 10 each	100.00	100.00	100.00	100.00	-	-
	700.00	**700.00**	**700.00**	**700.00**	**600.00**	**600.00**
b Issued, subscribed and paid-up						
Equity shares						
53,010,897 (31 March 2017 : 53,010,897, 31 March 2016 : 51,944,512, 31 March 2015 : 36,458,796, 31 March 2014 : 36,458,796 and 31 March 2013 : 34,829,266) equity shares of Rs 10 each, fully paid-up	530.11	530.11	519.45	364.59	364.59	348.29
	530.11	**530.11**	**519.45**	**364.59**	**364.59**	**348.29**

c Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

(Amounts in Rs in millions, except share data and unless otherwise stated)

	30 September 2017		31 March 2017		31 March 2016		31 March 2015		31 March 2014		31 March 2013	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
At the beginning of the period/ year	53,010,897	530.11	51,944,512	519.45	36,458,796	364.59	36,458,796	364.59	34,829,266	348.29	34,829,266	348.29
Add: Shares issued during the period/ year												
Shares issued for cash	-	-	-	-	15,485,716	154.86	-	-	-	-	-	-
Shares issued on exercise of employee stock options	-	-	1,066,385	10.66	-	-	-	-	1,629,530	16.30		
At the end of the period/ year	**53,010,897**	**530.11**	**53,010,897**	**530.11**	**51,944,512**	**519.45**	**36,458,796**	**364.59**	**36,458,796**	**364.59**	**34,829,266**	**348.29**

d Rights, preference and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to dividend to preference shareholders if any. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

11 Share capital (continued)

e Details of shareholders holding more than 5% shares of the Company :

Name of the shareholder	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held
Equity shares of Rs 10 each fully paid up held by:												
India Value Fund III-A, represented by its sole trustee IVF Trustee Company Private Limited	-	-	-	-	39,748,836	76.52%	24,263,120	66.55%	24,263,120	66.55%	24,263,120	69.66%
Argan (Mauritius) Limited	30,253,016	57.07%	29,937,430	56.47%	-	-	-	-	-	-	-	-
TA FVCI Investors Limited	19,998,152	37.72%	19,789,538	37.33%	-	-	-	-	-	-	-	-
M/s Perpetual Investments	-	-	-	-	6,371,446	12.27%	6,371,446	17.48%	6,371,446	17.48%	6,371,446	18.29%
C S Sunder Raju	-	-	-	-	4,010,500	7.72%	4,010,500	11.00%	4,010,500	11.00%	4,010,500	11.51%

f Shares held by holding company

Name of the shareholder	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held	Number of shares	% held
Equity shares of Rs 10 each fully paid up held by:												
India Value Fund III-A, represented by its sole trustee IVF Trustee Company Private Limited	-	-	-	-	39,748,836	76.52%	24,263,120	66.55%	24,263,120	66.55%	24,263,120	69.66%
Argan (Mauritius) Limited	30,253,016	57.07%	29,937,430	56.47%	-	-	-	-	-	-	-	-

g Details of shares issued or bought back for consideration other than cash :

The Company has neither allotted any fully paid up equity shares by way of bonus shares or pursuant to contract without payment being received in cash nor has bought back any equity shares during the period of five years immediately preceding the respective reporting periods.

h Shares reserved for issue under options - For details of shares reserved for issue under the employee stock option scheme (ESOP) of the Company, refer to Note 11 (i) of Annexure A-VI.

11 Share capital (continued)

i Share based payments

A Description of share-based payment arrangements- Share option plans (equity-settled)

ACT Employee Stock Option Plan 2014

During the year ended 31 March 2014, the Company instituted the ACT Employee Stock Option Plan 2014 (referred to as ACT ESOP 2014). The scheme was approved by the Board of Directors in its meeting held on 25 February 2014.

The Company had following share-based payment arrangements, which are summarized below:

Particulars	Based on performance and time	Based on exit of an investor	Based on performance
Option Plan	I	II	III
Options granted (nos.)	1,629,530	814,765	251,620
Grant date	01 March 2014	01 March 2014	01 April 2015
Vesting date	01 March 2014	07 April 2016	01 April 2016
Option exercised (nos.)	1,629,530	814,765	251,620
Share price on date of grant (Rs.)	35.25	35.25	158.10
Exercise price (Rs.)	27.82	27.82	27.82
Intrinsic value of Option (Rs.)	7.43	7.43	130.28
Method of Settlement	Equity	Equity	Equity
Weighted average fair value per option on the date of grant	13.76	13.76	132.54

ACT Employee Stock Option Plan 2016

During the year ended 31 March 2017, the Company instituted the ACT Employees Stock Option Plan 2016 (referred to as ACT ESOP 2016). The scheme was approved by the Board of Directors in its meeting held on 6 May 2016.

The Company had following share-based payment arrangements, which are summarized below:

Particulars	Based on time	Based on individual performance	Based on exit of an investor
Option Plan	I	II	III
Options granted (nos.)	865,844	865,844	865,844
Grant date	May 2016/ October 2016	May 2016/ October 2016	May 2016/ October 2016
Vesting date	As per schedule	As per schedule	As per schedule
Option exercised (nos.)	-	-	-
Share price on date of grant (Rs)	417.00	417.00	417.00
Exercise price (Rs)	500.00	500.00	500.00
Intrinsic value of Option (Rs)	-	-	-
Weighted average fair value per option on the date of grant	201.16	201.16	263.00
Method of Settlement	Equity	Equity	Equity

Vesting schedule is as summarized below :

Financial Year	Based on time	Based on individual performance	Based on exit of an investor	Total
2017-18	401,701	401,701	The same cannot be determined, and is estimated to vest on 31 March 2024	803,402
2018-19	173,169	173,169		346,338
2019-20	173,169	173,169		346,338
2020-21	116,038	116,038		232,076
2021-22	1,767	1,767		3,534
2023-24	-	-		865,844
Total	**865,844**	**865,844**	**865,844**	**2,597,532**

The Company has modified the "ACT ESOP 2016" scheme with effect from 1 April 2017 and the same was approved by board of directors on 30 January 2018 and by shareholders on 31 January 2018. The modified scheme replaces the share-based payment arrangement vesting criteria from "Based on exit of investors" to " Based on performance of the Company". The options under the said arrangement will be vested over a period of five years commencing from the expiry of 12 months from the date of respective grant dates, subject to the Company achieving the agreed milestones as determined by the Board of Directors/Nomination and Remuneration committee.

Summary of the modified scheme and its vesting schedule is as follows :

Particulars	Based on time	Based on individual performance	Based on Company performance
Option Plan	I	II	III
Options granted (nos.)	865,844	865,844	865,844
Grant date	May 2016/ October 2016	May 2016/ October 2016	May 2016/ October 2016
Vesting date	As per schedule	As per schedule	As per schedule
Option exercised (nos.)	-	-	-
Share price on date of grant (Rs)	417.00	417.00	417.00
Exercise price (Rs)	500.00	500.00	500.00
Intrinsic value of Option (Rs)	-	-	-
Weighted average fair value per option on the date of grant	201.16	201.16	263.00
Method of settlement	Equity	Equity	Equity

11 Share capital (continued)

(i) Share based payments (continued)

Vesting schedule is as summarized below :

Financial Year	**Based on time**	**Based on individual performance**	**Based on company performance**	**Total**
2017-18	401,701	401,701	-	803,402
2018-19	173,169	173,169	173,169	519,507
2019-20	173,169	173,169	173,169	519,507
2020-21	116,038	116,038	173,169	405,245
2021-22	1,767	1,767	173,169	176,703
2022-23	-	-	173,168	173,168
Total	**865,844**	**865,844**	**865,844**	**2,597,532**

B Reconciliation of outstanding share options

The activity in the Plan during the period ended 30 September 2017 is set out below:

Particulars	**Period ended 30 September 2017**		
	Shares arising out of options	**Weighted average exercise price**	**Weighted average remaining contractual life**
2016 Plan:			
Outstanding at the beginning of the period	2,597,532	500.00	-
Granted during the period	-	-	-
Forfeited and expired during the period	(22,382)	-	-
Exercised during the period	-	-	-
Outstanding at the end of the period	**2,575,150**	**500.00**	**2.14 years**
Options exercisable at the end of the period	**434,686**	**-**	

The activity in the Plan during the year ended 31 March 2017 is set out below:

Particulars	**Year ended 31 March 2017**		
	Shares arising out of options	**Weighted average exercise price**	**Weighted average remaining contractual life**
2014 Plan:			
Outstanding at the beginning of the year	1,066,385	27.82	-
Granted during the year	-	-	-
Forfeited and expired during the year	-	-	-
Exercised during the year	(1,066,385)	27.82	-
Outstanding at the end of the year	**-**	**-**	**-**
Options exercisable at the end of the year	**-**		

Particulars	**Year ended 31 March 2017**		
	Shares arising out of options	**Weighted average exercise price**	**Weighted average remaining contractual life**
2016 Plan:			
Outstanding at the beginning of the year	-	-	-
Granted during the year	2,597,532	500.00	-
Forfeited and expired during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	**2,597,532**	**500.00**	**3.49 years**
Options exercisable at the end of the year	**-**		

11 Share capital (continued)

(i) Share based payments (continued)

The activity in the Plan during the year ended 31 March 2016 is set out below:

Particulars	Year ended 31 March 2016		
	Shares arising out of options	Weighted average exercise price	Weighted average remaining contractual life
2014 Plan:			
Outstanding at the beginning of the year	814,765	27.82	-
Granted during the year	251,620	27.82	-
Forfeited and expired during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	**1,066,385**	**27.82**	**0.02 years**
Options exercisable at the end of the year	-		

The activity in the Plan during the year ended 31 March 2015 is set out below:

Particulars	Year ended 31 March 2015		
	Shares arising out of options	Weighted average exercise price	Weighted average remaining contractual life
2014 Plan:			
Outstanding at the beginning of the year	814,765	27.82	-
Granted during the year	-	-	-
Forfeited and expired during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	**814,765**	**27.82**	**1.02 years**
Options exercisable at the end of the year	-		

The activity in the Plan during the year ended 31 March 2014 is set out below:

Particulars	Year ended 31 March 2014		
	Shares arising out of options	Weighted average exercise price	Weighted average remaining contractual life
2014 Plan:			
Outstanding at the beginning of the year	-	-	-
Granted during the year	2,444,295	27.82	-
Forfeited and expired during the year	-	-	-
Exercised during the year	(1,629,530)	-	-
Outstanding at the end of the year	**814,765**	**27.82**	**2.02 years**
Options exercisable at the end of the year	-		

C Fair Value Measurement

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options.
The fair value of the option is calculated using the Black-Scholes Option Pricing model.
The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	For options granted in the financial year ended		
	31 March 2017	**31 March 2016**	**31 March 2014**
Grant date	May 2016/ October 2016	01 April 2015	01 March 2014
Share price at grant date	417.00	158.10	35.25
Exercise price	500.00	27.82	27.82
Expected volatility (%)	47.3% to 52.3%	18.39%	18.39%
Expected life of the option (years)	Ranging from 4.50 years to 7.96 years	3 years	3.55 years
Expected dividends (%)	0%	0%	0%
Risk-free interest rate (%)	7.4% to 7.6%	8.23%	8.23%
Weighted average fair value as at grant date			

i) Share price: The share price is based on a valuation of shares carried out by an external valuer.
ii) Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Board of Directors/ Remuneration and Compensation Committee.
iii) Expected Volatility: Historical volatility of few comparable companies with similar business model as of the grant date has been considered.
iv) Expected Option Life: The expected term of the option is the average remaining time from the grant date till the expiry of the option.
v) Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

D For details on the employee benefits expense, Refer note 23 of Annexure A-VI.

Rs in million

12 Other equity

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Securities premium	3,438.66	3,438.66	3,375.10	1,459.98	1,459.98	1,418.83
Share based payment reserve	225.03	152.41	44.56	7.47	3.73	-
Capital redemption reserve	9.21	9.21	9.21	9.21	-	-
Debenture redemption reserve	-	-	-	119.22	-	-
Retained earnings	2,078.14	1,094.29	(397.75)	(1,358.13)	(1,554.87)	(2,067.54)
	5,751.04	**4,694.57**	**3,031.12**	**237.75**	**(91.16)**	**(648.71)**

Transaction, nature and purpose of other reserves

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013/ Companies Act, 1956.

Share based payment reserve

The Company has established equity-settled share-based payment plans for eligible employees of the company. Refer note 11 (i) of Annexure A-VI for further details on these plans.

Capital redemption reserve

The Company is required to create a capital redemption reserve to the extent of the face value of the outstanding preference shares redeemed.

Debenture redemption reserve

Debenture redemption reserve represents amount transferred out of profits for the purpose of redemption of debentures in accordance with Companies Act, 2013.

Retained earnings

Retained earnings represent the amount of surplus of the Company.

13 Borrowings

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non current						
Secured						
Preference shares classified as financial liabilities (Refer note 13.2 below)	-	-	-	737.36	666.25	-
Loans from banks	2,328.76	1,807.33	2,380.97	581.41	743.40	30.00
11% redeemable non- convertible debentures	-	-	-	2,005.48	1,428.84	-
Loans from financial institutions	-	-	-	200.00	-	500.00
Foreign currency buyer's credit	-	-	17.47	37.44	-	-
Finance lease obligations	-	1.43	20.36	28.58	48.13	88.93
	2,328.76	**1,808.76**	**2,418.80**	**3,590.27**	**2,886.62**	**618.93**
Current						
Secured						
Foreign currency buyer's credit	-	18.48	46.12	42.66	31.12	-
Current maturities of long term borrowings	827.10	789.14	1,388.72	397.77	327.25	133.59
Unsecured						
Loans repayable on demand (refer note 13.3 below)	-	-	-	-	382.00	412.00
	827.10	807.62	1,434.84	440.43	740.37	545.59
Less : Amount included in other financial liabilities	(827.10)	(789.14)	(1,388.72)	(397.77)	(327.25)	(133.59)
	-	18.48	46.12	42.66	413.12	412.00
	2,328.76	**1,827.24**	**2,464.92**	**3,632.93**	**3,299.74**	**1,030.93**

Note 13.1

Information about the Company's exposure to interest rate and liquidity risks are included in Note 27 of Annexure A-VI.

Note 13.2

The Company had a single class of Optionally Convertible Redeemable Preference Shares (OCRPS). These OCRPS carried dividend at the rate of 0.0001 % per annum determined from the date of allotment on the face value of such OCRPS. The OCRPS holders shall also have a preferential right to receive their redemption value in precedence to holders of equity shares during winding up of the Company or repayment of capital. However, these OCRPS shall not carry any voting rights, other than those relating to them. Should OCRPS be required to be converted into equity shares, the OCRPS would be deemed to have a value equal to the redemption amount due and equity shares in the Company will be issued at a price which is computed by a valuer appointed by the Company in this regard. Since the OCRPS are in the nature of a non-derivative contract, that will be settled in a variable number of the Company's own equity instruments, the OCRPS have been accounted for as financial liability at amortised cost in accordance with Ind AS 109. The preference shares were fully redeemed during the financial year ended 31 March 2016.

Note 13.3

The Company had received short term loan from IVF Advisors Private Limited, repayable on demand and interest was charged at 15% p.a. Refer note 41 of Annexure A-VI.

Rs in million

13 Borrowings (continued)

13.4 Details of security, repayment terms and interest rate for long term and short term borrowings:

a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
1. Term loan from banks									
i) HDFC Bank Limited									
- 18 quarterly installment and will be repaid on 14 November 2018	Secured against fixed assets of the Company	Nil	Base rate + 4.2% p.a.	37.50	52.50	82.50	112.50	142.50	-
- 18 quarterly installment and will be repaid on 27 December 2018	Secured against current assets and fixed assets of the Company	Nil	Base rate + 4.2% p.a.	97.22	136.15	213.89	291.66	350.00	-
- 18 quarterly installment and will be repaid on 08 May 2020	Secured against current assets and fixed assets of the Company	Nil	Base rate + 4.2% p.a.	305.56	361.11	472.20	-	-	-
- Tranch A: The Rupee Term Loan facility shall be repaid in 18 unequal consecutive quarterly installments commencing from 30 June 2016.	Secured against first pari passu charge on tangible assets, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets.	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and avery 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	Base rate + spread % p.a.	546.77	555.30	566.60	-	-	-
- Tranch B: The Rupee Term Loan facility shall be repaid in 10 unequal consecutive quarterly installments commencing from 31 March 2016.	Secured against first pari passu charge on tangible assets, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets.	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment, by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and avery 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	Base rate + spread % p.a.	123.52	210.23	387.89	-	-	-
- 48 monthly installment and will be repaid on 07 June 2016	Secured against fixed assets of the Company	Nil	Base rate + 4% p.a.	-	-	-	48.73	82.09	-
- 38 monthly installment and will be repaid on 07 September 2014	Secured against fixed assets of the Company	Nil	Base rate + 3.5% p.a.	-	-	-	-	19.43	-

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VI
Notes to the restated standalone financial information (continued)

Rs in million

13 Borrowings (continued)

13.4 Details of security, repayment terms and interest rate for long term and short term borrowings (continued)

a)	Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
	1. Term loan from banks									
	i) HDFC Bank Limited									
	- 40 monthly installment and will be repaid on 07 April 2014	Secured against fixed assets of the Company	Nil	Base rate + 3.5% p.a.	-	-	-	-	1.69	-
	- 60 monthly installment and will be repaid on 05 September 2016	Secured against motor vehicles	Nil	10.5% p.a.		-	-	-	1.01	
	- 09 half yearly installment and will be repaid on 29 March 2022	Secured against the tangible assets, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets of the Company	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and avery 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	8.15% + spread of 1.25% p.a.	625.00	50.00	-	-	-	-
	ii) Axis Bank Limited									
	- 60 monthly installment and will be repaid on 01 October 2014	Secured against motor vehicles	Nil	8% p.a.	-	-	-	-	0.23	-
	iii) Federal Bank Limited									
	Tranch A: The Rupee Term Loan facility shall be repaid in 18 unequal consecutive quarterly installments commencing from 30 June 2016. Tranch B: The Rupee Term Loan facility shall be repaid in 10 unequal consecutive quarterly installments commencing from 31 March 2016.	Secured against first pari passu charge on tangible assets, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets of the Company.	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and avery 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	Base rate + spread % p.a.	693.00	782.00	958.00	-	-	-

Rs in million

13 Borrowings (continued)

13.4 Details of security, repayment terms and interest rate for long term and short term borrowings (continued)

a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
iv) IndusInd Bank Limited Tranch A: The Rupee Term Loan facility shall be repaid in 18 unequal consecutive quarterly installments commencing from 30 June 2016. Tranch B: The Rupee Term Loan facility shall be repaid in 10 unequal consecutive quarterly installments commencing from 31 March 2016.	Secured against the tangible assets, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets of the Company	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and avery 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	Base rate + spread % p.a.	343.96	430.69	456.27	-	208.30	-
- 09 half yearly installment and will be repaid on 29 March 2022	Secured against the tangible assets, receivables, current assets, operating cash flows, commissions, revenues of whatsoever nature and all intangible assets	The borrower shall at any time have the option to pre pay the lenders in part or in full , the facility together with all interest , prepayment premium and other charges and monies due and payable to the lenders up to the date of such prepayment , by paying 1.50% of the prepaid amount as penalty . no prepayment penalty would be payable to the lenders if the prepayment is effected: 1. at the instance of the lenders 2. at the end of 9 months from the date of 1st disbursement and avery 6 months thereafter, if the company may prepay the lender with in 30 days from the date of prepayment notice.	8.15% + spread of 1.25% p.a.	375.00	-	-	-	-	-
- 37 monthly installments and will be repaid on 31 January 2018	Secured against fixed assets of the Company	during prepayment , the swap unwinding cost will be charged to the borrowers' account.	12.75% p.a.	-	-	70.90	124.10	-	-
- 37 monthly installments and will be repaid on 31 January 2018	Secured against fixed assets of the Company	during prepayment , the swap unwinding cost will be charged to the borrowers' account.	12.75% p.a.	-	-	234.27	336.04	-	-
- 48 monthly installments and will be repaid on 31 July 2017	Secured against fixed assets of the Company	during prepayment , the swap unwinding cost will be charged to the borrowers' account.	12.75% p.a.	-	-	-	-	173.39	-
v) ICICI Bank Limited - 8 quarterly installment and will be repaid on 18 September 2014	Secured against the moveable fixed assets of the company	Nil	Base rate + 3.25% p.a.	-	-	-	-	30.00	102.38

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Notes to the restated standalone financial information (continued)

Rs in million

13 Borrowings (continued)

13.4 Details of security, repayment terms and interest rate for long term and short term borrowings (continued)

a)

Terms of repayment	Nature of security	Pre-payment terms	Interest rate	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
2. Term loan from financial instruments									
11% redeemable non- convertible debentures - To be redeemed within 30 June 2018	Pledge of shares by IVF Trustee Company Private Limited	Nil	11% p.a.	-	-	-	2,005.48	1,428.84	-
3. Term loan from financial institutions									
i) Small Industries Development Bank of India									
- 48 monthly installments and will be repaid on 10 February 2021	Movable assets and debt service reserve (DSR) in form of fixed deposit of Rs. 20 million	The loan shall not be repayable in full or part before the due dates except after obtaining prior approval of SIDBI in writing (which may be granted subject to such conditions as SIDBI may deem fit.)	13.75% p.a.	-	-	300.00	200.00	-	-
ii) Housing Development Finance Corporation Limited									
- Bullet repayment on the expiry of 36 months or before 31 December 2016, whichever is earlier from the date of 1st disbursement	Corporate guarantee by IVF IIIA and charge on shares held	The borrower would have the ability to prepay in part or full anytime after 90 days from the drawdown date, without any prepayment penalty, after giving 15 days notice to HDFC.	14.25% p.a.	-	-	-	-	-	500.00
4. Buyer's credit									
i) IndusInd Bank Limited									
- Maturity ranging from 09 May 2016 to 31 August 2017	Secured against fixed assets of the Company	Nil	2.55% - 3.25% p.a	-	18.48	63.60	80.10	31.12	-
5. Finance lease obligations									
i) Cisco Systems Capital India Private Limited	Secured against plant and machinery of the Company	Lessee may terminate a lease or financing transaction by prepaying its remaining rent. Lessee shall provide lessor with at least one (1) month prior notice of the intended prepayment date. Lessor may , depending on market conditions at the time, reduce the remaining rent to reflect such prepayment and shall advice lessee of the balance to be paid. if a lease is terminated , lessee shall at the same time prepay any related line items of financial transactions.	6.50% - 12.30% p.a	8.33	19.92	47.52	94.74	110.14	150.14
				3,155.86	**2,616.38**	**3,853.64**	**3,293.35**	**2,578.74**	**752.52**

13 Borrowings (continued) *Rs in million*

b) Finance lease obligations

The Company has taken Headends, Network switches and Others on finance lease. The minimum lease payments (MLP) and the present value of minimum lease payments (PV) are as follows :

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016 Proforma		As at 31 March 2015 Proforma		As at 31 March 2014 Proforma		As at 31 March 2013 Proforma	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than 1 year	8.76	8.34	19.87	18.50	31.62	27.17	73.53	66.16	72.48	62.01	72.77	61.21
Later than 1 year and not later than 5 years	-	-	1.49	1.43	21.79	20.36	31.62	28.58	50.94	48.13	99.61	88.94
Later than 5 years	-	-	-	-	-	-	-	-	-	-	-	-

The total future minimum lease payments at the balance sheet date, element of interest included in such payments and present value of these minimum lease payments are as follows:

Particulars	As at 30 September 2017		As at 31 March 2017		As at 31 March 2016 Proforma		As at 31 March 2015 Proforma		As at 31 March 2014 Proforma		As at 31 March 2013 Proforma	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
(a) Total future minimum lease payments	-	8.76	1.49	19.87	21.79	31.62	31.62	73.53	50.94	72.48	99.61	72.77
(b) Future interest included in (a) above	-	0.42	0.06	1.37	1.43	4.46	3.05	7.37	2.81	10.48	10.67	11.56
Present value of future minimum lease payments [(a) – (b)]	-	8.34	1.43	18.50	20.36	27.17	28.58	66.16	48.13	62.01	88.94	61.21

c) Optionally Convertible Redeemable Preference Shares ('OCRPS')

Movement in carrying value of preference shares

Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	For the year ended 31 March 2016 Proforma	For the year ended 31 March 2015 Proforma	For the year ended 31 March 2014 Proforma	For the year ended 31 March 2013 Proforma
Opening carrying amount of liability	-	-	737.36	666.25	-	-
Proceeds from issue of convertible preference share during the period/ year	-	-	-	-	602.00	-
Accrued interest	-	-	40.97	71.11	64.25	-
Amount redeemed during the period/ year	-	-	778.33	-	-	-
Carrying amount of liability	-	-	-	737.36	666.25	-

Rs in million

14 Other financial liabilities

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Derivative liabilities		-	21.93	318.54	-	-
	-	**-**	**21.93**	**318.54**	**-**	**-**
Current						
Current maturities of long term borrowings	827.10	789.14	1,388.72	397.77	327.25	133.59
Share application money pending allotment	-	-	-	2,070.00	2,070.00	2,030.00
Accrued salaries and benefits	435.34	535.88	267.07	205.95	138.16	90.72
Derivative liabilities	-	21.93	321.58	209.38	33.73	-
Creditors for capital goods	155.89	131.44	161.42	130.26	118.43	18.66
Security deposits	23.42	23.43	18.98	16.49	13.06	2.34
Book overdraft	338.34	202.89	-	-	-	-
Interest accrued but not due	19.44	17.73	23.06	53.19	-	-
Other payables	1,110.65	1,130.60	759.97	395.87	275.66	81.44
	2,910.18	**2,853.04**	**2,940.80**	**3,478.91**	**2,976.29**	**2,356.75**

Note 14.1 - The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 27 of Annexure A-VI.

15 Provisions

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Provision for employee benefits						
Gratuity *	150.23	107.15	71.68	40.35	27.36	8.44
	150.23	**107.15**	**71.68**	**40.35**	**27.36**	**8.44**
Current						
Provision for employee benefits						
Compensated absences	94.74	58.51	43.19	16.21	9.05	3.01
Gratuity *	24.35	18.60	8.75	4.68	3.61	0.70
	119.09	**77.11**	**51.94**	**20.89**	**12.66**	**3.71**

* Refer Note 40 of Annexure A-VI

Note 15.1
Movement in provision for compensated absences

	For the period ended 30 September 2017	For the year ended				
		31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Opening balance	58.51	43.19	16.21	9.05	3.01	2.60
Add: Provision made during the year/period (net of benefits paid)	36.23	15.32	26.98	7.16	6.04	0.41
Closing balance	**94.74**	**58.51**	**43.19**	**16.21**	**9.05**	**3.01**

16 Trade payables

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Total outstanding dues of micro and small enterprises (refer note 38 of Annexure A-VI)	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	189.48	154.80	115.14	61.21	176.09	18.96
	189.48	**154.80**	**115.14**	**61.21**	**176.09**	**18.96**

Note 16.1 - The Company's exposure to currency and liquidity risk related to the above trade payables is disclosed in Note 27 of Annexure A-VI.

17 Other liabilities

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Non-current						
Unearned revenue	11.88	6.63	1.95	1.50	51.92	27.84
	11.88	**6.63**	**1.95**	**1.50**	**51.92**	**27.84**
Current						
Unearned revenue	1,500.49	1,325.71	993.64	666.73	467.26	36.42
Withholding and other taxes payable	138.48	74.88	50.41	66.84	34.77	11.37
	1,638.97	**1,400.59**	**1,044.05**	**733.57**	**502.03**	**47.79**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
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Notes to the restated standalone financial information (continued)

Rs in million

18 Revenue from operations

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Sale of services						
Revenue from internet services	6,251.67	11,150.03	7,898.98	5,113.91	3,298.02	262.53
Revenue from cable television distribution services	-	-	-	91.07	178.05	138.25
Total (a)	**6,251.67**	**11,150.03**	**7,898.98**	**5,204.98**	**3,476.07**	**400.78**
Other operating revenues						
Installation income	42.06	91.03	87.98	81.67	31.18	10.80
Rental income (refer note 30 of annexure A-VI)	-	-	-	30.77	-	-
Sale of traded goods	32.99	73.57	40.44	-	-	-
Others	1.97	5.21	6.02	6.23	5.34	-
Total (b)	**77.02**	**169.81**	**134.44**	**118.67**	**36.52**	**10.80**
Total (a+b)	**6,328.69**	**11,319.84**	**8,033.42**	**5,323.65**	**3,512.59**	**411.58**

19 Other income

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Recurring						
Interest income from						
- Financial assets carried at amortised cost	3.75	5.99	5.01	4.09	3.28	1.33
- Fixed deposits	25.50	23.00	33.76	41.90	26.22	5.52
Non-recurring						
Interest income from						
- Other advances	-	145.37	156.41	56.24	11.98	-
- Income-tax refund	3.74	2.18	-	-	-	-
Net gain on foreign exchange fluctuation	1.25	-	15.22	-	-	-
Changes in fair value of financial assets and liabilities	-	4.23	-	6.54	-	-
Gain on sale of property, plant and equipment, (net)	0.18	-	-	-	0.05	-
Profit on sale of investments	-	-	-	23.97	-	-
Profit on sale of business	-	-	-	1.12	-	-
Provision for impairment no longer required written back	-	6.47	-	-	-	-
Provisions and liabilities no longer required written back	21.16	5.04	-	9.78	3.06	-
Dividend income from non-trade mutual funds	-	0.03	0.06	0.40	1.76	1.36
Dividend income from long term investments	-	-	-	-	-	14.23
Miscellaneous income	5.73	20.53	12.66	17.08	14.36	-
	61.31	**212.84**	**223.12**	**161.12**	**60.71**	**22.44**

20 Cost of materials consumed

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Inventory at the beginning of the period/ year	8.75	6.86	-	-	-	-
Add: Purchases during the period/ year	91.17	163.39	143.87	109.39	83.20	15.23
Less: Inventory at the end of the period/ year	16.86	8.75	6.86	-	-	-
	83.06	**161.50**	**137.01**	**109.39**	**83.20**	**15.23**

21 Purchases of stock-in-trade

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Wi-Fi router	27.52	71.86	56.37	14.59	16.97	-
	27.52	**71.86**	**56.37**	**14.59**	**16.97**	**-**

22 Changes in inventories of stock-in-trade

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Opening inventory	20.23	13.84	-	-	-	-
Closing inventory	11.64	20.23	13.84	-	-	-
	8.59	**(6.39)**	**(13.84)**	**-**	**-**	**-**

Rs in million

23 Employee benefits expense

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Salaries, bonus and other allowances	1,126.26	2,223.47	1,558.76	1,152.08	898.70	197.33
Contribution to provident and other funds	69.13	98.00	77.56	67.10	56.97	10.27
Equity settled share based payments	72.62	152.41	37.09	3.74	15.84	-
Staff welfare expenses	93.22	277.15	247.36	121.06	67.01	7.77
Recruitment and training expenses	6.84	50.67	45.48	9.45	43.89	6.03
	1,368.07	**2,801.70**	**1,966.25**	**1,353.43**	**1,082.41**	**221.40**

24 Finance costs

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Interest expense on bank borrowings	153.22	342.73	287.71	144.00	78.88	15.73
Interest expense on other borrowings	2.10	14.14	57.29	20.25	95.81	9.25
Interest expense on short term borrowings	-	-	6.18	7.98	67.06	4.03
Interest expense on financial liabilities measured at amortised cost	-	-	40.97	71.11	64.25	-
Interest on income tax	-	38.41	35.86	-	19.05	-
Interest on non convertible debentures	-	-	232.84	363.31	67.24	-
Processing fees	4.31	13.26	9.25	11.60	11.10	16.96
Other borrowing costs	2.04	4.46	4.84	3.96	-	-
	161.67	**413.00**	**674.94**	**622.21**	**403.39**	**45.97**

25 Other expenses

	For the period ended	For the year ended				
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Franchisee fees	339.30	577.57	296.21	121.78	56.54	12.88
Distribution expenses	297.68	575.10	525.31	446.20	406.93	78.92
Rent (refer note 30 of annexure A-VI)	291.59	525.39	363.79	234.16	149.03	47.72
Repairs and maintenance						
- Plant and machinery	163.59	234.09	80.68	72.16	69.67	11.09
- Others	71.08	177.94	192.28	84.99	60.51	18.39
Consumption of stores and spares	42.92	69.39	82.88	37.61	29.81	6.48
Contract labour and other support services	196.05	453.78	366.61	265.35	174.29	56.06
Power and fuel	88.70	124.57	95.73	75.14	51.34	12.05
Travelling and conveyance	29.12	61.56	53.94	38.82	29.92	11.02
Legal and professional fees	24.92	126.48	108.77	95.09	114.07	10.36
Advertisement and sales promotion	163.77	237.14	247.69	230.81	80.39	25.11
Link charges	-	-	-	21.11	32.03	32.03
Provision for doubtful debts	-	-	2.33	35.47	1.43	-
Provision for doubtful advances and deposits	-	11.54	-	-	0.78	-
Provision for doubtful receivables	256.84	-	-	-	-	-
Provision for impairment (refer note 31 to 34 of annexure A-VI)	210.43	458.96	126.08	40.36	20.36	286.83
Communication expenses	48.58	93.06	61.01	43.98	32.48	7.15
Printing and stationary	10.51	22.07	20.74	17.71	9.80	3.59
Insurance	7.75	16.08	25.32	15.65	13.00	2.06
Loss on sale of property, plant and equipment		-	0.24	0.16	-	-
Expenditure on corporate social responsibility	7.10	12.22	-	-	-	-
Bank charges	74.36	129.70	84.16	53.33	8.37	-
Rates and taxes	15.84	155.76	82.08	48.81	12.14	2.13
Property, plant and equipment written off	2.83	99.94	23.18	17.49	20.64	-
Changes in fair value of financial assets and liabilities	-	-	10.45	-	0.58	
Net loss on account of foreign exchange fluctuations	-	2.21	-	21.61	8.83	-
Miscellaneous expenses	17.78	65.27	71.90	24.90	52.11	1.58
	2,360.74	**4,229.82**	**2,921.39**	**2,042.70**	**1,435.04**	**625.46**

Rs in million

26 Income taxes

The Company is subject to taxes in India and is assessed for tax on taxable profits determined for each financial year beginning on April 1 and ending on March 31. Regular income taxes are assessed based on book profits prepared under local GAAPs adjusted in accordance with the local tax laws. Such adjustments generally relate to depreciation and amortization, disallowances of certain provisions and accruals, the use of tax losses carried forward and retirement benefit costs.

Income tax expense in the statement of profit and loss comprises:

Particulars	**For the period ended 30 September 2017***	**For the year ended**				
		31 March 2017	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Current taxes	601.86	1,317.00	434.54	25.93	-	-
Deferred taxes	(63.57)	(297.09)	165.67	152.41	(660.57)	-
Income tax expense	**538.29**	**1,019.91**	**600.21**	**178.34**	**(660.57)**	**-**

*Income tax expense is recognised based on Management's best estimate of the average annual effective income tax rate applied to the pre-tax income of the interim period.

The following table provides the details of income tax assets and income tax liabilities :

	As at					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Non current						
Income tax assets	104.02	126.95	87.89	85.70	70.34	13.46
	104.02	**126.95**	**87.89**	**85.70**	**70.34**	**13.46**
Current						
Current income tax liabilities	586.30	539.45	197.55	25.93	-	-
	586.30	**539.45**	**197.55**	**25.93**	**-**	**-**
Net current income tax assets/ (liability) at the end of the year	**(482.28)**	**(412.50)**	**(109.66)**	**59.77**	**70.34**	**13.46**

Reconciliation of effective tax rate is summarized below:

Particulars	**For the period ended 30 September 2017**	**For the year ended**				
		31 March 2017	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Profit before income taxes	1,553.43	2,533.00	1,462.02	509.08	(149.05)	(635.09)
Enacted tax rates in India	34.61%	34.61%	34.61%	33.99%	32.45%	32.45%
Computed expected tax expense	537.64	876.67	506.01	173.03	(48.37)	(206.08)
Effect of non deductible expenses	35.84	94.30	87.94	67.81	38.17	-
Tax exempt income	-	-	-	(8.66)	-	(5.06)
Previously unrecognised temporary differences	-	-	-	-	(608.35)	-
Other temporary differences	(18.10)	55.98	(9.85)	(43.57)	(35.82)	106.23
Current year losses for which no deferred tax was recognised	-	-	-	-	-	104.92
Others	(17.09)	(7.04)	16.11	(10.28)	(6.20)	-
Income tax expense	**538.29**	**1,019.91**	**600.21**	**178.34**	**(660.57)**	**-**

Rs in million

26 Income taxes

26 Income taxes (continued)

Deferred tax asset/liabilities

	As at					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Deferred tax asset/liabilities						
Deferred tax assets	709.44	645.87	348.78	514.46	666.89	-
Deferred tax liabilities	-	-	-	-	-	-
	709.44	**645.87**	**348.78**	**514.46**	**666.89**	**-**

Movement during the year ended 31 March 2014	**As at 31 March 2013 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2014 Proforma**
Provision for impairment	-	73.27	-	73.27
Provisions - Employee benefits	-	32.48	(0.39)	32.09
Provision for doubtful debts and advances	-	6.26	-	6.26
Unutilised tax loss	-	495.30	-	495.30
Property, plant and equipment	-	(18.26)	-	(18.26)
Expenditure covered under section 40(a) of Income-tax Act, 1961	-	69.34	-	69.34
Deferred tax charge on account of merger	-	(6.31)	-	-
Others	-	8.89	-	8.89
	-	**660.97**	**(0.39)**	**666.89**

Movement during the year ended 31 March 2015	**As at 31 March 2014 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2015 Proforma**
Provision for impairment	73.27	37.93	-	111.20
Provisions - Employee benefits	32.09	22.51	2.32	56.92
Provision for doubtful debts and advances	6.26	11.99	-	18.25
Unutilised tax loss	495.30	(255.05)	-	240.25
Property, plant and equipment	(18.26)	16.37	-	(1.89)
Expenditure covered under section 40(a) of Income-tax Act, 1961	69.34	(38.24)	-	31.10
Others	8.89	49.74	-	58.63
	666.89	**(154.75)**	**2.32**	**514.46**

Movement during the year ended 31 March 2016	**As at 31 March 2015 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2016 Proforma**
Provision for impairment	111.20	43.63	-	154.83
Provisions - Employee benefits	56.92	27.24	7.15	91.31
Provision for doubtful debts and advances	18.25	(4.37)	-	13.88
Unutilised tax loss	240.25	(240.25)	-	-
Property, plant and equipment	(1.89)	23.13	-	21.24
Expenditure covered under section 40(a) of Income-tax Act, 1961	31.10	24.81	-	55.91
Others	58.63	(47.02)	-	11.61
	514.46	**(172.83)**	**7.15**	**348.78**

Movement during the year ended 31 March 2017	**As at 31 March 2016 Proforma**	**Credit/(charge) in the statement of profit and loss**	**Credit/(charge) in other comprehensive income**	**As at 31 March 2017**
Provision for impairment	154.83	156.34	-	311.17
Provisions - Employee benefits	91.31	60.24	7.29	158.84
Provision for doubtful debts and advances	13.88	(9.02)	-	4.86
Property, plant and equipment	21.24	36.87	-	58.11
Expenditure covered under section 40(a) of Income-tax Act, 1961	55.91	(2.99)	-	52.92
Provision for expected claims and litigated cases	-	49.18	-	49.18
Others	11.61	(0.82)	-	10.79
	348.78	**289.80**	**7.29**	**645.87**

Rs in million

26 Income taxes

26 Income taxes (continued)
Deferred tax asset/liabilities (continued)

Movement during the period ended 30 September 2017	**As at 31 March 2017**	**Credit/(charge) in the statement of profit and loss**	**As at 30 September 2017**
Provision for impairment	311.17	(45.25)	265.92
Provisions - Employee benefits	158.84	6.13	176.27
Provision for doubtful debts and advances	4.86	87.86	92.72
Property, plant and equipment	58.11	11.01	69.12
Expenditure covered under section 40(a) of Income-tax Act, 1961	52.92	(1.51)	51.41
Provision for expected claims and litigated cases	49.18	(6.51)	42.67
Others	10.79	0.54	11.33
	645.87	**52.27**	**709.44**

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the loss will be set off.

	As at 31 March 2013 (Proforma)		
Particulars	**Gross amount**	**Unrecognised tax effect**	**Expiry**
Tax losses (business loss)	1,512.29	490.74	Various dates
Tax losses (unabsorbed depreciation)	114.30	37.09	Infinite period
Other temporary difference*	248.15	80.52	
Total	**1,874.74**	**608.35**	

*The above mentioned temporary differences do not have a specified expiry date .

Rs in million

27 Financial instruments

A Accounting classification and fair values

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2013 Proforma were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	9.16	-	-	**9.16**	9.16	-	-	**9.16**
Financial asset not measured at fair value*										
Investments in subsidiaries and associates**	925.11	-	-	-	-	**925.11**	-	-	-	-
Loans	345.46	-	-	-	-	**345.46**	-	-	-	-
Trade receivables	43.74	-	-	-	-	**43.74**	-	-	-	-
Cash and cash equivalents	86.04	-	-	-	-	**86.04**	-	-	-	-
Bank balances other than above	223.58	-	-	-	-	**223.58**	-	-	-	-
Other financial assets	246.16	-	-	-	-	**246.16**	-	-	-	-
Total	**1,870.09**	**-**	**9.16**	**-**	**-**	**1,879.25**	**9.16**	**-**	**-**	**9.16**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	1,030.93	**1,030.93**	-	-	-	-
Trade payables	-	-	-	-	18.96	**18.96**	-	-	-	-
Other financial liabilities	-	-	-	-	2,356.75	**2,356.75**	-	-	-	-
Total	**-**	**-**	**-**	**-**	**3,406.64**	**3,406.64**	**-**	**-**	**-**	**-**

*The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

** Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2014 Proforma were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	0.78	-	-	**0.78**	0.78	-	-	**0.78**
Derivative asset	-	-	31.63	-	-	**31.63**	-	31.63	-	**31.63**
Financial asset not measured at fair value*										
Investments in subsidiaries and associates**	562.42	-	-	-	-	**562.42**	-	-	-	-
Loans	809.74	-	-	-	-	**809.74**	-	-	-	-
Trade receivables	48.30	-	-	-	-	**48.30**	-	-	-	-
Cash and cash equivalents	446.50	-	-	-	-	**446.50**	-	-	-	-
Bank balances other than above	91.77	-	-	-	-	**91.77**	-	-	-	-
Other financial assets	279.17	-	-	-	-	**279.17**	-	-	-	-
Total	**2,237.90**	**-**	**32.41**	**-**	**-**	**2,270.31**	**0.78**	**31.63**	**-**	**32.41**
Financial liabilities measured at fair value										
Derivative liabilities	-	-	33.73	-	-	**33.73**	-	33.73	-	**33.73**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	3,299.74	**3,299.74**	-	-	-	-
Trade payables	-	-	-	-	176.09	**176.09**	-	-	-	-
Other financial liabilities	-	-	-	-	2,942.56	**2,942.56**	-	-	-	-
Total	**-**	**-**	**33.73**	**-**	**6,418.39**	**6,452.12**	**-**	**33.73**	**-**	**33.73**

The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

** Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

Rs in million

27 Financial instruments (continued)

A Accounting classification and fair values (continued)

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2015 Proforma were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	1.18	-	-	**1.18**	1.18	-	-	**1.18**
Derivative asset	-	-	532.01	-	-	**532.01**	-	532.01	-	**532.01**
Financial asset not measured at fair value*										
Investments in subsidiaries and associates**	388.42	-	-	-	-	**388.42**	-	-	-	-
Loans	1,127.70	-	-	-	-	**1,127.70**	-	-	-	-
Trade receivables	29.92	-	-	-	-	**29.92**	-	-	-	-
Cash and cash equivalents	532.48	-	-	-	-	**532.48**	-	-	-	-
Bank balances other than above	85.54	-	-	-	-	**85.54**	-	-	-	-
Other financial assets	563.83	-	-	-	-	**563.83**	-	-	-	-
Total	**2,727.89**	**-**	**533.19**	**-**	**-**	**3,261.08**	**1.18**	**532.01**	**-**	**533.19**
Financial liabilities measured at fair value										
Derivatives liabilities	-	-	527.92	-	-	**527.92**	-	527.92	-	**527.92**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	3,632.93	**3,632.93**	-	-	-	-
Other financial liabilities	-	-	-	-	3,269.52	**3,269.52**	-	-	-	-
Trade payables	-	-	-	-	61.21	**61.21**	-	-	-	-
Total	**-**	**-**	**527.92**	**-**	**6,963.66**	**7,491.58**	**-**	**527.92**	**-**	**527.92**

* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts ar
a reasonable approximation of fair value.

** Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2016 Proforma were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Investments in mutual funds	-	-	1.24	-	-	**1.24**	1.24	-	-	**1.24**
Derivative asset	-	-	366.87	-	-	**366.87**	-	366.87	-	**366.87**
Financial asset not measured at fair value*										
Investments in subsidiaries and associates**	388.42	-	-	-	-	**388.42**	-	-	-	-
Loans	1,629.02	-	-	-	-	**1,629.02**	-	-	-	-
Trade receivables	41.83	-	-	-	-	**41.83**	-	-	-	-
Cash and cash equivalents	238.83	-	-	-	-	**238.83**	-	-	-	-
Bank balances other than above	28.15	-	-	-	-	**28.15**	-	-	-	-
Other financial assets	554.78	-	-	-	-	**554.78**	-	-	-	-
Total	**2,881.03**	**-**	**368.11**	**-**	**-**	**3,249.14**	**1.24**	**366.87**	**-**	**368.11**
Financial liabilities measured at fair value										
Derivatives liabilities	-	-	343.51	-	-	**343.51**	-	343.51	-	**343.51**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	2,464.92	**2,464.92**	-	-	-	-
Trade payables	-	-	-	-	115.14	**115.14**	-	-	-	-
Other financial liabilities	-	-	-	-	2,619.23	**2,619.23**	-	-	-	-
Total	**-**	**-**	**343.51**	**-**	**5,199.29**	**5,542.80**	**-**	**343.51**	**-**	**343.51**

* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts ar
a reasonable approximation of fair value.

** Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

Rs in million

27 Financial instruments (continued)

A Accounting classification and fair values (continued)

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31 March 2017 were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset measured at fair value										
Derivative asset	-	-	18.75	-	-	**18.75**	-	18.75	-	**18.75**
Financial asset not measured at fair value*										
Investments in subsidiaries and associates**	387.72	-	-	-	-	**387.72**	-	-	-	
Loans	1,270.39	-	-	-	-	**1,270.39**	-	-	-	-
Trade receivables	105.38	-	-	-	-	**105.38**	-	-	-	-
Cash and cash equivalents	689.42	-	-	-	-	**689.42**	-	-	-	-
Bank balances other than above	37.33	-	-	-	-	**37.33**	-	-	-	-
Other financial assets	498.43	-	-	-	-	**498.43**	-	-	-	-
Total	**2,988.67**	**-**	**18.75**	**-**	**-**	**3,007.42**	**-**	**18.75**	**-**	**18.75**
Financial liabilities measured at fair value										
Derivative liabilities	-	-	21.93	-	-	**21.93**	-	21.93	-	**21.93**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	1,827.24	**1,827.24**	-	-	-	-
Trade payables	-	-	-	-	154.80	**154.80**	-	-	-	-
Other financial liabilities	-	-	-	-	2,831.11	**2,831.11**	-	-	-	-
Total	**-**	**-**	**21.93**	**-**	**4,813.15**	**4,835.08**	**-**	**21.93**	**-**	**21.93**

* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

** Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 30 September 2017 were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
Financial asset not measured at fair value*										
Investments in subsidiaries and associates**	387.72	-	-	-	-	**387.72**	-	-	-	-
Loans	1,058.86	-	-	-	-	**1,058.86**	-	-	-	-
Trade receivables	115.49	-	-	-	-	**115.49**	-	-	-	-
Cash and cash equivalents	926.99	-	-	-	-	**926.99**	-	-	-	-
Bank balances other than above	1,083.38	-	-	-	-	**1,083.38**	-	-	-	-
Other financial assets	248.84	-	-	-	-	**248.84**	-	-	-	-
Total	**3,821.28**	**-**	**-**	**-**	**-**	**3,821.28**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value*										
Borrowings	-	-	-	-	2,328.76	**2,328.76**	-	-	-	-
Trade payables	-	-	-	-	189.48	**189.48**	-	-	-	-
Other financial liabilities	-	-	-	-	2,910.18	**2,910.18**	-	-	-	-
Total	**-**	**-**	**-**	**-**	**5,428.42**	**5,428.42**	**-**	**-**	**-**	**-**

* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

** Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

Measurement of fair values

The following methods and assumptions were used to estimate the fair value:

a) The fair value of the units of mutual fund schemes are based on quoted value at the reporting date.

b) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

c) The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

Rs in million

27 Financial Instruments (continued)

B Financial risk management

The Company's activities expose it to a variety of financial risks as mentioned below :
- Market risk
- Credit risk
- Liquidity risk.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices, such as foreign exchange rates and interest rates.

1. **Currency risk**

The Company purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

The following table analyzes foreign currency risk from financial instruments :

Particulars	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Trade payables (USD)	2.78	21.39	38.27	40.73	15.09	-
Borrowings (USD)	-	-	279.92	447.82	-	-
Buyers credit (USD)	-	18.48	63.59	80.10	31.12	-
Net liabilities	**2.78**	**39.87**	**381.78**	**568.65**	**46.21**	**-**

Sensitivity analysis

A reasonably possible strengthening(weakening) of the Indian Rupee against all other currencies as at 30 September and 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Impact on profit or loss						
USD increase by 1%	(0.03)	(0.40)	(3.82)	(5.69)	(0.46)	-
USD decrease by 1%	0.03	0.40	3.82	5.69	0.46	-
Impact on equity, net of taxes						
USD increase by 1%	(0.03)	(0.40)	(3.82)	(5.69)	(0.46)	-
USD decrease by 1%	0.03	0.40	3.82	5.69	0.46	-

2. **Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments. such risks are overseen by the Company's Chief Finance Officer as well as senior management.

Rs in million

27 Financial Instruments (continued)

2. Interest rate risk (continued)

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows.

	As at 30 September 2017	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Floating Rate instruments						
Financial liabilities	3,155.86	2,616.38	3,853.64	1,287.86	1,149.90	752.52
Impact on Profit : Increase/(Decrease)						
Interest rates - increase by 100 basis points	(31.56)	(26.16)	(38.54)	(12.88)	(11.50)	(7.53)
Interest rates - decrease by 100 basis points	31.56	26.16	38.54	12.88	11.50	7.53
Impact on Equity : Increase/(Decrease)						
Interest rates - increase by 100 basis points	(31.56)	(26.16)	(38.54)	(12.88)	(11.50)	(7.53)
Interest rates - decrease by 100 basis points	31.56	26.16	38.54	12.88	11.50	7.53

b. Credit risk

Credit risk arises from the possibility that counter party will cause financial loss to the company by failing to discharge its obligation as agreed. The Company's exposure to credit risk arises mainly from the trade receivables, loans given, financial guarantee contracts and derivative financial instruments.

The Company's major revenue streams arise from services provided to end use customers in the form of monthly subscription. The trade receivables on account of subscription income are typically un-secured and derived from sales made to large number of independent customers. As the customer base is distributed economically and geographically, there is no concentration of credit risk.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs 115.49 million as on 30 September 2017, Rs 105.38 million as on 31 March 2017, Rs 41.83 million as on 31 March 2016, Rs 29.92 million as on 31 March 2015, Rs 48.30 million as on 31 March 2014 and Rs 43.74 million as on 31 March 2013. Trade receivables are normally unsecured and are derived from revenue earned from domestic customers. The Company minimizes the exposure by disconnecting the service to customers whose outstanding is more than 45 days.

Reconciliation of changes in in the loss allowances - Trade receivable

Particulars	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Opening balance	54.10	35.12	50.22	14.77	-	-
Provided during the year	-	-	2.33	35.47	1.43	-
Amounts written off/reversal of provision	(25.91)	(18.98)	17.43	0.02	(13.34)	-
Closing balance	80.01	54.10	35.12	50.22	14.77	-

c. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company will always have sufficient liquidity to meet its liabilities when due, by maintaining positive operating cash flows. The Company's senior management monitors the Company's net liquidity position through rolling forecast on basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2013 Proforma

Particulars	**Less than 1 year**	**1-3 years**	**Above 3years**	**Total**
Secured bank loan	72.38	530.00	-	602.38
Finance lease	61.21	88.94	-	150.15
Loans repayable on demand	412.00	-	-	412.00
Trade payables	18.96	-	-	18.96
Other financial liabilities	2,223.16	-	-	2,223.16

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2014 Proforma :

Particulars	**Less than 1 year**	**1-3 years**	**Above 3years**	**Total**
Preference shares classified as financial liabilities	-	666.25	-	666.25
11% redeemable non convertible debentures	-	1,428.84	-	1,428.84
Secured bank loan	265.24	726.06	17.34	1,008.64
Foreign currency buyer's credit	31.12	-	-	31.12
Finance lease	62.01	48.13	-	110.14
Loans repayable on demand	382.00	-	-	382.00
Trade payables	176.09	-	-	176.09
Other financial liabilities	2,649.04	-	-	2,649.04

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VI
Notes to the restated standalone financial information (continued)

27 Financial Instruments (continued)
c. Liquidity risk (continued)

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2015 Proforma :

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Preference shares classified as financial liabilities	-	737.36	-	737.36
11% redeemable non convertible debentures	-	2,005.48	-	2,005.48
Secured bank loan	331.61	558.18	223.23	1,113.02
Foreign currency buyer's credit	42.66	37.44	-	80.10
Finance lease	66.16	28.58	-	94.74
Trade payables	61.21	-	-	61.21
Other financial liabilities	3,081.13	-	-	3,081.13

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2016 Proforma :

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Secured bank loan	1,361.56	1,467.08	913.88	3,742.52
Foreign currency buyer's credit	46.12	17.47	-	63.59
Finance lease	27.17	20.36	-	47.53
Trade payables	115.14	-	-	115.14
Other financial liabilities	1,552.08	-	-	1,552.08

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2017:

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Secured Bank Loan	770.66	1,455.56	351.78	2,578.00
Foreign currency buyer's credit	18.48	-	-	18.48
Finance lease	18.50	1.43	-	19.93
Trade payables	154.80	-	-	154.80
Other financial liabilities	2,063.91	-	-	2,063.91

The table below provides details regarding the contractual maturities of significant financial liabilities as at 30 September 2017:

Particulars	Less than 1 year	1-3 years	Above 3years	Total
Secured Bank Loan	818.76	1,844.39	467.47	3,130.62
Finance lease	8.34	-	-	8.34
Trade payables	189.48	-	-	189.48
Other financial liabilities	2,083.08	-	-	2,083.08

Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprises issued share capital and all other equity reserves.

The capital structure as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 14 and 31 March 2013 was as follows:

Particulars	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Total equity attributable to the equity shareholders of the Company	6,281.15	5,224.68	3,550.57	602.34	273.43	(300.42)
As a percentage of total capital	**66.56%**	**66.63%**	**47.95%**	**13.00%**	**7.01%**	**(34.77)%**
Long-term borrowings including current maturities	3,155.86	2,597.90	3,807.52	3,988.04	3,213.87	752.52
Short-term borrowings	-	18.48	46.12	42.66	413.12	412.00
Total borrowings	**3,155.86**	**2,616.38**	**3,853.64**	**4,030.70**	**3,626.99**	**1,164.52**
As a percentage of total capital	33.44%	33.37%	52.05%	87.00%	92.99%	134.77%
Total capital (equity and borrowings)	**9,437.01**	**7,841.06**	**7,404.21**	**4,633.04**	**3,900.42**	**864.10**

28 Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Amount in million except equity share and per equity share data)

	For the period ended 30 September 2017*	For the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Profit / (Loss) after tax attributable to equity share holders	1,003.84	1,505.80	854.66	328.81	511.91	(635.09)
Weighted average number of equity shares used for computation of basic earnings per share	53,010,897	52,993,367	48,094,238	36,458,796	34,905,162	34,829,266
Add : Effect of potentially dilutive equity shares - Share application money pending allotment	-	-	3,850,274	15,485,898	-	-
Add : Effect of potentially dilutive equity shares - Employee Stock option	195,159	30,801	995,242	671,123	-	-
Weighted average number of equity shares used for computation of diluted earnings per share	53,206,056	53,024,168	52,939,754	52,615,817	34,905,162	34,829,266
Earnings/ (loss) per share						
-Basic	18.94	28.41	17.77	9.02	14.67	(18.23)
-Diluted	18.87	28.40	16.14	6.25	14.67	(18.23)

*The earning per share for the period ended 30 September 2017 is not annualized.

29 Contingent liabilities and commitments (to the extent not provided for)

Rs In million

Particulars	As at 30 September 2017	As at 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Contingent liabilities :						
Expected claims	10.00	10.00	-	-	-	-
Indirect tax litigation claims not acknowledged as debts	70.97	67.81	72.36	73.69	70.26	67.81
Provident fund assessment claims not acknowledged as debts	20.87	20.87	20.87	20.87	20.87	-
Commitments :						
Estimated amount of contracts remaining to be executed on capital contracts and not provided for Refer note (i) below	1,012.72	863.12	474.08	244.98	168.83	61.21
Other commitments	-	-	-	-	45.25	-

The Parent Company has given letter of support to the following subsidiary companies, associate company and to companies with common shareholders to provide the necessary financial support to ensure that they can continue uninterrupted business operations to operate as a going concern and meet its obligation:

a) Subsidiary companies -
(i) Kable First India Private Limited - for twelve months from 31 March 2013, 31 March 2014, 31 March 2015, 31 March 2016 and 31 March 2017.
(ii) ACT Digital Entertainment Private Limited - for twelve months from 31 March 2016 and 31 March 2017.

b) Associate company -
(i) Atria Broadband Services Private Limited- for twelve months from 31 March 2016 and 31 March 2017.

c) Companies with common shareholders -
OBRM Service Management Private Limited, CTV Content Management Private Limited and Clover Program Management Private Limited- for twelve months from 31 March 2013, 31 March 2014, 31 March 2015.

Notes

i) The Company is required to spend under a contract to purchase property, plant and equipment and other intangible assets.

ii) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

iii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the advice from the Company's legal counsel, management does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Company does not expect any reimbursements in respect of the above contingent liabilities.

Rs in million

30 Operating lease

a) Assets taken on operating lease

The Company is obligated under cancellable operating leases for office and rent towards placement of PoP boxes which are renewable at the option of both the lessor and the lessee. The Company is obligated under non-cancellable operating leases for office premises and also obligated to pay fees for usage of electric poles for laying cables in certain cities. The details of expenses are here under:

	For the period ended 30 September 2017	For year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
i) Cancellable operating lease	188.03	308.05	207.93	139.62	87.36	29.30
ii) Fees for usage of electric poles	62.64	144.25	89.57	26.39	-	-
iii) Non cancellable operating lease	40.92	73.09	66.29	68.15	61.67	18.42
	291.59	**525.39**	**363.79**	**234.16**	**149.03**	**47.72**

Future minimum lease payments under non-cancellable operating leases are as follows:

	As at 30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Payable within one year	74.87	78.01	65.07	68.01	59.53	18.01
Payable between one and five years	208.44	235.15	189.55	273.39	275.45	103.94
Payable after five years	41.85	52.76	52.26	48.21	127.61	47.63

b) Assets given on operating lease

The Company has leased, under an operating lease agreement, its set top boxes to Kable First India Private Limited. The lease income amounting to Rs. 25.91 million for period ended 30 September 2017, Rs 52.36 million for the financial year ended 31 March 2017, Rs 62.98 million for financial year ended 31 March 2016 is not recognised as there was uncertainty in collection. Lease income of Rs 30.77 million for the financial year ended 31 March 2015 was recognised in the books. The assets leased under the agreement are as detailed below:

	As at 30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Gross book value	280.82	311.49	358.76	412.00	-	-
Accumulated depreciation	209.39	222.00	201.75	197.16	-	-
Depreciation expense	11.76	42.38	54.80	51.47	-	-

31 On 23 April 2013, the Board of Directors of SR Cable TV Private Limited ("SR Cable"), a subsidiary company announced a plan to discontinue the cable TV services offered by the SR Cable. The Company determined that there was a decline, other than temporary, in the value of the investment and other assets related to SR Cable held in its books. Accordingly, impairment losses were recognised for cost of investment amounting to Rs 0.10 million, loans and advances Rs 226.20 million, advance towards equity subscription Rs 60.53 million and non-compete fees (intangible assets) Rs 14.05 million for the year ended 31 March 2013. At each year end, the Company had provided for further impairment loss to reflect the decline in the recoverable balance from SR Cable. During the period ended 30 September 2017, the Company has written off the entire advances.

32 In May 2014, the Company had disposed off its direct point network in Chitradurga Entertainment Private Limited ("CEPL"), a subsidiary of the Company for a sale consideration of Rs 12.4 million. During the financial year 2013-14, the Company had recognised an impairment loss of Rs 9.42 million on its intangible assets, Rs 3.56 million against the recoverable balance and Rs 0.1 million against cost of investment. During the financial year 2014-15, 2015-16 and 2016-17, further impairment loss was recognised to reflect the decline in the recoverable balance from CEPL. During the period ended 30 September 2017, the Company has written off the entire advances.

33 The Company had advanced unsecured loans to Kable First Davanagere Private Limited ("KFD"), a step down subsidiary company. During the financial year 2014-15, the Company had recognised an impairment loss of Rs 26.26 million against the recoverable balance. During the financial year 2015-16 and 2016-17, further impairment loss was recognised to reflect the decline in the recoverable balance from KFD. During the period ended 30 September 2017, the Company has written off the entire advances.

34a The Company had advanced unsecured loans to Kable First India Private Limited ("KFI"), a subsidiary company. During the financial year 2015-16, the Company had recognised an impairment loss of Rs 100 million against the recoverable balance. During the financial year 2016-17, further impairment loss was recognised to reflect the decline in the recoverable balance from KFI.

The Company had advanced unsecured loans to Atria Broadband Services Private Limited, an associate company. During the financial year 2017-18, the Company has recognised an impairment loss of Rs 196.40 million against the recoverable balance.

34b With effect from 1 October 2014, the Company had approved a reorganisation of its business activities, resulting in the transfer of certain activities and their related assets and liabilities to a subsidiary and an associate company within the group.

35 During the financial year 2014-15, as part of reorganisation the Company divested 13,181 shares of Á.C.N Cable Private Limited ("A.C.N"), a subsidiary and 4,947 shares of Atria Broadband Services Private Limited ("ABS"), a subsidiary to Nine International Securities Private Limited and 255 shares of ABS to Fine Tune Trading Services Private Limited. Total purchase consideration for A.C.N shares aggregated to Rs 172.8 million and for ABS shares was Rs 24.67 million. Pursuant to this, ACN and ABS became associate to the Company.

36 During the financial year 2012-13, the Company had renewed a contract with Kable First India Private Limited (Kable First), a subsidiary, for certain services. There was non compliance of section 297 of the Companies Act, 1956, as the Company had common directors with Kable First and paid up share capital was in excess of the limit specified under this section. The provision of this section required prior central government approval before entering into the renewed contract. The Company had applied to the Ministry of corporate affairs, Government of India, for compounding of offence and approval of the contract.

37 During the year 2013-14, the Company had refunded share application money of Rs 2,030 million to Clover Program Management Private Limited and received fresh share application money of Rs 2,070 million from India Value Fund III-A. This share application money was outstanding for more than one year pending approval from Foreign Investment Promotion Board, India (‘FIPB’). During the financial year 2015-16, the Company had allotted the equity shares post receipt of approval from FIPB.

38 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:

	As at					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
The principal amount remaining unpaid to any supplier as at the end of the year	-	-	-	-	-	-
The interest due on the principal remaining outstanding as at the end of the year	-	-	-	-	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-	-	-	-	-

39 Scheme of Amalgamation

a) Background

Beam Telecom Private Limited ('Beam') was a private limited company incorporated under the Companies Act, 1956 ('the Act') with its registered office in Hyderabad, India. Beam was a subsidiary of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited).

Vide a Scheme of Amalgamation (the Scheme) pursuant to Section 391 to 394 of the Companies Act, 1956 (the Act) and other applicable provisions of the Act and Rules was approved for merger of Beam with ACT by the Hon'ble High Court of judicature at Bangalore vide its order dated 26 June 2014 and by the Hon'ble High Court of judicature at Hyderabad vide their Order dated 21 July 2014. The Scheme had become effective on 23 September 2014, the appointed date of the Scheme being 1 April 2013.

Therefore, though the High Court approval of the order was passed in the financial year ended 31 March 2015, it is adjusted retrospectively as part of restatement to the year to which it relates in the restated standalone financial statements (i.e. financial year ended 31 March 2014).

b) The method of accounting used to reflect the amalgamation

The Amalgamation was accounted for under the "Purchase" method as prescribed in the Accounting Standard 14 – "Accounting for Amalgamation" notified by the Central Government under section 211 (3C) of the Act, as amended from time to time, except that the goodwill shall be adjusted against the capital reserve. Accordingly, the assets, liabilities and reserves of Transferor companies as at 1 April 2013 have been taken over at their fair value, except to ensure uniformity of accounting policies. The details of the same are given below:

Particulars	**Beam Telecom Private Limited (Rs in million)**
Gross assets as at 1 April 2013	1,870.43
Less: loans and other liabilities as at 1 April 2013	1,010.86
Net assets (A) as at 1 April 2013	**859.57**
Existing investment in Beam Telecom Private Limited as at 1 April 2013	458.79
Further investment during the year ended 31 March 2014 in Beam Telecom Private Limited	667.44
Total investment made (B)	**1,126.23**
Purchase consideration payable (C) - Fair value of 920,842, 0.0001%, Optionally Convertible Redeemable Preference Shares of Rs 10/- each fully paid-up	**602.00**
Goodwill (C-A+B)	**868.66**

In accordance with Ind AS 109, the aforementioned purchase consideration of Rs 602 million have been accounted as preference share capital - financial liability at amortised cost.

The Company has been amortizing Goodwill on Merger in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bangalore and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted Goodwill on Merger in accordance with Ind AS from the date of transition to Ind AS, and the surplus in the statement of profit and loss would have been higher by Rs 173.73 million and Rs 86.63 million for the financial year ended 31 March 2017 and for the six months period ended 30 September 2017, respectively.

c) Authorized share capital

i) Upon the Scheme coming into effect and with effect from the Appointed Date, the authorized share capital of the transferee of Rs 600,000,000/- (divided into 60,000,000 equity shares of Rs 10/- each) shall stand enhanced by an aggregate amount of Rs 100,000,000/- and the entire authorized share capital of Transferor so transferred shall all be classified as 0.0001% Optionally Convertible Redeemable Preference Share Capital of transferee. Accordingly, clause V of the Memorandum of Association of the Company shall, without any further act, instrument or deed, stand modified and reclassified as necessary.

ii) Accordingly, the Authorized Share Capital of the Company is Rs 700,000,000 (Rupees Seven hundred million only) divided into 60,000,000 (Sixty million) equity shares of Rs 10 each and 10,000,000 (ten million) 0.0001% Optionally Convertible Redeemable Preference Shares of Rs 10 each.

d) The Transferor Company had the policy to maintain inventory, which on amalgamation has been charged off by the Transferee Company, as it did not have a policy to maintain inventory.

e) The below tables represent the changes from the audited standalone financial statements to the restated previous GAAP balances, owing to the retrospective adjustment for merger as part of restatement:

Balance sheet

	As per audited standalone financial statements (A)	**Restated previous GAAP figures (B)**	**Variance (B-A)**
Non current assets	3,486.17	5,040.16	1,553.99
Current assets	1,117.18	1,602.85	485.67
Non current liabilities	2,083.24	2,873.45	790.21
Current liabilities	3,289.91	4,083.82	793.91

Statement of profit and loss

	As per audited standalone financial statements (A)	**Restated previous GAAP figures (B)**	**Variance (B-A)**
Total revenues **(A)**	883.66	3,558.03	2,674.37
Expenses **(B)**	1,412.30	3,624.80	2,212.50
Profit before tax (**C**)=A-B	(528.64)	(66.77)	461.87
Tax expense (**D**)	-	6.31	6.31
Loss after tax (E)=C-D	**(528.64)**	**(73.08)**	**455.56**

40 Employee Benefits

Rs in million

a. Defined contribution plan

The amount recognised as an expense towards contribution to provident fund and employee state insurance aggregated to Rs 69.13 million for the period ended 30 September 2017, Rs 98.00 million for the year ended 31 March 2017, Rs 77.56 million for the year ended 31 March 2016, Rs 67.10 million for the year ended 31 March 2015, Rs 56.97 million for the year ended 31 March 2014 and Rs 10.27 million for the year ended 31 March 2013.

b. Defined benefit plan

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible to a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following table summarizes the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013:

c. Statement of reconciliation of present value of defined benefit obligations

Particulars	**As at**					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Change in benefit obligations						
Benefit at the beginning of the year	125.75	80.43	45.03	30.97	9.14	5.33
Benefit at the beginning of the year - of the amalgamating company	-	-	-	-	14.11	-
Current service cost	15.48	23.37	14.22	10.15	8.57	3.35
Interest expense	4.22	5.89	3.42	2.62	1.78	0.46
Remeasurements due to :						
change in experience adjustment	10.83	9.94	19.37	2.80	1.04	-
change in demographic assumptions	-	(2.97)	-	-	(0.15)	-
changes in financial assumptions	20.46	14.08	1.28	2.77	(2.04)	-
Benefits paid	(2.16)	(4.99)	(2.89)	(4.28)	(1.48)	-
Balance at the end of the year	**174.58**	**125.75**	**80.43**	**45.03**	**30.97**	**9.14**

d. Net defined benefit liability

Particulars	**As at**					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Non-current	150.23	107.15	71.68	40.35	27.36	8.44
Current	24.35	18.60	8.75	4.68	3.61	0.70

e. Expenses recognized in the statement of profit and loss under employee benefits expense:

Particulars	**For the period ended**	**For the year ended**				
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Current service cost	15.48	23.37	14.22	10.15	8.57	3.35
Interest expense	4.22	5.89	3.42	2.62	1.78	0.46
Net gratuity cost	**19.70**	**29.26**	**17.64**	**12.77**	**10.35**	**3.81**

f. Remeasurements recognised in other comprehensive income (excluding tax)

Particulars	**For the period ended**	**For the year ended**				
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
(Gain)/loss from changes in demographic assumptions	-	(2.97)	-	-	(0.15)	-
(Gain)/loss from changes in experience adjustments	10.83	9.94	19.37	2.80	1.04	-
(Gain)/loss from changes in financial assumptions	20.46	14.08	1.28	2.77	(2.04)	-
	31.29	21.05	20.65	5.57	(1.15)	-

40 Employee Benefits (continued)

Rs in million

g. Actuarial assumptions

The weighted-average assumptions used to determine benefit obligations are set out below:

Particulars	**As at**					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Discount rate	6.70%	7.25%	7.75%	8.00%	9.00%	8.10%
Salary escalation rate	12.00%	10.00%	8.00%	8.00%	8.00%	8.00%
Retirement age	60 years	60 years	60 years	60 years	60 years	60 years
Attrition rate	20.00%	20.00%	15.00%	15.00%	15.00%	15.00%
Mortality rate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate	IALM (2006-08), Ultimate

Notes:

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

h. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	30 September 2017		**31 March 2017**		**31 March 2016 Proforma**		**31 March 2015 Proforma**		**31 March 2014 Proforma**		**31 March 2013 Proforma**	
	Increase	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (50 bps movement)	(4.87)	5.13	(3.28)	3.45	(2.53)	2.69	(1.42)	1.50	(0.87)	0.91	(0.40)	0.43
Future salary growth (50 bps movement)	4.26	(4.15)	3.03	(2.94)	2.48	(2.38)	1.39	(1.33)	0.74	(0.72)	0.34	(0.33)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

i. Expected future cash flows

Particulars	**As at**					
	30 September 2017	**31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Within one year	24.35	18.60	8.75	4.68	3.61	0.70
Between one to three years	50.25	38.70	20.72	11.39	8.13	1.52
Between three to five years	45.74	35.08	21.35	12.41	9.10	1.76
After five years	155.65	107.66	99.75	57.76	42.36	19.23

The weighted average duration to the payment of these cash flows is 5.72 years as at 30 September 2017, 5.34 years as at 31 March 2017, 6.48 years as at 31 March 2016, 6.50 years as at 31 March 2015, 5.74 years as at 31 March 2014 and 9.02 years as at 31 March 2013.

41 Related Party Transactions

a) Parties where control exists:

India Value Fund III-A	Represented by its sole trustee IVF Trustee Company Private Limited upto 5 May 2016
Argan (Mauritius) Limited	Holding company from 6 May 2016
TA FVCI Investors Limited	Shareholder from 6 May 2016

b) Parties with whom transactions have taken

A.C.N. Cable Private Limited	Subsidiary company upto 25 September 2014. Associate company from 26 September 2014
Atria Broadband Services Private Limited	Subsidiary company upto 25 September 2014. Associate company from 26 September 2014
I.B. Communications Network Private Limited	Step down Subsidiary company upto 25 September 2014. Associate of a subsidiary company from 26 September 2014
ACT Digital Home Entertainment Private Limited	Subsidiary company
SR Cable TV Private Limited	Subsidiary company
Kable First India Private Limited	Subsidiary company
Chitradurga Entertainment Private Limited	Subsidiary company
Kable First Davanagere Private Limited	Subsidiary company
Sree Digital Home Entertainment Private Limited	Subsidiary company
Raja Rajeshwari Entertainment Private Limited	Step down Subsidiary company upto 25 September 2014. Subsidiary of a associate company from 26 September 2014
HCV Digital Entertainment Private Limited	Subsidiary company
Sri Venkateshwara Digital Home Entertainment Private Limited	Subsidiary company
Mandapeta Digital Entertainment Private Limited	Subsidiary company
Beam Telecom Private Limited *	Subsidiary company

c) List of key management personnel

C.S. Sunder Raju	Managing Director upto 8 March 2018
Bala S.Malladi	Chief Executive Officer
Venkatesh H. Bhat	Chief Finance Officer upto 03 September 2017
Eashwar Iyer	Chief Finance Officer from 04 September 2017
Jithesh Chathambil	Company Secretary from 21 December 2015

d) Non-executive directors

C.S. Sunder Raju	With effect from 9 March 2018
Kupparaju Nagaraju	Resigned on 6 May 2016
Dhiraj Poddar	Appointed on 6 May 2016
Naveen Wadhera	Appointed on 6 May 2016
Pramod Kabra	
Vishal Gangadhar Nevatia	Resigned on 9 March 2018
Vikram Nirula	Resigned on 9 March 2018
Mahendrakumar Sharma	Appointed on 11 December 2014, upto 8 March 2018

e) Non-executive independent directors

Mahendrakumar Sharma	With effect from 9 March 2018
Nishi Vasudeva	With effect from 9 March 2018
Pangulury Mohan Murty	With effect from 9 March 2018

f) Entities having common control

India Value Fund Managers LLP	Upto 5 May 2016

* Beam Telecom Private Limited, a subsidiary of the Company was merged with the Company by a scheme of merger, appointed date being 1 April 2013, with effect from 23 September-2014, being effective date. For details, refer to note 39.

The details of amounts due to or due from related parties as at 30 September 2017, 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 are as follows:

Rs in million

Name of the party	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Investment in subsidiaries						
ACT Digital Home Entertainment Private Limited	199.23	199.23	199.23	199.23	199.23	199.23
A.C.N. Cable Private Limited	188.44	188.44	188.44	188.44	362.39	266.19
Atria Broadband Services Private Limited	0.05	0.05	0.05	0.05	0.10	0.10
Chitradurga Entertainment Private Limited	0.10	0.10	0.10	0.10	0.10	0.10
Kable First India Private Limited	0.70	0.70	0.70	0.70	0.70	0.70
SR Cable TV Private Limited	0.10	0.10	0.10	0.10	0.10	0.10
Beam Telecom Private Limited	-	-	-	-	1,126.23	458.79
	388.62	**388.62**	**388.62**	**388.62**	**1,688.85**	**925.21**

41 Related Party Transactions (continued)

Rs in million

Name of the party	As at					
	30 September 2017	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Balance receivable/(payable)						
SR Cable TV Private Limited	11.02	325.76	310.18	286.45	212.01	226.20
A.C.N. Cable Private Limited	12.52	31.05	189.02	141.89	52.61	37.22
Atria Broadband Services Private Limited	325.98	318.43	316.24	252.50	169.84	165.44
Kable First India Private Limited	651.59	611.64	601.25	489.69	341.65	93.80
Beam Telecom Private Limited	-	-	-	-	8.47	3.46
ACT Digital Home Entertainment Private Limited	1,149.24	1,083.63	790.29	329.74	197.59	1.29
HCV Digital Entertainment Private Limited	24.80	26.96	13.75	16.44	15.09	3.75
Sree Digital Home Entertainment Private Limited	-	0.08	0.71	-	0.02	0.01
Kable First Davanagere Private Limited	-	29.09	28.55	26.27	21.92	21.11
Chitradurga Entertainment Private Limited	-	8.88	8.68	8.61	11.36	10.21
I.B. Communications Network Private Limited	(0.19)	0.06	0.59	-	0.02	0.01
Raja Rajeshwari Entertainment Private Limited	1.72	0.96	0.02	-	-	-
Mandapeta Digital Entertainment Private Limited	0.45	0.33	0.47	(0.02)	0.02	0.00
India Value Fund - IIIA	-	-	-	-	(3.93)	-
TA FVCI Investors Limited	(11.0)	(11.0)	-	-	-	-
Sri Venkateswara Digital Home Entertainment Private Limited	0.19	0.09	0.06	-	0.01	0.00
Bala Malladi	22.82	29.99	29.99	30.98	4.58	0.03
Venkatesh H. Bhat	-	3.49	5.49	3.58	0.60	0.55
Eashwar Iyer	1.06	-	-	-	-	-
	2,190.20	**2,459.44**	**2,295.29**	**1,586.13**	**1,031.86**	**563.08**
Balance of share application money received from an entity where control exists						
India Value Fund - IIIA	-	-	-	2,070.00	2,070.00	-
	-	**-**	**-**	**2,070.00**	**2,070.00**	**-**
Balances of advance towards equity subscription						
SR Cable TV Private Limited	-	-	-	-	74.40	74.40
Chitradurga Entertainment Private Limited	-	-	4.50	4.50	4.50	4.50
Atria Broadband Services Private limited	-	-	-	0.37	0.37	0.37
Kable First India Private Limited	-	-	-	-	-	159.30
	-	**-**	**4.50**	**4.87**	**79.27**	**238.57**
Balances of receivables/advances provided for						
ACT Digital Home Entertainment Private Limited	337.23	-	-	-	-	-
Atria Broadband Services Private Limited	196.39	-	-	-	-	-
Kable First India Private Limited	651.59	611.64	100.00	-	-	-
Kable First Davanagere Private Limited	-	29.09	28.55	26.27	-	-
Chitradurga Entertainment Private Limited	-	13.38	13.18	13.11	3.56	-
SR Cable TV Private Limited	11.02	280.77	287.24	286.45	286.41	286.73
	1,196.23	**934.88**	**428.97**	**325.83**	**289.97**	**286.73**

Name of the party	For the period ended 30 September 2017	For the year ended 31 March				
		2017	2016	2015	2014	2013
Advances given						
A.C.N. Cable Private Limited	20.00	67.50	145.99	67.16	83.98	82.06
Atria Broadband Services Private Limited	-	-	69.50	55.46	4.40	30.79
ACT Digital Home Entertainment Private Limited	-	218.66	499.27	131.13	69.10	3.00
I.B. Communications Network Private Limited	-	-	0.87	0.15	-	-
Chitradurga Entertainment Private Limited	-	-	-	14.93	1.28	4.95
SR Cable TV Private Limited	-	-	-	74.68	10.00	32.30
Kable First India Private Limited	12.00	77.50	55.00	116.42	252.43	74.17
Kable First Davanagere Private Limited	-	0.50	2.29	4.31	0.80	-
Sree Digital Home Entertainment Private Limited	-	-	-	0.07	-	-
HCV Digital Entertainment Private Limited	-	3.15	47.90	27.10	27.09	2.00
Sri Venkateshwara Digital Home Entertainment Private Limited	-	-	-	0.02	-	-
Mandapeta Digital Entertainment Private Limited	-	-	-	0.02	-	-
	32.00	**367.31**	**820.82**	**491.45**	**449.08**	**229.27**

41 Related Party Transactions (continued) *Rs in million*

Name of the party	For the period ended 30 September 2017	For the year ended 31 March				
		2017	2016	2015	2014	2013
Advances repaid						
A.C.N. Cable Private Limited	50.00	307.70	5.00	29.87	6.00	44.48
Atria Broadband Services Private Limited	-	21.57	55.51	89.29	-	-
ACT Digital Home Entertainment Private Limited	35.00	115.20	-	25.88	20.00	3.00
I.B. Communications Network Private Limited	-	-	-	1.03	-	-
Chitradurga Entertainment Private Limited	-	-	-	17.73	-	-
Kable First India Private Limited	-	5.00	-	41.03	163.95	16.50
Kable First Davanagere Private Limited	-	-	-	0.07	-	-
Sree Digital Home Entertainment Private Limited	-	-	-	0.40	-	-
Mandapeta Digital Entertainment Private Limited	-	-	-	0.42	-	-
SR Cable TV Private Limited	-	11.81	-	1.56	20.53	-
HCV Digital Entertainment Private Limited	10.00	-	20.86	23.46	31.41	2.00
Sri Venkateshwara Digital Home Entertainment Private Limited	-	-	-	1.48	-	-
	95.00	**461.28**	**81.37**	**232.22**	**241.89**	**65.98**
Issue of equity shares including securities premium						
India Value Fund - IIIA	-	-	2,070.00	-	-	-
	-	**-**	**2,070.00**	**-**	**-**	**-**
Corporate guarantee fee received						
ACT Digital Home Entertainment Private Limited	-	3.45	-	-	-	-
A.C.N. Cable Private Limited	-	2.30	-	-	-	-
	-	**5.75**	**-**	**-**	**-**	**-**
Sale of fixed assets/consumables						
A.C.N. Cable Private Limited	14.26	53.18	4.65	74.82	66.55	1.79
Atria Broadband Services Private Limited	-	-	0.03	0.83	-	-
ACT Digital Home Entertainment Private Limited	10.04	32.30	21.57	7.36	129.59	-
Beam Telecom Private Limited	-	-	-	-	14.19	0.03
Kable First India Private Limited	-	-	0.54	0.04	-	-
HCV Digital Entertainment Private Limited	0.69	3.18	0.46	4.57	16.31	-
	24.99	**88.66**	**27.25**	**87.62**	**226.64**	**1.82**
Purchase of fixed assets/consumables						
A.C.N. Cable Private Limited	3.37	2.20	-	-	16.12	-
Atria Broadband Services Private Limited	-	-	-	0.08	-	-
Kable First India Private Limited	-	-	-	1.06	-	-
SR Cable TV Private Limited	-	-	-	0.16	5.18	-
Beam Telecom Private Limited	-	-	-	-	-	0.07
ACT Digital Home Entertainment Private Limited	0.16	0.91	4.35	-	0.96	-
	3.53	**3.11**	**4.35**	**1.30**	**22.26**	**0.07**
Receivables written off						
Kable First India Private Limited	-	96.13	-	-	-	-
SR Cable TV Private Limited	325.84	-	-	-	-	-
Kable First Davanagere Private Limited	29.09	-	-	-	-	-
Chitradurga Entertainment Private Limited	13.38	-	-	-	-	-
	368.31	**96.13**	**-**	**-**	**-**	**-**
Rental Income						
Kable First India Private Limited	25.91	54.14	62.98	32.46	-	-
	25.91	**54.14**	**62.98**	**32.46**	**-**	**-**
Income received						
Atria Broadband Services Private Limited	-	-	-	0.30	-	-
	-	**-**	**-**	**0.30**	**-**	**-**
Dividend income received						
ACT Digital Home Entertainment Private Limited	-	-	-	-	-	14.23
	-	**-**	**-**	**-**	**-**	**14.23**
Franchisee fees						
A.C.N. Cable Private Limited	106.46	189.40	122.95	68.08	39.33	12.95
ACT Digital Home Entertainment Private Limited	229.22	361.84	156.14	37.74	15.33	1.50
HCV Digital Entertainment Private Limited	25.57	52.55	34.07	17.67	8.09	0.02
	361.25	**603.79**	**313.16**	**123.49**	**62.75**	**14.47**

41 Related Party Transactions (continued)

Rs in million

Name of the party	For the period ended 30 September 2017	For the year ended 31 March 2017	2016	2015	2014	2013
Link charges incurred						
Atria Broadband Services Private Limited	-	-	-	10.65	-	-
Kable First India Private Limited	-	-	-	21.31	35.51	35.51
Chitradurga Entertainment Private Limited	-	-	-	0.29	2.40	2.40
	-	**-**	**-**	**32.25**	**37.91**	**37.91**
Expense incurred by the Company						
A.C.N. Cable Private Limited	13.59	30.93	26.23	17.43	23.97	15.62
India Value Fund - IIIA	-	-	-	4.25	-	-
Atria Broadband Services Private Limited	42.98	140.95	87.46	72.45	-	-
SR Cable TV Private Limited	0.08	5.34	0.79	1.48	1.72	1.78
I.B. Communications Network Private Limited	0.26	0.87	0.87	0.86	0.34	1.18
Kable First India Private Limited	10.30	19.44	12.72	11.84	2.07	2.01
Chitradurga Entertainment Private Limited	-	0.19	0.07	0.06	0.15	0.13
Beam Telecom Private Limited	-	-	-	-	299.04	151.03
India Value Fund Managers LLP	-	-	-	1.30	-	-
Kable First Davanagere Private Limited	0.01	0.03	0.02	0.10	0.01	0.01
Sree Digital Home Entertainment Private Limited	0.34	1.12	0.79	0.30	0.50	1.34
HCV Digital Entertainment Private Limited	8.04	13.97	9.45	10.83	7.80	5.48
Sri Venkateshwara Digital Home Entertainment Private Limited	0.31	1.04	0.87	1.45	0.23	0.75
Mandapeta Digital Entertainment Private Limited	0.31	0.88	0.54	0.36	0.36	0.80
Raja Rajeshwari Entertainment Private Limited	0.75	0.95	0.02	-	-	-
ACT Digital Home Entertainment Private Limited	46.64	38.98	22.50	8.04	48.51	27.35
	123.61	**254.69**	**162.33**	**130.75**	**384.70**	**207.48**
Share application money received						
India Value Fund - IIIA	-	-	-	-	2,070.00	-
Kable First India Private Limited	-	-	-	40.00	-	-
	-	**-**	**-**	**40.00**	**2,070.00**	**-**
Share application money repaid						
Kable First India Private Limited	-	-	-	40.00	-	-
	-	**-**	**-**	**40.00**	**-**	**-**
Investment in equity shares						
A.C.N. Cable Private Limited	-	-	-	-	96.20	169.99
Beam Telecom Private Limited	-	-	-	-	-	40.00
	-	**-**	**-**	**-**	**96.20**	**209.99**
Reimbursement of expenses						
A.C.N. Cable Private Limited	3.38	2.61	1.51	27.79	1.48	-
India Value Fund - IIIA	-	-	-	0.32	3.93	-
Atria Broadband Services Private Limited	20.88	45.34	-	-	-	-
I.B. Communications Network Private Limited	0.42	1.40	0.27	-	0.33	1.17
Kable First India Private Limited	8.13	11.99	7.04	31.99	2.00	1.28
India Value Fund Managers LLP	-	-	-	0.36	0.94	-
Beam Telecom Private Limited	-	-	-	-	308.22	146.21
SR Cable TV Private Limited	-	-	-	-	0.20	0.03
Kable First Davanagere Private Limited	-	-	0.01	-	-	-
Chitradurga Entertainment Private Limited	-	-	-	-	0.18	-
Sree Digital Home Entertainment Private Limited	0.44	1.75	0.08	-	0.48	1.34
HCV Digital Entertainment Private Limited	3.57	4.99	1.80	0.03	0.36	3.79
Sri Venkateshwara Digital Home Entertainment Private Limited	0.21	1.00	0.81	-	0.22	0.74
Mandapeta Digital Entertainment Private Limited	0.19	1.01	0.05	-	0.35	0.79
ACT Digital Home Entertainment Private Limited	22.55	12.26	1.24	13.58	26.59	24.68
	59.77	**82.35**	**12.81**	**74.07**	**345.28**	**180.03**
Interest income						
ACT Digital Home Entertainment Private Limited	80.39	138.61	78.93	35.64	11.98	-
Atria Broadband Services Private Limited	-	-	-	0.00	-	-
HCV Digital Entertainment Private Limited	-	-	-	0.00	-	-
Kable First India Private Limited	-	-	-	0.03	-	-
A.C.N. Cable Private Limited	-	-	-	0.03	-	-
SR Cable TV Private Limited	11.03	22.05	22.94	-	-	-
	91.42	**160.66**	**101.87**	**35.70**	**11.98**	**-**

41 Related Party Transactions (continued) *Rs in million*

Name of the party	For the period ended 30 September 2017	For the year ended 31 March				
		2017	2016	2015	2014	2013
Collection for the Company						
A.C.N. Cable Private Limited		-	0.69	-	-	-
Kable First India Private Limited	-	-	-	6.62	-	-
Atria Broadband Services Private Limited	6.03	11.04	6.36	-	-	-
	6.03	**11.04**	**7.05**	**6.62**	**-**	**-**
Collection on behalf of ABS						
Kable first India Private Limited	-	-	3.65	-	-	-
	-	**-**	**3.65**	**-**	**-**	**-**
Refund of equity subscription						
Atria Broadband Services Private Limited	-	-	0.37	-	-	-
	-	**-**	**0.37**	**-**	**-**	**-**
Purchase consideration received						
Atria Broadband Services Private Limited	-	28.50	14.50	4.50	-	-
Kable first India Private Limited	-	27.00	9.00	9.00	-	-
	-	**55.50**	**23.50**	**13.50**	**-**	**-**
Purchase consideration receivable						
Atria Broadband Services Private Limited	-	-	-	47.50	-	-
Kable first India Private Limited	-	-	-	45.00	-	-
	-	**-**	**-**	**92.50**	**-**	**-**
Billing on behalf of the Company						
Atria Broadband Services Private Limited	-	-	4.30	-	-	-
	-	**-**	**4.30**	**-**	**-**	**-**
Collection by the Company						
A.C.N. Cable Private Limited	0.79	-	0.97	-	-	-
Atria Broadband Services Private Limited	20.28	53.87	25.30	-	-	-
Kable First India Private Limited	0.13	0.57	-	-	-	-
HCV Digital Entertainment Private Limited	-	-	3.77	-	-	-
	21.20	**54.44**	**30.04**	**-**	**-**	**-**
Proceeds received on issue of equity shares including securities premium						
Bala S.Malladi	-	15.00	-	-	30.00	-
Venkatesh H. Bhat	-	2.75	-	-	3.50	-
	-	**17.75**	**-**	**-**	**33.50**	**-**
Advance given (net of repayments) to Key managerial personnel						
Bala S.Malladi	(7.17)	-	(1.00)	26.40	4.56	0.03
Eashwar Iyer	1.06	-	-	-	-	-
Venkatesh H. Bhat	0.04	(2.00)	1.90	2.98	0.05	0.55
	(6.07)	**(2.00)**	**0.90**	**29.38**	**4.61**	**0.58**
Others						
A.C.N. Cable Private Limited	0.09	0.14	-	-	-	-
Atria Broadband Services Private Limited	(0.30)	0.52	-	-	-	-
ACT Digital Home Entertainment Private Limited	(0.03)	0.21	-	-	-	-
	(0.24)	**0.87**	**-**	**-**	**-**	**-**

The table below describes the compensation to key managerial personnel which comprise directors and executive officers:

Rs in million

Particulars	For the period ended 30 September 2017	For the year ended 31 March				
		2017	2016	2015	2014	2013
Short term employee benefits	44.20	79.75	62.52	61.04	46.61	36.34
Share Based Payment	36.92	88.42	4.35	4.35	13.30	-
Total	**81.12**	**168.17**	**66.87**	**65.39**	**59.91**	**36.34**

Managerial remunerations does not include gratuity and compensated absences since these have been provided based on the actuarial valuation carried out for the Company as a whole.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on Adjustments to Audited Standalone Financial Statements

B Reconciliation of statement of equity as previously reported under previous GAAP and Restated Ind AS

Rs in million

Particulars	Notes	31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
Total equity as per previous GAAP		5,222.41	3,334.23	818.66	(314.26)	(300.63)
Fair valuation of assets	B(i)	1.66	0.96	(0.07)	(0.25)	(0.18)
Employee benefits	G	35.20	22.93	29.65	1.60	0.39
Taxes	C	39.37	43.72	15.28	3.11	-
Finance cost	E, F	(344.60)	(344.60)	(142.93)	(19.82)	-
Changes in fair value of financial assets and liabilities	B(ii)	(0.26)	(4.51)	5.94	(0.58)	-
Interest expense on financial liabilities measured at amortised cost	E	(176.33)	(176.33)	(199.37)	(92.57)	-
Other comprehensive income	G(i)	(46.12)	(25.07)	(4.42)	1.15	-
Income tax related to items that will not be reclassified to profit or loss	G(i)	15.97	8.68	1.54	(0.39)	-
Redemption of debentures	F	344.60	344.60	-	-	-
Issue/redemption of preference shares	E	176.33	176.33	(410.28)	-	-
Total equity as per Ind AS		**5,268.23**	**3,380.94**	**114.00**	**(422.01)**	**(300.42)**
Restatement adjustments						
Interest income on advances	J	-	-	47.62	11.98	-
Provision for doubtful debts	J	-	-	(32.46)	-	-
Interest on non convertible debentures	F	-	-	(62.55)	(9.02)	-
Interest expense on financial liabilities measured at amortised cost	E	-	-	64.01	28.32	-
Taxes	C	(43.55)	169.63	471.72	664.16	-
Total restatement adjustments		**(43.55)**	**169.63**	**488.34**	**695.44**	**-**
Restated total equity		**5,224.68**	**3,550.57**	**602.34**	**273.43**	**(300.42)**

* To be read together with summary of significant accounting policies in Annexure A-V and notes to the restated standalone financial information in Annexure A-VI.

Notes to adjustments - Refer Note 3 of Annexure A - VII

C Impact of Ind AS adoption on Cash Flows

Particulars	For the year ended 31 March 2017 Previous GAAP	Adjustments	Ind AS
Net cash generated from / (used in) operating activities	5,155.89	5.19	5,161.08
Net cash flow from / (used in) investing activities	(3,315.54)	(2.71)	(3,318.25)
Net cash generated / (used in) financing activities	(1,592.65)	(2.48)	(1,595.13)
Net increase / (decrease) in cash and cash equivalents	247.70	-	247.70
Cash and cash equivalents as at 1 April 2016	238.83	-	238.83
Cash and cash equivalents as at 31 March 2017	486.52	-	486.53

Particulars	For the year ended 31 March 2016 Previous GAAP	Adjustments	Ind AS
Net cash generated from / (used in) operating activities	3,204.36	62.63	3,266.99
Net cash flow from / (used in) investing activities	(2,642.86)	(5.92)	(2,648.78)
Net cash generated / (used in) financing activities	(855.15)	(56.71)	(911.86)
Net increase / (decrease) in cash and cash equivalents	(293.66)	-	(293.65)
Cash and cash equivalents as at 1 April 2015	532.48	-	532.48
Cash and cash equivalents as at 31 March 2016	238.83	-	238.83

Particulars	For the year ended 31 March 2015 Previous GAAP	Adjustments	Ind AS
Net cash generated from / (used in) operating activities	2,226.30	(293.68)	1,932.62
Net cash flow from / (used in) investing activities	(1,934.69)	253.00	(1,681.69)
Net cash generated / (used in) financing activities	68.43	(233.38)	(164.95)
Net increase / (decrease) in cash and cash equivalents (Refer note 1 below)	360.04	(274.06)	85.98
Cash and cash equivalents as at 1 April 2014	172.44	274.06	446.50
Cash and cash equivalents as at 31 March 2015	532.48	-	532.48

Particulars	For the year ended 31 March 2014 Previous GAAP	Adjustments	Ind AS
Net cash generated from / (used in) operating activities	386.25	1,045.86	1,432.11
Net cash flow from / (used in) investing activities	(1,601.33)	(1,001.05)	(2,602.38)
Net cash generated / (used in) financing activities	1,301.48	229.25	1,530.73
Net increase / (decrease) in cash and cash equivalents	86.40	274.06	360.46
Cash and cash equivalents as at 1 April 2013	86.04	-	86.04
Cash and cash equivalents as at 31 March 2014 (Refer note 1 below)	172.44	274.06	446.50

Particulars	For the year ended 31 March 2013 Previous GAAP	Adjustments	Ind AS
Net cash generated from / (used in) operating activities	(344.38)	(3.17)	(347.55)
Net cash flow from / (used in) investing activities	(887.84)	3.16	(884.68)
Net cash generated / (used in) financing activities	1,292.92	0.01	1,292.93
Net increase / (decrease) in cash and cash equivalents	60.70	-	60.70
Cash and cash equivalents as at 1 April 2012	25.34	-	25.34
Cash and cash equivalents as at 31 March 2013	86.04	-	86.04

Note 1 : The adjustment pertains to cash and cash equivalents acquired on merger.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
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Statement on Adjustments to Audited Standalone Financial Statements

1 Summarized below are the restatement adjustments made to the audited financial statements for the year ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and their impact on the profit / (loss) of the Company:

A Reconciliation of statement of profit and loss as previously reported under previous GAAP to Restated Ind AS *Rs in million*

Particulars	**Notes**	**For the year ended 31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
1. Net profit / (loss) after tax as per audited financial statements prepared under previous GAAP		1,825.75	1,374.77	720.61	(73.08)	(635.31)
2. Ind AS Adjustments						
Fair valuation of financial assets	B	0.70	1.03	0.18	(0.08)	(0.17)
Employee benefits	G	12.28	(6.72)	28.05	1.21	0.39
Income taxes	C	(4.34)	28.44	12.17	3.11	-
Finance cost	B, E & F	-	(201.66)	(123.11)	(19.82)	-
Share based payments	G(ii)	(132.49)	(2.29)	(1.72)	(1.72)	-
Derivative mark to market	B	4.21	(10.45)	6.52	(0.58)	-
Interest expense on financial liabilities measured at amortised cost	B(i) & E	-	23.04	(106.80)	(92.57)	-
3. Net Profit / (loss) after tax as per Ind AS		**1,706.11**	**1,206.16**	**535.90**	**(183.53)**	**(635.09)**
Other adjustments						
Interest income on advances	B(iii)	-	(47.62)	35.64	11.98	-
Finance cost	B, E&F	-	62.55	(53.52)	(9.02)	-
Provision for doubtful debts	D	-	32.46	(32.46)	-	-
Share based payments expenses	G(ii)	12.86	(32.78)	-	-	-
Income taxes	C	(213.17)	(302.10)	(192.44)	664.16	-
Interest expense on financial liabilities measured at amortised cost	E	-	(64.01)	35.69	28.32	-
Total		**(200.31)**	**(351.50)**	**(207.09)**	**695.44**	**-**
4. Net Profit / (loss) after tax as restated		**1,505.80**	**854.66**	**328.81**	**511.91**	**(635.09)**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability		(21.05)	(20.65)	(5.57)	1.15	-
Income tax related to items that will not be reclassified to profit or loss		7.29	7.15	1.93	(0.39)	-
		(13.77)	**(13.50)**	**(3.64)**	**0.76**	**-**
5. Total comprehensive income for the period/ year		**1,492.04**	**841.16**	**325.17**	**512.67**	**(635.09)**

* To be read together with summary of significant accounting policies in Annexure A-V and notes to the restated standalone financial information in Annexure A-VI

Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
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Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS

2.1 Reconciliation of equity as previously reported under Previous GAAP to Restated Ind AS

Particulars	Note	As at 31 March 2017		
		Previous GAAP*	Restatement/ Ind AS adjustment	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		6,700.30	-	6,700.30
Capital work-in-progress		471.51	-	471.51
Intangible assets		585.02	-	585.02
Financial assets				
Investments		387.72	-	387.72
Loans		534.03	-	534.03
Other financial assets	B(i)	226.38	(8.79)	217.59
Deferred tax assets, (net)	C	634.09	11.78	645.87
Income tax assets, (net)		126.95	-	126.95
Other non-current assets	B(i)	313.17	10.46	323.63
Total non-current assets		**9,979.17**	**13.45**	**9,992.62**
Current assets				
Inventories		28.98	-	28.98
Financial assets				
Investments		-	-	-
Trade receivables		105.38	-	105.38
Cash and cash equivalents		689.42	-	689.42
Other bank balances		37.33	-	37.33
Loans		736.35	0.01	736.36
Other financial assets	B(ii)	299.85	(0.26)	299.59
Other current assets		301.02	(0.01)	301.01
Total current assets		**2,198.33**	**(0.26)**	**2,198.07**
Total assets		**12,177.50**	**13.19**	**12,190.69**
Equity and liabilities				
Equity				
Share capital		530.11	-	530.11
Other equity	I	4,692.30	2.27	4,694.57
Total equity		**5,222.41**	**2.27**	**5,224.68**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		1,808.76	-	1,808.76
Other financial liabilities		-	-	-
Provisions	G(i)	102.73	4.42	107.15
Other non-current liabilities		6.63	-	6.63
Total non-current liabilities		**1,918.12**	**4.42**	**1,922.54**
Current liabilities				
Financial liabilities				
Borrowings	B(ii)	18.48	-	18.48
Trade Payables		154.80	-	154.80
Other financial liabilities	J	2,667.39	185.65	2,853.04
Provisions	G(i), J	256.26	(179.15)	77.11
Income tax liabilities, (net)		539.45	-	539.45
Other current liabilities		1,400.59	-	1,400.59
Total current liabilities		**5,036.97**	**6.50**	**5,043.47**
Total equity and liabilities		**12,177.50**	**13.19**	**12,190.69**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
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Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.2 Reconciliation of equity as previously reported under Previous GAAP to Proforma Restated Ind AS

Particulars	Note	As at 31 March 2016		
		Previous GAAP*	Restatement/ Ind AS adjustment	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		5,028.38	-	5,028.38
Capital work-in-progress		261.38	-	261.38
Intangible assets		585.47	-	585.47
Financial assets				
Investments		388.42	-	388.42
Loans	A	2.98	484.40	487.38
Other financial assets	B(i)	318.98	(11.72)	307.26
Deferred tax assets, (net)	C	192.17	156.61	348.78
Income tax assets, (net)		87.89	-	87.89
Other non-current assets	B(i)	261.18	10.47	271.65
Total non-current assets		**7,126.85**	**639.76**	**7,766.61**
Current assets				
Inventories		20.70	-	20.70
Financial assets				
Investments		1.24	-	1.24
Trade receivables		41.83	-	41.83
Cash and cash equivalents		238.83	-	238.83
Other bank balances		28.15	-	28.15
Loans	A	1,626.05	(484.41)	1,141.64
Other financial assets	B(ii), H	612.97	1.44	614.41
Other current assets		607.11	0.01	607.12
Total current assets		**3,176.88**	**(482.96)**	**2,693.92**
Total assets		**10,303.73**	**156.80**	**10,460.53**
Equity and liabilities				
Equity				
Share capital		519.45	-	519.45
Other equity	I	2,814.78	216.34	3,031.12
Total equity		**3,334.23**	**216.34**	**3,550.57**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	B(ii)	2,423.26	(4.46)	2,418.80
Other financial liabilities	B(ii)	17.47	4.46	21.93
Provisions	G(i)	70.58	1.10	71.68
Other non current liabilites		1.95	-	1.95
Total non-current liabilities		**2,513.26**	**1.10**	**2,514.36**
Current liabilities				
Financial liabilities				
Borrowings	B(ii)	47.16	(1.04)	46.12
Trade Payables		115.14	-	115.14
Other financial liabilities	B(ii), E	2,936.04	4.76	2,940.80
Provisions	G(i)	50.90	1.04	51.94
Income tax liabilities (net)	C	262.95	(65.40)	197.55
Other current liabilities		1,044.05	-	1,044.05
Total current liabilities		**4,456.24**	**(60.64)**	**4,395.60**
Total equity and liabilities		**10,303.73**	**156.80**	**10,460.53**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
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Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.3 Reconciliation of equity as previously reported under Previous GAAP to Proforma Restated Ind AS

Particulars	**Note**	**As at 31 March 2015**		
		Previous GAAP*	**Restatement/ Ind AS adjustment**	**Restated Ind AS**
Assets				
Non-current assets				
Property, plant and equipment		3,801.08	-	3,801.08
Capital work-in-progress		167.15	-	167.15
Intangible assets		677.51	-	677.51
Financial assets		-	-	-
Investments		388.42	-	388.42
Loans		2.98	-	2.98
Other financial assets	B(i)	629.60	(11.34)	618.26
Deferred tax assets (net)	C	-	514.46	514.46
Income tax assets (net)	C	111.63	(25.93)	85.70
Other non-current assets	B(i)	215.84	5.36	221.20
Total non-current assets		**5,994.21**	**482.55**	**6,476.76**
Current assets				
Inventories		-	-	-
Financial assets				
Investments		1.18	-	1.18
Trade receivables	D	62.39	(32.47)	29.92
Cash and cash equivalents		532.48	-	532.48
Bank balances other than above		85.54	-	85.54
Loans		1,124.73	(0.01)	1,124.72
Other financial assets	B(ii), H	417.56	60.02	477.58
Other current assets		187.99	-	187.99
Total current assets		**2,411.87**	**27.54**	**2,439.41**
Total assets		**8,406.08**	**510.09**	**8,916.17**
Equity and liabilities				
Equity				
Share capital	E	373.80	(9.21)	364.59
Other equity	I	444.86	(207.11)	237.75
Total equity		**818.66**	**(216.32)**	**602.34**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	E, F	2,647.43	942.84	3,590.27
Other financial liabilities		318.54	-	318.54
Provisions	G(i)	39.71	0.64	40.35
Other non current liabilites		1.50	-	1.50
Total non-current liabilities		**3,007.18**	**943.48**	**3,950.66**
Current liabilities				
Financial liabilities				
Borrowings	E, F	42.14	0.52	42.66
Trade Payables		61.21	-	61.21
Other financial liabilities	E	3,670.64	(191.72)	3,478.92
Provisions	G(i)	46.75	(25.87)	20.88
Income tax liabilities (net)		25.93	-	25.93
Other current liabilities		733.57	-	733.57
Total current liabilities		**4,580.24**	**(217.07)**	**4,363.17**
Total equity and liabilities		**8,406.08**	**510.09**	**8,916.17**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
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Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.4 Reconciliation of equity as previously reported under Previous GAAP to Proforma Restated Ind AS

Particulars	Note	As at 31 March 2014		
		Previous GAAP*	Restatement/ Ind AS adjustment	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		2,800.07	-	2,800.07
Capital work-in-progress		366.06	-	366.06
Intangible assets		821.08	-	821.08
Financial assets			-	-
Investments		562.42	-	562.42
Loans		3.23	-	3.23
Other financial assets	B(i)	241.57	(6.51)	235.06
Deferred tax assets (net)	C	-	666.89	666.89
Income tax assets (net)		70.34	-	70.34
Other non-current assets	B(i)	175.39	6.25	181.64
Total non-current assets		**5,040.16**	**666.63**	**5,706.79**
Current assets				
Inventories		-	-	-
Financial assets				
Investments		0.78	-	0.78
Trade receivables		48.30	-	48.30
Cash and cash equivalents		446.50	-	446.50
Bank balances other than above		91.77	-	91.77
Loans		806.52	(0.01)	806.51
Other financial assets	B(ii), H	32.13	43.61	75.74
Other current assets	J	176.85	(33.72)	143.13
Total current assets		**1,602.85**	**9.88**	**1,612.73**
Total assets		**6,643.01**	**676.51**	**7,319.52**
Equity and liabilities				
Equity				
Share capital		364.59	-	364.59
Other equity	I	(678.85)	587.69	(91.16)
Total equity		**(314.26)**	**587.69**	**273.43**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	E, F	2,191.53	695.09	2,886.62
Other financial liabilities	E	602.00	(602.00)	-
Provisions	G(i)	28.00	(0.64)	27.36
Deferred tax liabilities (net)		-	-	-
Other non current liabilities		51.92	-	51.92
Total non-current liabilities		**2,873.45**	**92.45**	**2,965.90**
Current liabilities				
Financial liabilities				
Borrowings	B(ii)	382.00	31.12	413.12
Trade Payables	J	208.74	(32.65)	176.09
Other financial liabilities		2,976.29	-	2,976.29
Provisions	G(i)	14.76	(2.10)	12.66
Income tax liabilities (net)		-	-	-
Other current liabilities		502.03	-	502.03
Total current liabilities		**4,083.82**	**(3.63)**	**4,080.19**
Total equity and liabilities		**6,643.01**	**676.51**	**7,319.52**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.

Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
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Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.5 Reconciliation of equity as previously reported under Previous GAAP to Proforma Restated Ind AS

Particulars	Note	As at 31 March 2013		
		Previous GAAP*	Restatement/ Ind AS adjustment	Restated Ind AS
Assets				
Non-current assets				
Property, plant and equipment		659.72	-	659.72
Capital work-in-progress		273.06	-	273.06
Intangible assets		113.26	-	113.26
Financial assets				
Investments		925.11	-	925.11
Loans		2.97	-	2.97
Other financial assets	B(i)	50.03	(3.16)	46.87
Deferred tax assets (net)		-	-	-
Income tax assets (net)		13.46	-	13.46
Other non-current assets	B(i)	143.33	2.98	146.31
Total non-current assets		**2,180.94**	**(0.18)**	**2,180.76**
Current assets				
Inventories		-	-	-
Financial assets				
Investments		9.16	-	9.16
Trade receivables		43.74	-	43.74
Cash and cash equivalents		86.04	-	86.04
Bank balances other than above		223.58	-	223.58
Loans		342.49	-	342.49
Other financial assets		199.29	-	199.29
Other current assets		108.94	-	108.94
Total current assets		**1,013.24**	**-**	**1,013.24**
Total assets		**3,194.18**	**(0.18)**	**3,194.00**
Equity and liabilities				
Equity				
Share capital		348.29	-	348.29
Other equity	I	(648.92)	0.21	(648.71)
Total equity		**(300.63)**	**0.21**	**(300.42)**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		618.93	-	618.93
Other financial liabilities		-	-	-
Provisions	G(i)	7.82	0.62	8.44
Deferred tax liabilities (net)		-	-	-
Other non current liabilities		27.84	-	27.84
Total non-current liabilities		**654.59**	**0.62**	**655.21**
Current liabilities				
Financial liabilities				
Borrowings		412.00	-	412.00
Trade Payables		18.96	-	18.96
Other financial liabilities		2,356.75	-	2,356.75
Provisions	G(i)	4.72	(1.01)	3.71
Income tax liabilities (net)		-	-	-
Other current liabilities		47.79	-	47.79
Total current liabilities		**2,840.22**	**(1.01)**	**2,839.21**
Total equity and liabilities		**3,194.18**	**(0.18)**	**3,194.00**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.6 Reconciliation of statement of profit and loss as previously reported under Previous GAAP to Restated Ind AS

Particulars	Note	Year ended 31 March 2017		
		Previous GAAP*	Restatement/ Ind AS adjustment	Restated Ind AS
Revenue from operations		11,319.84	-	11,319.84
Other income	B(i), B(ii)	202.63	10.21	212.84
Total income		**11,522.47**	**10.21**	**11,532.68**
Expenses				
Cost of materials consumed		161.50	-	161.50
Purchases of stock-in-trade		71.86	-	71.86
Changes in inventories of stock in trade		(6.39)	-	(6.39)
Employee benefits expense	G	2,565.39	236.31	2,801.70
Finance costs		413.00	-	413.00
Depreciation and amortisation expense		1,328.19	-	1,328.19
Other expenses	B(i), J	4,353.48	(123.66)	4,229.82
Total expenses		**8,887.03**	**112.65**	**8,999.68**
Profit / (loss) before income tax		**2,635.44**	**(102.44)**	**2,533.00**
Tax expense:				
Current tax	C	1,251.61	65.39	1,317.00
MAT credit utilisation		-	-	-
Deferred tax	C	(441.92)	152.12	(289.80)
Profit / (loss) for the year		**1,825.75**	**(319.95)**	**1,505.80**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability	G(i)	-	(21.05)	(21.05)
Income tax related to items that will not be reclassified to profit or loss	G(i)	-	7.29	7.29
Total other comprehensive income, net of income tax		**-**	**(13.76)**	**(13.76)**
Total comprehensive income for the year		**1,825.75**	**(333.71)**	**1,492.04**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.7 Reconciliation of statement of profit and loss as previously reported under Previous GAAP to Restated Ind AS

Particulars	**Note**	**Year ended 31 March 2016**		
		Previous GAAP*	**Restatement/ Ind AS adjustment**	**Restated Ind AS**
Revenue from operations		8,033.42	-	8,033.42
Other income	B(i), J	265.73	(42.61)	223.12
Total income		**8,299.15**	**(42.61)**	**8,256.54**
Expenses				
Cost of materials consumed		137.01	-	137.01
Purchases of stock-in-trade		56.37	-	56.37
Changes in inventories of stock in trade		(13.84)	-	(13.84)
Employee benefits expense	G	1,792.45	173.80	1,966.25
Finance costs	B, E & F	494.86	180.08	674.94
Depreciation and amortisation expense		1,052.40	-	1,052.40
Other expenses	B(i), J	3,071.43	(150.04)	2,921.39
Total expenses		**6,590.68**	**203.84**	**6,794.52**
Profit / (loss) before income tax		**1,708.47**	**(246.45)**	**1,462.02**
Tax expense:				
Current tax	C	499.94	(65.40)	434.54
MAT credit utilisation	C	25.93	(25.93)	(0.00)
Deferred tax	C	(192.17)	364.99	172.82
Profit / (loss) for the year		**1,374.77**	**(520.11)**	**854.66**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability	G(i)	-	(20.65)	(20.65)
Income tax related to items that will not be reclassified to profit or loss	G(i)	-	7.15	7.15
Total other comprehensive income, net of income tax		**-**	**(13.50)**	**(13.50)**
Total comprehensive income for the year		**1,374.77**	**(533.61)**	**841.16**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.8 Reconciliation of statement of profit and loss as previously reported under Previous GAAP to Restated Ind AS

Particulars	Note	Year ended 31 March 2015		
		Previous GAAP*	Restatement/ Ind AS adjustment	Restated Ind AS
Revenue from operations		5,323.65	-	5,323.65
Other income	B(i), J	114.86	46.26	161.12
Total income		**5,438.51**	**46.26**	**5,484.77**
Expenses				
Cost of materials consumed	J	-	109.39	109.39
Purchases of stock-in-trade	J	-	14.59	14.59
Changes in inventories of stock in trade		-	-	-
Employee benefits expense	G	1,341.02	12.41	1,353.43
Finance costs	B, E & F	374.46	247.75	622.21
Depreciation and amortisation expense		833.37	-	833.37
Other expenses	B(i), J	2,169.05	(126.35)	2,042.70
Total expenses		**4,717.90**	**257.79**	**4,975.69**
Profit / (loss) before income tax		**720.61**	**(211.53)**	**509.08**
Tax expense:				
Current tax		25.93	-	25.93
MAT credit utilisation	C	(25.93)	25.93	-
Deferred tax	C	-	154.34	154.34
Profit / (loss) for the year		**720.61**	**(391.80)**	**328.81**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability	G(i)	-	(5.57)	(5.57)
Income tax related to items that will not be reclassified to profit or loss	G(i)	-	1.93	1.93
Total other comprehensive income, net of income tax		**-**	**(3.64)**	**(3.64)**
Total comprehensive income for the year		**720.61**	**(395.44)**	**325.17**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.9 Reconciliation of statement of profit and loss as previously reported under Previous GAAP to Restated Ind AS

Particulars	**Note**	**Year ended 31 March 2014**		
		Previous GAAP*	**Restatement/ Ind AS**	**Restated Ind AS**
Revenue from operations		3,512.59	-	3,512.59
Other income	B(i), J	45.44	15.27	60.71
Total income		**3,558.03**	**15.27**	**3,573.30**
Expenses				
Cost of materials consumed	J	-	83.20	83.20
Purchases of stock-in-trade	J	-	16.97	16.97
Changes in inventories of stock in trade		-	-	-
Employee benefits expense	G	1,071.48	10.93	1,082.41
Finance costs	B, E & F	310.29	93.10	403.39
Depreciation and amortisation expense		701.34	-	701.34
Other expenses	B(i), J	1,541.69	(106.65)	1,435.04
Total expenses		**3,624.80**	**97.55**	**3,722.35**
Profit / (loss) before income tax		**(66.77)**	**(82.28)**	**(149.05)**
Tax expense:				
Current tax		-	-	-
MAT credit utilisation		-	-	-
Deferred tax	C	6.31	(667.27)	(660.96)
Profit / (loss) for the year		**(73.08)**	**584.99**	**511.91**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability	G(i)	-	1.15	1.15
Income tax related to items that will not be reclassified to profit or loss	G(i)	-	(0.39)	(0.39)
Total other comprehensive income, net of income tax		**-**	**0.76**	**0.76**
Total comprehensive income for the year		**(73.08)**	**585.75**	**512.67**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.

Notes to adjustments - Refer Note 3 under Annexure A - VII

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on Adjustments to Audited Standalone Financial Statements

Rs in million

2 Statement of reconciliation between the previous GAAP and Restated Ind AS (continued)

2.10 Reconciliation of statement of profit and loss as previously reported under Previous GAAP to Restated Ind AS

Particulars	**Note**	**Year ended 31 March 2013**		
		Previous GAAP*	**Restatement/ Ind AS adjustment**	**Restated Ind AS**
Revenue from operations		411.58	-	411.58
Other income	B	21.10	1.34	22.44
Total income		**432.68**	**1.34**	**434.02**
Expenses				
Cost of materials consumed	J	-	15.23	15.23
Purchases of stock-in-trade		-	-	-
Changes in inventories of stock in trade		-	-	-
Employee benefits expense	G, I	247.68	(26.28)	221.40
Finance costs		45.98	(0.01)	45.97
Depreciation and amortisation expense		161.05	-	161.05
Other expenses	B, J	613.28	12.18	625.46
Total expenses		**1,067.99**	**1.12**	**1,069.11**
Profit / (loss) before income tax		**(635.31)**	**0.22**	**(635.09)**
Tax expense:				
Current tax		-	-	-
MAT credit utilisation		-	-	-
Deferred tax		-	-	-
Profit / (loss) for the year		**(635.31)**	**0.22**	**(635.09)**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability		-	-	-
Income tax related to items that will not be reclassified to profit or loss		-	-	-
Total other comprehensive income, net of income tax		**-**	**-**	**-**
Total comprehensive income for the year		**(635.31)**	**0.22**	**(635.09)**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.
Notes to adjustments - Refer Note 3 under Annexure A - VII

3 Notes to the reconciliation

A Loans

The restatement adjustment pertains to the loans advanced to ACT Digital Home Entertainment Private Limited, which was reclassed from current to non-current advances in accordance with repayment schedule in supplemental of agreement executed in financial year ended 31 March 2016.

B Other financial assets

i Rent and other deposits

As per Ind AS 109, long term security deposits are recognised at amortised cost and prepaid rent accounted. Related interest income and rental expense have also been recognised.

ii Derivative assets and liabilities

Under Indian GAAP, the premium and discount on forward contracts were amortised over the period of the related contract. However, under Ind AS such premium or discount is recognised upfront in the statement of profit and loss. Further, under Ind AS, mark to market gain (losses) are recorded on the derivative assets/liabilities.

iii Interest accrued but not due

Interest income on advances given to one of the subsidiaries being appropriately adjusted in the respective financial years to which they relate in line with supplemental agreement executed in financial year ended 31 March 2016.

C Taxes

The tax rate applicable for the respective years has been used to calculate the deferred tax impact on the adjustments.

Certain components of deferred tax have been adjusted in Restated Standalone Financial Information for the years ended 31 March 2015, 31 March 2014.

The Statement of Profit and Loss for certain financial years includes amounts paid/ provided for, in respect of shortfall/ excess current tax arising upon filing of tax returns, assessments etc. which have now been adjusted in the respective years to which they relate.

D Trade receivables

Material provision for doubtful trade receivables is appropriately adjusted in the respective financial year to which they relate.

E Share capital - Reclassification of preference shares as financial liabilities

As per Ind AS 109, the optionally convertible redeemable preference shares have been classified as financial liabilities and have been recognised at amortised cost, using the effective interest rate method.

The related interest expense based on effective interest rate is recorded as Ind AS adjustments while the difference in actual payout of interest on early redemption is restated to the respective financials years.

F Borrowings

Debenture

As per Ind AS 109, the redeemable non- convertible debentures have been classified as financial liabilities and have been recognised at amortised cost, using the effective interest rate method. The related additional premium paid on early redemption of non convertible debentures have been recorded as interest expense in the respective financial years.

G Employee benefits

i Remeasurement of net defined benefit liability/ asset

Under Ind AS, re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP, the Company has recognised actuarial gains and losses in profit or loss. However, this has no impact in the total comprehensive income and total equity as on 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013.

ii Share based payments

Additional cost recorded in accordance with the requirement of Ind AS 102. Under previous GAAP, the Company used to record cost of share based payments based on intrinsic value.

In the Financial Statements for the years ended 31 March 2017, share based payment expense have been disclosed as prior period items. For the purpose of the Restated Standalone Financial Information, such prior period items have been adjusted in the respective financial statement captions, in the years to which the prior period items pertains.

I Retained earnings

Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

J Appropriate adjustments have been made in the restated standalone summary statements of assets and liabilities, restated standalone summary statement of profit and loss and restated standalone summary cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at and for the six months period ended 30 September 2017, prepared in accordance with schedule III of Companies Act, 2013 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Statement on Adjustments to Audited Standalone Financial Statements

4 Non-adjusting items

Certain emphasis of matters in the audit report and qualifications in the annexure (a statement of matters specified in paragraph 3 and 4 of the Companies [Auditor's Report] Order, 2015) to the audit report of the audited standalone financial statements for the year ended 31 March 2013 and 31 March 2015 respectively, which do not require any quantitative adjustment in the standalone restated financial information are as follows :

Financial year 2012-13

Emphasis of matter in respect of standalone financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

The Company had not obtained the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to 31 March 2013. The Company had applied to the Ministry of Corporate Affairs, Government of India, for compounding of offences and approval of the contracts.

CARO Qualification in respect of standalone financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

i) The Company had not obtained the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to 31 March 2013.

ii) There were slight delays in the payment of certain undisputed statutory dues to the relevant authorities in India.

iii) The Company had accumulated losses amounting to Rs 648.9 million at the end of the financial year which was more than fifty percent of its net worth. The Company had incurred cash losses in the current and immediately preceding financial year.

iv) The Company had utilized the funds raised on short-term basis amounting to Rs 1,690.03 million for long-term investments.

Financial year 2013-14

CARO Qualification in respect of standalone financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

i) There were slight delays in the payment of certain undisputed statutory dues to the relevant authorities in India.

ii) The Company had accumulated losses amounting to Rs 1,134.40 million at the end of the financial year which was more than fifty percent of its net worth. The Company had incurred cash losses in the current and immediately preceding financial year.

iii) The Company had utilized the funds raised on short-term basis amounting to Rs 1,952.56 million for long-term investments.

Financial year 2014-15

Emphasis of matter in respect of standalone financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

The Company, as at the balance sheet date of financial year 2014-15, had share application money aggregating Rs 2,070 million which had been outstanding for more than one year. The Companies (Acceptance of Deposits) Amendment Rules, 2015, states that the Company should have either allotted equity shares against the share application money or returned such amounts prior to 1 June 2015.

In this regard, the Company had been unable to allot shares till the balance sheet date as there was an application (filed on 20 December 2013) pending with the Foreign Investment Promotion Board, India ('FIPB') for additional investment proposed to be made by India Value Fund IV in the Company. We were informed that equity shares will be allotted once the necessary approvals are obtained from FIPB or the FIPB application is disposed. The Company believed that there will be no financial or other implication in this regard.

CARO Qualification in respect of standalone financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

i) There had been considerable delays in a few cases in the payment of certain undisputed statutory dues to the relevant authorities in India.

ii) The Company had incurred cash losses in the immediately preceding financial year.

Financial year 2015-16

CARO Qualification in respect of standalone financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

There had been significant delays in the payment of undisputed dues of income-tax to the relevant authorities in India.

Financial year 2016-17

CARO Qualification in respect of standalone financial statements of Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)

There had been significant delays in the payment of undisputed dues of income-tax to the relevant authorities in India.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Notes to the restated standalone financial information (continued)

Rs in million

6 Restated statement of other income

Particulars	Nature (Recurring/Non-recurring)	As at 31 March 2017	As at 31 March 2016 Proforma	As at 31 March 2015 Proforma	As at 31 March 2014 Proforma	As at 31 March 2013 Proforma
Interest income from						
- financial assets carried at amortised cost	Recurring	3.75	5.99	5.01	4.09	1.33
- other advances	Non- recurring	-	145.37	156.41	56.24	-
- fixed deposits	Recurring	25.50	23.00	33.76	41.90	5.52
- income tax refund	Non- recurring	3.74	2.18	-	-	-
Net gain on foreign exchange fluctuation	Non- recurring	1.25	-	15.22	-	-
Gain on sale of property, plant and equipment (net)	Non- recurring	0.18	-	-	-	-
Profit on sale of investments	Non- recurring	-	-	-	23.97	-
Profit on sale of business	Non- recurring	-	-	-	1.12	-
Provision for impairment no longer required written back	Non- recurring	-	6.47	-	-	-
Changes in fair value of financial assets and liabilities	Non- recurring	-	4.23	-	6.54	-
Provisions and liabilities no longer required written back	Non- recurring	21.16	5.04	-	9.78	-
Dividend income from non-trade mutual funds	Non- recurring	-	0.03	0.06	0.40	1.36
Dividend income from long term investments	Non- recurring	-	-	-	-	14.23
Miscellaneous income, net	Non- recurring	5.73	20.53	12.66	17.08	-
		61.31	**212.84**	**223.12**	**161.12**	**22.44**

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Notes to the restated standalone financial information (continued)

7 Restated Statement of Accounting Ratios

(Rs in million except equity share and per equity share data)

	Particulars	As at/ for the period ended 30 September 2017*	As at/ for the year ended 31 March 2017	31 March 2016 Proforma	31 March 2015 Proforma	31 March 2014 Proforma	31 March 2013 Proforma
1	Net profit / (loss) after tax, as restated available for equity shareholders	1,003.84	1,505.80	854.66	328.81	511.91	(635.09)
2	Weighted average number of basic equity shares outstanding during the period	53,010,897	52,993,367	48,094,238	36,458,796	34,905,162	34,829,266
3	Weighted average number of diluted equity shares outstanding during the period	53,206,056	53,024,168	52,939,754	52,615,817	34,905,162	34,829,266
4	Number of equity shares outstanding at the end of the year	53,010,897	53,010,897	51,944,512	36,458,796	36,458,796	34,829,266
5	Net worth for equity shareholders	6,281.15	5,224.68	3,550.57	602.34	273.43	(300.42)
6	Accounting ratios:						
	Earnings / (loss) per share (refer note no. 2 below)						
	Basic	18.94	28.41	17.77	9.02	14.67	(18.23)
	Diluted	18.87	28.40	16.14	6.25	14.67	(18.23)
	Return on net worth for equity shareholders(1)/(5)	15.98%	28.82%	24.07%	54.59%	187.22%	(211.40)%
	Net asset value per share (₹) (6)/(5)	118.49	98.56	68.35	16.52	7.50	(8.63)

**Not annualized*

Note :

1. The above ratios are calculated as under:

a) Basic earnings per share = Net profit attributable to equity shareholders / weighted average number of shares outstanding during the year.

b) Diluted earnings per share = Net profit attributable to equity shareholders / weighted average number of diluted potential shares outstanding during the period/ year. The number of equity shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which would have been issued on conversion of all potentially dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The potentially dilutive equity shares have been adjusted for the proceeds receivable had the shares been actually issued at a fair value (i.e. the average market value of the outstanding shares). In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduces profit per share are included.

c) Return on net worth (%) = Net profit attributable to equity shareholders / net worth as at the end of period/ year.

d) Net asset value (Rs) = Net worth / number of equity shares as at the end of period/ year.

2. Earning per shares (EPS) calculation is in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per share" prescribed by the The Companies (Indian Accounting Standards) Rules, 2015.

3.The above ratios have been computed on the basis of the Restated Standalone Summary Statements- Annexure A-I & Annexure A-II.

8 Restated statement of capitalisation

Rs in million

Particulars	Pre-issue as at 30 September 2017
Long term borrowings	2,328.76
Short term borrowings	-
Current portion of Secured long term borrowings, included in Other Current Liabilities	827.10
Total debt (A)	**3,155.86**
Share Capital	530.11
Other equity	5,751.04
Total equity (B)	**6,281.14**
Total debt/Total equity (A/B)	**50.24%**

Note :

i) To be read together with summary of significant accounting policies in Annexure A-V, impact of adjustments to standalone audited financials in Annexure A-VI and notes to the restated standalone financial information in Annexure A-VII.

ii) The corresponding Post IPO capitalisation data in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same has not been provided in the above statement.

Atria Convergence Technologies Limited (erstwhile Atria Convergence Technologies Private Limited)
Annexure A - VII
Notes to the restated standalone financial information (continued)

9 Restated statement of tax shelter

Rs in million

	Particulars	For the period ended 30 September 2017	For the year ended 31 March 2017	2016	2015	2014	2013
A	**Profit before tax, as restated**	**1,553.43**	**2,533.00**	**1,462.02**	**509.08**	**(149.05)**	**(635.09)**
	Chargeable at normal rate	1,553.43	2,533.00	1,462.02	509.08	(149.05)	(635.09)
	Chargeable at MAT rate	-	-	-	-	-	
B	**Tax rates (including surcharge and education cess)**						
	Tax rate - Normal	34.61%	34.61%	34.61%	33.99%	32.45%	32.45%
	Tax rate - under section 115JB	21.34%	21.34%	20.96%	20.96%	20.96%	20.01%
C	**Tax expense at normal tax rate**	**537.61**	**876.62**	**505.98**	**173.03**	**(48.36)**	**(206.05)**
D	**Permanent differences**						
	Tax exempt income	-	-	-	(25.49)	-	(15.19)
	Employee stock option cost	77.86	152.41	37.09	3.44	3.74	-
	Expense disallowable under section 37 of Income tax Act,1961	-	-	-	-	19.28	-
	Other permanent differences,(net)	25.70	120.06	203.32	200.67	95.24	-
	Total permanent differences	**103.56**	**272.47**	**240.41**	**178.62**	**118.26**	**(15.19)**
E	**Timing differences**						
	Difference between book depreciation and tax depreciation	12.29	119.13	43.64	24.70	26.80	19.77
	Deduction under section 40A (7) of the Income tax Act, 1961	19.70	45.31	35.40	13.99	16.78	-
	Deduction under section 43B of the Income tax Act, 1961	-	290.02	89.31	33.92	(23.90)	16.54
	Losses utilized	-	-	(694.20)	(700.48)	(169.40)	-
	Other temporary differences, (net)	50.10	545.56	78.99	(12.82)	178.63	291.19
	Total timing differences	**82.09**	**1,000.02 -**	**446.86 -**	**640.69**	**28.91**	**327.50**
F	**Total differences (D+E)**	185.65	1,272.49	(206.45)	(462.07)	147.17	312.31
G	**Tax expenses / (saving) thereon at normal rates (F * B)**	64.25	440.38	(71.44)	(157.06)	47.75	101.33
H	**Total tax liability at normal tax rate (C + G)**	601.86	1,317.00	434.54	15.97	(0.61)	(104.74)
	Deferred tax asset (not recognised on account of absence of virtual certainity)	**-**	**-**	**-**	**-**	**-**	**104.92**
	Minimum alternate tax						
	Book profit	1,553.43	2,533.00	1,462.02	509.08	(149.05)	(635.09)
	Adjustments under section 115JB of the Income tax Act, 1961	92.52	(236.76)	439.73	(385.36)	75.97	(0.20)
I	Adjusted book profit	1,645.95	2,296.24	1,901.75	123.71	(73.08)	(635.29)
J	**MAT tax liability**	351.25	490.02	398.61	25.93	-	-
K	**Current tax expenses being higher of (H or J)**	**601.86**	**1,317.00**	**434.54**	**25.93**	**-**	**-**
L	**Deferred tax expenses**	**(63.57)**	**(297.09)**	**165.67**	**152.41**	**(660.57)**	**-**
M	**Total tax expense (K+L)**	**538.29**	**1,019.91**	**600.21**	**178.34**	**(660.57)**	**-**

10 Statement of dividend paid

Rs in million except for number of shares and per share data

Particulars	**For the period ended 30 September 2017**	**For the year ended 31 March 2017**	**31 March 2016 Proforma**	**31 March 2015 Proforma**	**31 March 2014 Proforma**	**31 March 2013 Proforma**
Number of fully paid equity shares	53,010,897	53,010,897	51,944,512	36,458,796	36,458,796	34,829,266
Equity share capital	530.11	530.11	519.45	364.59	364.59	348.29
Face value (Rs)	10.00	10.00	10.00	10.00	10.00	10.00
Rate of dividend %	-	-	-	-	-	-
Amount of dividend	-	-	-	-	-	-

Note: To be read together with summary of significant accounting policies in Annexure A-V, notes to the restated standalone financial information in Annexure A-VI and impact of adjustments to standalone audited financials in Annexure A-VII.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements for the fiscal years ended March 31, 2015, 2016 and 2017 and the six months ended September 30, 2017, including the significant accounting policies and notes thereto and report thereon which begin on page 186 of this Draft Red Herring Prospectus. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

Unless otherwise stated, the financial information in this section has been derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. The Restated Consolidated Financial Statements are prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI. As required by applicable law, we have transitioned our financial reporting from Indian GAAP to Ind AS and, for the purposes of transition to Ind AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard", with April 1, 2016 as the transition date.

Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. As a result, the Restated Consolidated Financial Statements may not be comparable to our historical financial statements. For a reconciliation of Indian GAAP to Ind AS, please see Annexure A - VII to our Restated Consolidated Financial Statements. Please also see "Risk Factors— Significant differences exist between Ind AS and Previous GAAP on the one hand, and other accounting principles, such as IFRS and U.S. GAAP, on the other hand, which may be material to investors' assessments of our financial condition, result of operations and cash flows." on page 44.

We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, including certain non-GAAP financial measures, some of which may not be derived from our Restated Financial Statements or otherwise subjected to an audit or review by our auditors. The manner in which such operational and financial performance indicators, including non-GAAP financial measures, are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.

This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled "Risk Factors" and "Forward-Looking Statements" on pages 18 and 16, respectively of this Draft Red Herring Prospectus.

Overview

We are the third largest wired broadband internet service provider in India with a market share of 6.9% of the pan-India wired broadband internet market as at September 30, 2017 according to MPA. As at December 31, 2017, we operated in 12 cities and towns across Tamil Nadu, Andhra Pradesh and Telangana, Delhi and Karnataka, which represent four of India's five largest wired broadband markets in terms of number of internet users, and were the market leader in Bengaluru and Hyderabad according to MPA. We had approximately 1.28 million wired broadband internet customers as at December 31, 2017. We are also an established provider of cable TV services in India. As at December 31, 2017, our cable TV services were available to consumers in the cities of Bengaluru, Vijayawada, Visakhapatnam and Eluru. We had approximately 0.71 million cable TV customers as at December 31, 2017.

Our fiber broadband network is extensive, covering more than 5.4 million residential homes in the markets in which we operated as at September 30, 2017 according to MPA. We have invested significantly to develop our fiber broadband network, the majority of which utilizes an advanced Metro Ethernet Active FTTX technology that enables us to provide reliable and high-speed access to our wired broadband internet services to consumers covered by our network. We also utilize GPON technology in certain parts of our network. According to MPA, our network covered the most number of residential homes among fiber-focused wired broadband internet service providers in India as at September 30, 2017. As at September 30, 2017, we had approximately 1.25 million wired broadband internet customers, representing a customer penetration rate of approximately 23.14% of the residential homes covered by our broadband network. Our investments are designed to grow our fiber broadband network, which enables us to drive revenue growth by increasing our customer base and ARPU. Furthermore, our emphasis on fiscal discipline and focus on profitable growth enables us to generate value from our investments. We own the majority of our fiber broadband network and have long-term leases, typically of at least 10 year terms, over the remainder of our network. We believe that our fiber broadband network provides us with a strong platform to grow our market share in India.

As at December 31, 2017, all of the residential homes and enterprise customers covered by our fiber broadband network were installed with network devices which allow us to deliver wired broadband internet services of speeds of up to 100 mbps with minimal modifications to the existing network infrastructure. According to MPA, we were one of the first internet service providers to offer wired broadband internet services with access speeds of up to 1 gbps to retail consumers in India, including in Bengaluru and Hyderabad, which are among the largest wired broadband internet markets in India. We believe that we are well-positioned to meet the under-served and growing demand for wired broadband internet services in India. According to MPA, the wired broadband internet market is expected to grow from 18.1 million subscribers as at December 31, 2016 to 24.0 million by December 31, 2021, driven by the increasing consumption of online digital content in India and increasing demand for high-speed internet access.

Our wired broadband internet services are also differentiated by our high quality customer service. We provide support services to our customers through our dedicated in-house teams, which are supported by automated online platforms (including mobile phone applications) and telephone call centers that allow us to provide support services to our customers in real-time. As of September 30, 2017, our wired broadband internet services were one of the most reliable in India according to MPA, with an average service availability / up-time of 99.97% in 2017, and in the month of December 2017, we resolved 94.76% of our wired broadband internet customers' registered complaints by the next working day.

We are promoted by Argan and TA, and are led by an experienced management team supported by a motivated team of employees. We were recognized as one of best places to work in India by The Great Places to Work Institute and the Economic Times, India, which awarded us the "India's Top 100 Best Companies to Work For 2017 – Rank 43" award in 2017, and by Working Mother & Avatar, which awarded us the "Top 100 – Best Companies for Women in India" award in 2016. We were also awarded the "Regional Best Employer 2016 – 2017" award by the Employer Branding Institute of India in 2017.

Our total income was ₹6,178.72 million, ₹8,741.85 million, ₹12,170.76 million and ₹6,841.13 million in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Our consolidated EBITDA was ₹2,116.75 million, ₹3,234.12 million, ₹4,679.14 million and ₹2,859.70 million in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Revenue from our wired broadband internet service business accounted for 82.77%, 90.31%, 91.61% and 91.38% of our total income for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively, and revenue from our cable TV service business accounted for 11.86%, 6.13%, 4.61% and 5.21% of our total income from operations for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. As at December 31, 2017, we had approximately 1.28 million wired broadband internet customers, with approximately 38% of our wired broadband internet customers subscribing to our services on fixed term contracts of durations longer than one month, and approximately 0.71 million cable TV customers. Our average monthly ARPU from our retail wired broadband internet business was ₹684, ₹756 and ₹813 in fiscals 2015, 2016 and 2017, respectively.

Factors Affecting Our Results of Operations and Financial Condition

Our business and results of operations have been affected by a number of important factors that are expected to continue to affect our business and results of operations in the future. These factors include the following:

Number of customers

Our revenue from operations are significantly affected by the number of customers that subscribe to our wired broadband internet and cable TV services. We typically operate in densely populated cities and towns in India in order to enable us to leverage our network infrastructure to benefit from cost efficiencies and reach a larger number of consumers. Our fiber broadband network enabled us to provide access to our wired broadband internet services to more than 5.4 million residential homes across India as at September 30, 2017 according to MPA. From March 31, 2014 to March 31, 2017, we increased our number of wired broadband internet customers from approximately 0.47 million to approximately 1.17 million, respectively, and our total income increased by 96.98% from ₹6,178.72 million in fiscal 2015 to ₹12,170.76 million in fiscal 2017. Our scale of operations has also increased from 5 cities and towns in India as at March 31, 2014 to 11 cities and towns in India as at March 31, 2017. As at September 30, 2017, we had 1.25 million wired broadband internet customers, and for the six months ended September 30, 2017, our total income was ₹6,841.13 million. As at September 30, 2017, we had approximately 1.25 million wired broadband internet customers, representing a customer penetration rate of approximately 23.14% of the residential homes covered by our broadband network.

We increase our customer base by growing our market share in the existing markets in which we operate and by expanding our business into new markets, while minimizing our customer churn rate. These factors directly impact our revenue and profitability. Our average monthly retail wired broadband internet customer churn rate (being the number of retail wired broadband internet customers unsubscribing for our services in a period as a percentage of the average number of retail wired broadband internet customers for that period) was 2.09% during the nine month period ended December 31, 2017. As at December 31, 2017, approximately 38% of our wired broadband internet customers signed up to fixed term contracts with durations of more than one month, which gives us a more stable subscriber base.

ARPU

Our ability to increase ARPU from our wired broadband internet business directly affects our revenue and profitability. As part of our customer acquisition strategy, we customize our wired broadband internet and cable TV service access plans based on our understanding of the demographics, demands and preferences of consumers in the markets in which we operate. Our broadband internet access plans are generally designed to be attractive to middle and higher income consumers, and we implement tiered pricing levels to service these customer segments. As at December 31, 2017, the price of our wired broadband internet access plans for our retail customers ranged from ₹410 per month, for our basic access plans, up to ₹5,999 per month, for our premium access plans. We also aim to up-sell our wired broadband internet customers to access plans with higher speeds and broadband bandwidth quotas, and cross-sell additional value-added services, such as entertainment, educational and infotainment services. Our extensive fiber broadband network infrastructure also enables us to deliver these additional services to customers with minimal modifications or additional capital expenditure on our network infrastructure. These strategies allow us to increase our ARPU from our existing and new customers, particularly as consumers demand higher wired broadband internet speeds and higher quality value-added services. Our average monthly ARPU from our retail wired broadband internet business was ₹684, ₹756, ₹813 and ₹796 in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Revenue from our wired broadband internet services represented 82.77%, 90.31%, 91.61% and 91.38% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

While ARPU from our wired broadband internet business is the primary driver of our revenue and results of operations, ARPU from our cable TV business also contributes to our revenue and results of operations. Our customers subscribe to our cable TV services both directly and through LCOs. We typically generate more revenue from customers who directly subscribe to our services than customers who subscribe through LCOs, as we pay a portion of the revenue generated from such customers to the LCOs. Thus, our ARPU from our cable TV business is also affected by the amount of fees we are required to pay to LCOs. As at December 31, 2017, we had approximately 0.71 million cable TV service customers, of which approximately 0.09 million were direct subscribers and approximately 0.61 million were subscribers through LCOs. The price of our cable TV access plans varies from city to city, and depends primarily on the market dynamics of each city. Our ability to increase our ARPU from our cable TV business is affected by our ability to offer attractive and high-quality cable TV content to consumers, which helps to attract new customers and to incentivize existing customers to subscribe to higher-tiered access plans to access our premium cable TV content.

Expenses

Work force costs

Our work force costs comprise (i) employee benefits expenses, which includes expenses on salaries, bonus and other allowances, contributions to provident and other funds, equity-settled share based payments to employees, staff welfare expenses and recruitment and training expenses, and (ii) contract labor and other support services expenses, which includes expenses for engaging labor through third-party service providers. We believe that our employees are a key contributor to our competitive advantage and continued success. We have invested significantly in attracting, training, developing and retaining our employees, and intend to continue to do so as part of our business strategy. As our business and operations grow, we expect our employee costs to also increase as we expand our workforce to support our growth. Our total work force costs, which include employee benefits expenses and contract labor and other support services expenses, for fiscal 2017 and the six months ended September 30, 2017 comprised 29.06% and 24.88% of our total income for those periods, respectively.

Direct costs

Our direct costs comprise primarily of distribution expenses, which we incur in order to provide wired broadband internet data service to our customers. Distribution expenses represented 4.92% of our total income in fiscal 2017. While our direct costs vary from time to time, they are typically fixed costs and increase only marginally with each additional customer who subscribes for our wired broadband internet services. Increasing our wired broadband internet customer base penetration in the markets in which we operate would therefore enable us to leverage our direct costs for our operations and increase our profitability. In addition to distribution expenses, our other direct costs related to our wired broadband internet business include costs of WiFi routers, which are required to set up the network infrastructure at our customers' premises.

Our costs of sales in our cable TV business are incurred primarily on linking fees to MSOs and fees to our cable TV content providers. These costs are typically fixed costs and increase only marginally with each additional customer who subscribes for our cable TV services. We therefore typically only incur marginal additional costs to provide our cable TV services to a new customer.

Marketing costs

A significant portion of our marketing costs are incurred to promote our brand and enhance our brand recognition among consumers in order to attract new customers, and also to incentivize our existing customers to renew or upgrade their subscriptions to our services. We incur marketing costs during the course of our marketing and promotional activities, including costs for print media materials, marketing costs and newspaper advertisements, which helps us to build brand awareness, promote our services and attract customers. As we operate across a number of cities and towns in India, we incur marketing costs in each of these markets when we enter these markets and also as we grow our business in these markets. Our advertising and sales promotion expenses in fiscals 2015, 2016 and 2017 were ₹233.60 million, ₹273.88 million and ₹253.48 million, respectively.

Capital expenditure, depreciation and amortization

Our capital expenditure are primarily on constructing, expanding, enhancing and maintaining our fiber broadband network infrastructure, including data centers, installing our "last mile" network devices, including distribution switches for delivering our wired broadband internet service, and other operational software application platforms, including our CRM system. We account for our capital expenditure as expenses incurred on property, plant and equipment, intangible assets and movement in capital work in progress. Additionally, we also incur capital expenditure on purchasing "set-top" boxes to deliver our cable TV services. We have invested significantly to develop our fiber broadband network, which is comprised of last mile distribution switches across India. We own the majority of our fiber broadband network and have long-term leases, typically of at least 10-year terms, over the remainder of our network. While we regularly incur capital expenditure in the ordinary course of our business, including to support our growing customer base, we also incur substantial capital expenditure on upgrading our technology and expanding our fiber network when entering new markets. In fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our additions to property, plant and equipment and other intangible assets, including movement in capital work in progress, amounted to ₹1,985.71 million, ₹3,075.16 million, ₹3,854.98 million and ₹2,161.85 million, respectively. We have historically financed our capital expenditure through a combination of our cash flow from operations and debt financing, and expect to continue to do so. Our capital expenditure for network infrastructure is capitalized. We depreciate such capital expenditure over varying periods based on a technical assessment of the useful life of such infrastructure, in compliance with the requirements prescribed by the Companies Act, 2013. Our depreciation costs can have a significant impact on our profit margins. In fiscal 2017 and the six months ended September 30, 2017, we incurred ₹1,533.72 million and ₹955.85 million in depreciation and amortization expenses, respectively. As at September 30, 2017, our net carrying value of fixed assets, comprising plant and machinery, computer equipment, office equipment, furniture and fixtures, motor vehicles and leasehold property, amounted to ₹9,133.78 million.

We expect that the majority of our capital expenditure will continue to be incurred to expand or upgrade our network coverage. As part of our strategy to expand into new markets and grow our market share in our existing markets, we intend to continue to invest in enhancing our technology systems and developing our network infrastructure in those markets in which we see significant opportunities for growth. See "*—Liquidity and Capital Resources—Capital Expenditure*" below. We intend to utilize a portion of the Net Proceeds of the Fresh Issue for capital expenditure to expand our underground fiber network.

Regulation

We operate in a highly regulated industry. Our provision of wired broadband internet services and cable TV services are regulated and governed by the DOT, the MIB, the TRAI and other statutory regulations, which require us to meet operating standards and comply with operational restrictions. Such requirements, or any new requirements or changes to existing requirements, affect our business strategies and financial performance. We incur costs to ensure that our network infrastructure and the services we provide to consumers comply with such requirements. We also incur costs to acquire certain rights of way from local regulatory authorities to develop our network infrastructure in certain areas. Furthermore, the TRAI has imposed restrictions on the pricing of our cable TV services, including a ceiling on the fees we charge to LCOs and our customers, and fee arrangements with LCOs in respect of our revenue from our cable TV business.

Competition

The wired broadband internet and cable TV markets in India are highly competitive. We face competition from other service providers that provide similar services to us. Our primary competitors in the wired broadband internet market are BSNL, MTNL and Airtel. Our primary competitors in the cable TV market are Hathway & Siti Cable. Furthermore, we may be impacted by new entrants into the markets in which we operate, such as Jio, which entered the wired broadband internet market in 2017. The intensity of the competition we face varies from city to city and depends on a number of factors, including the strength of competing service providers.

We utilize various technologies to ensure that our services are competitive and attractive to consumers. We have invested significantly to develop our state-of-the-art fiber broadband network, including implementing Metro Ethernet Active FTTX and GPON technology on our network. We have incurred substantial costs in implementing such technologies, and expect to continue to do so where we identify suitable technologies that would enhance or maintain our competitiveness. We also regularly review and update our technology platforms, which requires us to incur additional costs.

Taxation and licensing fees

Any adverse developments in fiscal laws, including an increase in the corporate tax rates of 34.61% applicable to us may increase our tax costs and affect our profitability. Our effective tax rate is computed as the sum of current tax expenses and deferred tax expenses (including income tax related to items not reclassified to profit or loss) divided by our profit before tax, and was 44.93% for fiscal 2017. Additionally, our results of operations may also be affected by the recent introduction of a comprehensive unified goods and services tax regime by the Government of India from July 1, 2017.

We are also subject to a regulatory framework which may from time to time impose licensing fees on us. The DOT, or other regulatory bodies, may impose on us additional licensing fees or increase the amount licensing fees payable by us, including for licensing fees for our ISP license. For further details, see "*Risk Factors—Our industry is highly regulated and we require certain approvals, licenses registrations and permissions to conduct our business.*"

Debt and interest rates

We have in the past incurred significant amounts of indebtedness and expect to continue to do so through bank loans and other long-term debt instruments. Our finance costs primarily comprise of interest payments under our indebtedness, which we have in the past financed through our cash from operations. As at September 30, 2017, we had an aggregate outstanding borrowings of ₹3,405.86 million. See "—*Indebtedness*" below. The amount of interest payable under our indebtedness is affected by fluctuations in interest rates, which may be highly sensitive to and subject to factors beyond our control, including monetary and tax policies, domestic and international and political climates, inflationary factors, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond our control. Rising interest rates could result in an increase in our finance costs, which would adversely affect our profitability and results of operations. See "*Risk Factors—Our finance costs will be affected by changes in interest rates.*"

Critical Accounting Policies

The preparation of our financial statements in conformity with Ind AS requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of cash flows and contingent liabilities, among other items. Certain key accounting policies relevant to our business and operations have been described below. For a detailed description of our critical accounting policies, see Annexure A.V of the Restated Financial Statements included in this Draft Red Herring Prospectus.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit and loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date are shown under long-term loans and advances. The cost of fixed assets not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016, measured as per previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see note 1 of Annexure A-VI of the Restated Financial Statements)

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation on fixed assets is provided using the straight-line method over the estimated useful lives of fixed assets based on technical evaluation carried out by Management. If Management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the Management's estimate of the useful life / remaining useful life. Pursuant to this policy, depreciation on assets has been provided at the rates based on the following useful lives of fixed assets based on technical evaluation carried out by Management.

Asset description	Useful life considered by the Group
Plant and machinery	
Head ends	8 years
Set top boxes	7 years
Cables	10 years
Indefeasible Right of Connectivity	25 years
Cinematography	8 years
Network switches	8 years
Realty projects network material	Over the agreement period
Others	
Wi-Fi Routers	3 years
Other Plant and machinery	5 years
Furniture and fixtures	6 years
Office equipment	6 years
Computers	4 years
Vehicles	6 years
Leasehold improvements	Over the period of lease or estimated useful life, whichever is lower

The Group believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical evaluation where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Goodwill and other intangible assets

Recognition and measurement

Intangibles assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use. The estimated useful lives are as follows:

Asset description	Useful life considered by the Group
Software	6 years
Non-compete fee	15 years
Network acquisition	
Bengaluru unit	15 years
Hyderabad unit	10 years
Goodwill on amalgamation	5 years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. The Company has been amortizing Goodwill on Merger in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bengaluru and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted Goodwill on Merger in accordance with Ind AS from the date of transition to Ind AS.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit and loss as incurred.

Intangible assets acquired in business combination

Intangible assets acquired in business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per previous GAAP, and use that carrying value as the deemed cost of such intangible asset (see note 2 of Annexure A-VI of the Restated Financial Statements)

Impairment

Impairment of financial instruments

The Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. The Group recognizes loss allowances using the expected credit loss model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit loss, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime expected credit loss. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The expected credit loss for trade receivables is mainly based on the ageing of the receivable balances and historical experience. The trade receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units ("**CGUs**"). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the profit and loss. In respect of assets for which impairment loss has been recognized in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Revenue recognition

Revenue from internet and cable television distribution services is recognized when the related services are provided and when there is a reasonable certainty of collection. The amount recognized as revenues is exclusive of service tax, entertainment tax and trade discounts. Revenue from sale of goods is recognized on transfer of all significant risk and rewards of ownership to the buyer. The amount is recognized as sale and is exclusive of sale tax. "Unearned revenue" represents the amounts billed to the client in excess of value of services rendered as at the balance sheet date. Installation charges on set-top boxes are amortized over the tenure of the useful life of the asset i.e., 7 years. Installation charges on WiFi router are recognized as income as and when service is being provided to customers. Interest income is recognized using the effective interest rate method. Dividend income is recognized when the Group's right to receive payment is established.

Assets given by the Group under operating lease are included in fixed assets. Lease income from operating leases is recognized in the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognized as expenses.

Income taxes

Income tax comprises current and deferred tax. It is recognized in profit and loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.

- Temporary differences related to investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets recognized or unrecognized are reviewed at each reporting date and are recognized /reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post-employment obligations

Defined contribution plans. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees.

Defined benefit plans. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in other comprehensive income. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit and loss.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognized in profit and loss in the period in which they arise.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Provisions (other than employee benefits)

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognizes any impairment loss on the assets associated with that contract.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit and loss.

Leases

Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Lease payments

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Balance Sheet. Payments made under operating leases are generally recognized in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Principal Components of our Statement of Profit and Loss

Income

Our total income comprises (i) revenue from operations and (ii) other income.

Revenue from Operations

Our revenue from operations comprises (i) revenue from wired broadband internet services, which we account for in our statement of profit and loss as revenue from internet services, (ii) revenue from cable TV distribution services, which we account for in our statement of profit and loss as revenue from cable television distribution services and (iii) other operating revenue. The following table sets out a breakdown of our revenue from operations for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017.

(₹ in millions)	Six Months Ended September 30,		Fiscal					
	2017	% of total income	2017	% of total income	2016	% of total income	2015	% of total income
Revenue from internet services	6,251.67	91.38	11,150.03	91.61	7,895.20	90.31	5,113.91	82.77
Revenue from cable TV distribution services	356.53	5.21	561.68	4.61	535.78	6.13	733.10	11.86
Other operating revenues	153.23	2.24	372.80	3.06	163.61	1.87	94.89	1.54
Total revenue from operations	**6,761.43**	**98.83**	**12,084.51**	**99.28**	**8,594.59**	**98.31**	**5,941.90**	**96.17**

Broadband internet services

Our wired broadband internet services are the largest contributor to our total income. Revenue from our wired broadband internet services represented 82.77%, 90.31%, 91.61% and 91.38% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. As at March 31, 2015, 2016 and 2017 and as at September 30, 2017, we had approximately 0.67 million, 0.94 million, 1.17 million and 1.25 million broadband internet customers, respectively.

Our customers are charged for our wired broadband internet services on a monthly basis based on (i) a fixed fee applicable to the customer's broadband internet access plan and (ii) variable fees for any additional services utilized by the customer, such as value-added services or internet data in excess of the internet data bandwidth quota under the customer's broadband internet access plan. We generally charge customers for additional internet data utilized based on a fixed rate per mbps of data.

Cable TV distribution services

Revenue from our cable TV distribution services represented 11.86%, 6.13%, 4.61% and 5.21% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. As at March 31, 2015, 2016 and 2017 and as at September 30, 2017, we had approximately 0.34 million, 0.57 million, 0.63 million and 0.67 million cable TV customers, respectively.

Our customers are charged for our cable TV distribution services on a monthly basis based on a fixed fee applicable to the customer's cable TV access plan.

Other operating revenue

Our other operating revenue comprises revenue from (i) installation services we provide to install network devices at our customer's premises, (ii) sale of network devices, such as WiFi routers and set-top boxes, and (ii) other operating revenue. Our other operating revenue represented 1.54%, 1.87%, 3.06% and 2.24% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Other income

Our other income comprises (i) interest income from financial assets carried at amortized costs, other advances, fixed deposits and income tax refunds, (ii) net gains from exchange rate fluctuations, (iii) changes in the fair value of financial assets and liabilities, (iv) net profit from divestments of investments, (v) profit from the sale of businesses, (vi) profit from the sale of property, plant and equipment, (vii) provisions/liabilities which are no longer required and are written back, (ix) income from insurance claims, (x) dividend income from non-trade mutual funds, and (xi) miscellaneous income. Interest income was the largest contributor to our other income in fiscal 2017.

Expenses

Our expenses comprise (i) cost of materials consumed, (ii) purchases of stock-in-trade, (iii) changes in inventory of stock-in-trade, (iv) employee benefits expense, (v) finance costs, (vi) depreciation and amortization expense, and (vii) other expenses.

Cost of materials consumed

Our cost of materials consumed is calculated as (i) our cost incurred to purchase our inventory of consumables (such as copper cables) at the beginning of the period plus our costs incurred to purchase additional inventory of consumables during the period, less (ii) our cost incurred to purchase our inventory of consumables remaining at the end of the period.

Our cost of materials consumed represented 1.85%, 1.73%, 1.43% and 1.29% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Purchases of stock-in-trade

Our purchases of stock-in-trade comprises our costs incurred to purchase network devices, such as WiFi routers and set-top boxes. Our purchases of stock-in-trade represented 0.28%, 0.79%, 1.82% and 0.91% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Changes in inventories of stock-in-trade

Our changes in inventories of stock-in-trade comprises the difference in the opening and closing stock balance of our inventory of stock-in-trade during a period.

Employee benefits expense

Employee benefits expenses comprise (i) salaries, bonus and other allowances, (ii) contributions to provident and other funds, (iii) equity-settled share based payments to employees, (iv) staff welfare expenses, such as expenses on employee engagement activities, and (v) recruitment and training expenses. Employee benefits expenses represented 22.90%, 22.68%, 23.57% and 20.52% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Finance costs

Finance costs comprise (i) interest expense on bank borrowings, (ii) interest on income tax, (iii) interest on our non-convertible debentures, (iv) interest expense on financial liabilities measured at amortized costs, (v) processing fees and (vi) other borrowing costs. Finance costs represented 10.16%, 7.83%, 3.69% and 2.62% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Depreciation and amortization expenses

Depreciation and amortization expenses comprise (i) depreciation of property, plant and equipment, including our network cables, network switches and devices, computers, furniture and fittings, office equipment, electrical installations, vehicles, network devices, such as set-top boxes, and other network infrastructure, and (ii) amortization of intangible assets, including computer software and network acquisition rights. Depreciation and amortization expenses represented 15.11%, 13.36%, 12.60% and 13.97% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

Other expenses

Other expenses include expenses relating to broadband internet distribution charges, cable TV content broadcasting charges, rent, repairs and maintenance, contract labor and other support services, advertisement and sales promotions, franchise fees, legal and professional fees, power and fuel, and bank charges. Other expenses represented 40.75%, 38.22%, 34.90% and 35.48% of our total income in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively.

The following table sets out a breakdown of certain of our significant other expenses for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017.

(₹ in millions)	**Six Months Ended September 30 2017**	**Fiscal**		
		2017	**2016**	**2015**
Broadcasting charges	225.98	387.32	324.98	333.15
Distribution expenses	302.88	598.25	539.42	456.07
Rent	305.14	551.96	383.03	251.15
Repairs and maintenance				
Plant and machinery	183.78	256.70	87.84	78.61
Others	90.04	216.81	210.29	96.15
Contract labor and other support services	297.88	667.73	561.89	363.07
Advertisement and sales promotion	175.12	253.48	273.88	233.60

Share of profit / (loss) of equity accounted investees

Share of profits / (loss) in equity accounted investees reflects our equity in the net profit / (loss) of our associate companies, A.C.N Cable Private Limited, I.B. Communications Network Private Limited and Atria Broadband Services Private Limited, of which we owned 47.56%, 49.00% and 49.00%, respectively, of the issued shares as at September 30, 2017.

Tax expense

Our tax expense as a percentage of our total income was 3.77%, 7.48%, 9.95% and 8.68% in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. The elements of our tax expenses are as follows:

Current tax (including minimum alternate tax). Our current tax primarily consists of income tax paid on our profits and other income generated during the financial year / period, subject to minimum alternative tax.

Deferred tax (including minimum alternate tax credit entitlements). Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of tax losses carried forward and tax credits. Minimum alternate tax credit entitlement is the excess of income tax computed under section 115JB of the Income Tax Act over income tax computed under the normal provisions of the Income Tax Act.

Other comprehensive income

Other comprehensive income consists of all the items of income and expense (including reclassification adjustments) that are not recognized as profit or loss.

Total comprehensive income

Total comprehensive income consists of profit for the period/year and other comprehensive income.

Non-Ind AS Measures

Our management also reviews certain key metrics that measure the financial performance of our business, including EBITDA and ARPU. These metrics are included as supplemental disclosure as our management considers that these are useful indicators of our operating performance. These metrics are also often used by companies, investors, analysts and other interested parties in comparing the performance of companies in our industry. However, because these measures are not determined in accordance with Ind As, such metrics are susceptible to varying calculations, and not all companies calculate the measures in the same manner. As a result, these metrics, as presented in this Draft Red Herring Prospectus, may not be directly comparable to similarly titled measures presented by other companies. Because of these and other limitations, these measures should not be considered in isolation or as a substitute for performance measures calculated in accordance with Ind As.

EBITDA

EBITDA is defined as profit before finance costs, income tax, depreciation and amortization. The following table reconciles our profit before tax (an Ind AS financial measure) to EBITDA.

(₹ in millions)	**Six Months Ended September 30 2017**	**Fiscal**		
		2017	**2016**	**2015**
Profit before income tax]	1,724.33	2,696.06	1,381.54	555.25
Add: Depreciation and amortization	955.85	1,533.72	1,167.88	933.82
Add: Finance costs	179.52	449.36	684.70	627.68
EBITDA	**2,859.70**	**4,679.14**	**3,234.12**	**2,116.75**

Average monthly ARPU from Retail Wired Broadband Internet Business

Average monthly ARPU from our retail wired broadband internet business is calculated as (i) average revenue per retail broadband internet service customer per month for the period (which is calculated as (a) total revenue from retail broadband internet service customers for the period, divided by (b) in the case of a fiscal year period, 12, and, in the case of a six month period, six), divided by (ii) average number of retail wired broadband internet service customers for that period (which is calculated as (x) the sum of the number of retail broadband internet service customers at the beginning and at the end of the period, divided by (y) two). The following table sets out our average monthly ARPU from our retail wired broadband internet business for the periods specified.

	Six Months Ended September 30	**Fiscal**		
	2017	**2017**	**2016**	**2015**
Revenue from retail wired broadband internet services (₹ in millions)	5,717.53	10,184.33	7,226.13	4,611.06
Average number of retail wired broadband internet subscribers for the period (in millions)	1.20	1.04	0.80	0.56
Average monthly ARPU from retail wired broadband internet business (in ₹)	**796**	**813**	**756**	**684**

Our Results of Operations

The following table shows a breakdown of our results of operations as restated for the periods indicated.

	Six months ended September 30, 2017		Fiscal 2017		Fiscal 2016		Fiscal 2015	
	₹ in Millions	*% of total income*	*₹ in Millions*	*% of total income*	*₹ in Millions*	*% of total income*	*₹ in Millions*	*% of total income*
Revenue from operations	6,761.43	98.83	12,084.51	99.29	8,594.59	98.32	5,941.90	96.17
Other income	79.70	1.17	86.25	0.71	147.26	1.68	236.82	3.83
Total Income	**6,841.13**	**100.00**	**12,170.76**	**100.00**	**8,741.85**	**100.00**	**6,178.72**	**100.00**
Expenses								
Cost of materials consumed	88.33	1.29	174.46	1.43	151.47	1.73	114.56	1.85
Purchases of stock-in-trade	62.55	0.91	221.24	1.82	69.06	0.79	17.07	0.28
Changes in inventories of stock in trade	10.26	0.15	(10.24)	(0.08)	(19.37)	(0.22)	(2.48)	(0.04)
Employee benefits expense	1,403.97	20.52	2,868.97	23.57	1,982.78	22.68	1,415.12	22.90
Finance costs	179.52	2.62	449.36	3.69	684.70	7.83	627.68	10.16
Depreciation and amortization expense	955.85	13.97	1,533.72	12.60	1,167.88	13.36	933.82	15.11
Other expenses	2,427.49	35.48	4,247.33	34.90	3,341.57	38.23	2,517.56	40.75
Total expenses	**5,127.94**	**74.96**	**9,484.84**	**77.93**	**7,378.10**	**84.40**	**5,623.33**	**91.01**
Profit / (Loss) before share of profits / (loss) of equity accounted investees and tax	**1,713.16**	**25.04**	**2,685.92**	**22.07**	**1,363.75**	**15.60**	**555.39**	**8.99**
Share of profit / (loss) of equity accounted investees	11.17	0.16	10.14	0.08	17.79	0.20	(0.14)	0.00
Profit / (Loss) before income tax	**1,724.33**	**25.21**	**2,696.06**	**22.15**	**1,381.54**	**15.80**	**555.25**	**8.99**
Current tax (including MAT)	655.56	9.58	1,363.17	11.20	441.62	5.05	36.36	0.59
Deferred tax (including MAT credit entitlements)	(73.21)	(1.07)	(159.03)	(1.31)	204.66	2.34	194.61	3.15
Profit for the year	**1,141.98**	**16.69**	**1,491.92**	**12.26**	**735.26**	**8.41**	**324.28**	**5.25**
Other comprehensive income								
Remeasurements of defined benefit liability	(31.57)	(0.46)	(21.20)	(0.17)	(20.97)	(0.24)	(5.48)	(0.09)
Equity accounted investee's share of other comprehensive income	(0.05)	0.00	(0.05)	0.00	(0.18)	0.00	(0.15)	0.00
Income tax related to items that will not be reclassified to profit or loss	11.30	0.17	7.33	0.06	7.26	0.08	1.90	0.03
Total other comprehensive income, net of income tax	**(20.32)**	**(0.30)**	**(13.92)**	**(0.11)**	**(13.89)**	**(0.16)**	**(3.73)**	**(0.06)**
Total comprehensive income for the year	**1,121.66**	**16.40**	**1,478.00**	**12.14**	**721.37**	**8.25**	**320.55**	**5.19**

Six Months Ended September 30, 2017

Revenue from operations

Our revenue from operations was ₹6,761.43 million in the six months ended September 30, 2017.

- *Wired broadband internet service revenue.* Our wired broadband internet service revenue was ₹6,251.67 million in the six months ended September 30, 2017.

- *Cable TV service* revenue. Our cable TV service revenue was ₹356.53 million in the six months ended September 30, 2017.

- *Other operating revenues.* Our other operating revenue was ₹153.23 million in the six months ended September 30, 2017, which consisted primarily of income from (i) installation services, and (ii) the sale of WiFi routers and set-top boxes.

Other income

Our other income was ₹79.70 million in the six months ended September 30, 2017, which consisted primarily of (i) interest income, (ii) income recorded from provisions/liabilities which were no longer required to be written back, and (iii) miscellaneous income.

Expenses

Our total expenses was ₹5,127.97 million in the six months ended September 30, 2017, representing 74.96% of our total income for the period.

- *Employee benefits expense.* Our employee benefits expense was ₹1,403.97 million in the six months ended September 30, 2017, which consisted primarily of (i) salaries, bonus and other allowances, (ii) contributions to provident and other funds, (iii) equity-settled share based payments to employees, (iv) staff welfare expenses and (v) recruitment and training expenses.

- *Depreciation and amortization expense.* Our depreciation and amortization expense was ₹955.85 million in the six months ended September 30, 2017.

- *Finance costs.* Our finance costs were ₹179.52 million in the six months ended September 30, 2017, which consisted primarily of interest expense on bank borrowings.

- *Cost of materials consumed.* Our cost of materials consumed was ₹88.33 million in the six months ended September 30, 2017.

- *Purchases of stock-in-trade.* Our purchases of stock-in-trade were ₹62.55 million in the six months ended September 30, 2017.

- *Changes in inventories of stock-in-trade.* Our change in inventories of stock-in-trade was ₹10.26 million in the six months ended September 30, 2017.

- *Other expenses.* Our other expenses were ₹2,427.49 million in the six months ended September 30, 2017, which consisted primarily of (i) distribution expenses, (ii) broadcasting charges, (iii) rent, (iv) repairs and maintenance, (v) contract labor and other support services, and (vi) provisions for impairment.

  Our distribution expenses were ₹302.88 million in the six months ended September 30, 2017.

  Our expenses on broadcasting charges were ₹225.98 million in the six months ended September 30, 2017.

  Our expenses on rent were ₹305.14 million in the six months ended September 30, 2017.

  Our expenses on repairs and maintenance were ₹273.82 million in the six months ended September 30, 2017, consisting primarily of (i) ₹183.78 million on repairs and maintenance of plant and machinery, including network infrastructure, and (ii) ₹90.04 million on other repairs and maintenance.

  Our expenses on contract labor and other support services were ₹297.88 million in the six months ended September 30, 2017.

Our provision for impairment was ₹316.58 million in the six months ended September 30, 2017, primarily due to an impairment in respect of unsecured loans to Atria Broadband Services Private Limited in an amount of ₹196.40 million and an impairment of goodwill of Kable First India Private Limited in an amount of ₹113.02 million.

Share of profit / (loss) of equity accounted investees

Our share of profit of equity accounted investees was ₹11.17 million in the six months ended September 30, 2017.

Profit / (loss) before income tax

As a result of the above, our profit before income tax was ₹1,724.33 million in the six months ended September 30, 2017.

Tax expense

- *Current tax (including MAT).* Our current taxes were ₹655.56 million in the six months ended September 30, 2017.

- *Deferred tax (including MAT credit entitlements).* We recorded a deferred tax benefit of ₹73.21 million in the six months ended September 30, 2017.

Profit for the year

As a result of the factors outlined above, our profit was ₹1,141.98 million in the six months ended September 30, 2017.

Other comprehensive income

We recorded a loss from other comprehensive income of ₹20.32 million in the six months ended September 30, 2017.

Fiscal 2017 Compared to Fiscal 2016

Revenue from operations

Our revenue from operations increased by 40.61% from ₹8,594.59 million in fiscal 2016 to ₹12,084.51 million in fiscal 2017. This increase was primarily due to an increase in revenue from our wired broadband internet service.

- *Wired broadband internet service revenue.* Our wired broadband internet service revenue increased by 41.23% from ₹7,895.20 million in fiscal 2016 to ₹11,150.03 million in fiscal 2017, driven primarily by a 23.90% increase in our customer base and an increase in our average monthly ARPU from our retail wired broadband internet business by 7.54% from ₹756 as at March 31, 2016 to ₹813 as at March 31, 2017.

- *Cable TV service* revenue. Our cable TV service revenue increased by 4.83% from ₹535.78 million in fiscal 2016 to ₹561.68 million in fiscal 2017, primarily driven by an increase in our customer base and an increase in ARPU of our direct cable TV customers and customers through LCOs.

- *Other operating revenues.* Our other operating revenue increased by 127.86% from ₹163.61 million in fiscal 2016 to ₹372.80 million in fiscal 2017, primarily due to (i) a 44.31% increase in revenue from installation services, (ii) a 81.92% increase in our revenue from the sale of WiFi routers, and (iii) a revenue of ₹146.45 million from the sale of set-top boxes.

Other income

Our other income decreased by 41.43% from ₹147.26 million in fiscal 2016 to ₹86.25 million in fiscal 2017 primarily due to a decrease in (i) our interest income from fixed deposits from ₹36.43 million in fiscal 2016 to ₹24.25 million in fiscal 2017, (ii) our interest income from other advances from ₹58.29 million in fiscal 2016 to ₹11.46 million in fiscal 2017, and (iii) our net gain on foreign exchange fluctuations from ₹20.73 million in fiscal 2016 to nil in fiscal 2017, partially offset by an increase in our miscellaneous income from ₹17.76 million in fiscal 2016 to ₹23.57 million in fiscal 2017.

Expenses

Our total expenses increased by 28.55% from ₹7,378.10 million in fiscal 2016 to ₹9,484.84 million in fiscal 2017, primarily due to an increase in our purchases of stock-in-trade, employee benefits expense, depreciation and amortization, and other expenses, partially offset by a decrease in our inventories of stock-in-trade and finance costs.

- *Employee benefits expense.* Our employee benefits expense increased by 44.69% from ₹1,982.78 million in fiscal 2016 to ₹2,868.97 million in fiscal 2017, primarily due to an increase in the number of employees we employed as a result of the expansion of our business and operations, including our entry into new markets, and an increase in performance incentive payments to our employees, which led to (i) an increase in salaries, bonus and other allowances by 42.18% from ₹1,603.89 million in fiscal 2016 to ₹2,280.41 million in fiscal 2017 and (ii) an increase in staff welfare expenses by 31.27% from ₹216.80 million in fiscal 2016 to ₹284.59 million in fiscal 2017. In addition, we also had an increase in share based payments to employees by 310.92% from ₹37.09 million in fiscal 2016 to ₹152.41 million in fiscal 2017 as a result of our implementing the ESOP 2016. For further details, see "*Capital Structure—Notes to the Capital Structure*" on page 76.

- *Depreciation and amortization expense.* Our depreciation and amortization expense increased by 31.33% from ₹1,167.88 million in fiscal 2016 to ₹1,533.72 million in fiscal 2017, primarily due to an increase in our capital expenditure incurred in expanding our network infrastructure, particularly our network of underground cables.

- *Finance costs.* Our finance costs decreased by 34.37% from ₹684.70 million in fiscal 2016 to ₹449.36 million in fiscal 2017 primarily due to our repayment of non-convertible debentures during fiscal 2016, which resulted in a decrease in interest expenses on such non-convertible debentures, partially offset by an increase in our interest expense on bank borrowings by 9.09% from ₹351.18 million in fiscal 2016 to ₹383.10 million in fiscal 2017.

- *Cost of materials consumed.* Our cost of materials consumed increased by 15.18% from ₹151.47 million in fiscal 2016 to ₹174.46 million in fiscal 2017.

- *Purchases of stock-in-trade.* Our purchases of stock-in-trade increased by 220.31% from ₹69.07 million in fiscal 2016 to ₹221.24 million in fiscal 2017, primarily due to (i) an increase in our purchases of WiFi routers by 27.48% from ₹56.37 million in fiscal 2016 to ₹71.86 million in fiscal 2017, and (ii) purchases of set-top boxes of ₹149.38 million in fiscal 2017 compared to nil in fiscal 2016.

- *Changes in inventories of stock-in-trade.* Our changes in inventories of stock-in-trade decreased by 47.13% from a closing stock balance of ₹19.37 million in fiscal 2016 to ₹10.24 million in fiscal 2017.

- *Other expenses.* Our other expenses increased by 27.11% from ₹3,341.57 million in fiscal 2016 to ₹4,247.33 million in fiscal 2017 primarily due to increases in (i) distribution expenses, (ii) broadcasting charges, (iii) rent, (iv) repairs and maintenance expenses, (v) rates and taxes, and (vi) advertisement and sales promotion expenses.

  Our distribution expenses increased by 10.91% from ₹539.42 million in fiscal 2016 to ₹598.25 million in fiscal 2017 as a result of an increase in our bandwidth utilization, which was driven by an increase in our wired broadband internet subscriber base in line with the expansion of our business and scale of operations into new markets and in the markets in which we operated.

  Our expenses on broadcasting charges increased by 19.18% from ₹324.98 million in fiscal 2016 to ₹387.32 million in fiscal 2017, primarily as a result of an increase in our cable TV customer base and an increase in broadcasting fees charged to us.

  Our expenses on rent increased by 44.10% from ₹383.03 million in fiscal 2016 to ₹551.96 million in fiscal 2017 primarily due to an increase in our expenditure on network infrastructure and corporate offices to support our expansion into new markets, and to extend our network coverage area in the existing markets in which we operated.

  Our expenses on repairs and maintenance increased by 58.83% from ₹298.13 million in fiscal 2016 to ₹473.51 million in fiscal 2017 primarily due to an increase in our operating assets as a result of our business expansion and the related increase in repairs on our plant and machinery assets. Our expenses on repairs and maintenance of plant and machinery increased by 192.24% from ₹87.84 million in fiscal 2016 to ₹256.70 million in fiscal 2017 primarily due to an increase in expenditure on right of way charges as part of the expansion of our business and scale of operations, including our network coverage area, and other associated maintenance expenditure.

  Our expenses on advertisement and sales promotion decreased by 7.45% from ₹273.88 million in fiscal 2016 to ₹253.48 million in fiscal 2017 primarily due to additional expenses incurred in fiscal 2016 on our advertisement campaigns.

Share of profit / (loss) of equity accounted investees

Our share of profit of equity accounted investees decreased by 43.00% from ₹17.79 million in fiscal 2016 to ₹10.14 million in fiscal 2017 due to a decline in profit from I.B. Communications Network Private Limited in fiscal 2017.

Profit / (loss) before income tax

As a result of the above, our profit before income tax increased by 95.15% from ₹1,381.54 million in fiscal 2016 to ₹2,696.06 million in fiscal 2017.

Tax expense

- *Current tax (including MAT).* Our current taxes increased by 208.67% from ₹441.62 million in fiscal 2016 to ₹1,363.17 million in fiscal 2017 primarily due to an increase in our profit before tax by 95.15%.

- *Deferred tax (including MAT credit entitlements).* We recorded a deferred tax liability of ₹204.66 million in fiscal 2016 compared to a deferred tax benefit of ₹159.03 million in fiscal 2017.

Our effective tax rate was 46.78% in fiscal 2016 compared to 44.93% in fiscal 2017 as a result of our utilization of tax credit entitlements in fiscal 2016.

Profit for the year

As a result of the factors outlined above, our profit increased by 102.91% from ₹735.26 million in fiscal 2016 to ₹1,491.92 million in fiscal 2017.

Other comprehensive income

We recorded a loss from other comprehensive income of ₹13.89 million in fiscal 2016 as compared to a loss of ₹13.92 million in fiscal 2017.

Fiscal 2016 Compared to Fiscal 2015

Revenue from operations

Our revenue from operations increased by 44.64% from ₹5,941.90 million in fiscal 2015 to ₹8,594.59 million in fiscal 2016. This increase was primarily due to an increase in revenue from our wired broadband internet service.

- *Wired broadband internet service revenue.* Our wired broadband internet service revenue increased by 54.39% from ₹5,113.91 million in fiscal 2015 to ₹7,895.20 million in fiscal 2016, driven primarily by a 41.13% increase in our customer base and an increase in the average monthly ARPU from our retail wired broadband internet business by 10.53% from ₹684 as at March 31, 2015 to ₹756 as at March 31, 2016.

- *Cable TV service* revenue. Our cable TV service revenue decreased by 26.92% from ₹733.10 million in fiscal 2015 to ₹535.78 million in fiscal 2016 primarily due to the reclassification of our then subsidiaries, A.C.N. Cable Private Limited, I.B. Communications Network Private Limited and Atria Broadband Services Private Limited, as associates following our disposal of a portion of our interests in such entities during fiscal 2015.

- *Other operating revenues.* Our other operating revenue increased by 72.42% from ₹94.89 million in fiscal 2015 to ₹163.61 million in fiscal 2016 primarily due to an increase in income from installation services and the sale of WiFi routers in fiscal 2016.

Other income

Our other income decreased by 37.82% from ₹236.82 million in fiscal 2015 to ₹147.26 million in fiscal 2016 primarily due to (i) a profit of ₹90.50 million from the divestment in our investments in Atria Broadband Services Private Limited in fiscal 2015, (ii) a decrease in our provisions no longer required to be written back by 57.95% from ₹21.14 million in fiscal 2015 to ₹8.89 million in fiscal 2016, (iii) income of ₹12.89 million from insurance claims in fiscal 2015, and (iv) a profit of ₹11.93 million from the sale of certain fixed assets in fiscal 2015.

Expenses

Our total expenses increased by 31.21% from ₹5,623.33 million in fiscal 2015 to ₹7,378.10 million in fiscal 2016, primarily due to an increase in cost of materials consumed, purchases of stock-in-trade, employee benefit expense, finance costs, depreciation and amortization expense and other expenses, partially offset by changes in our inventories of stock-in-trade.

- *Employee benefits expense.* Our employee benefits expense increased by 40.11% from ₹1,415.12 million in fiscal 2015 to ₹1,982.78 million in fiscal 2016 primarily due to an increase in the number of employees we employed as a result of the expansion of our business and operations, including our entry into new markets, and an increase in performance incentive payments to our employees, which led to (i) an increase in salaries, bonus and other allowances by 33.21% from ₹1,204.03 million in fiscal 2015 to ₹1,603.89 million in fiscal 2016, and (ii) an increase in recruitment and training expenses by 381.27% from ₹9.45 million in fiscal 2015 to ₹45.48 million in fiscal 2016. In addition, we also had an increase in equity-settled share based payments to employees of 891.71% from ₹3.74 million in fiscal 2015 to ₹37.09 million in fiscal 2016.

- *Depreciation and amortization expense.* Our depreciation and amortization expense increased by 25.06% from ₹933.82 million in fiscal 2015 to ₹1,167.88 million in fiscal 2016 primarily due to an increase in our capital expenditure incurred in expanding our network infrastructure, particularly our network of underground cables.

- *Finance costs.* Our finance costs increased by 9.08% from ₹627.68 million in fiscal 2015 to ₹684.70 million in fiscal 2016 primarily due to (i) an increase in interest expense on bank borrowings by 103.52% from ₹172.55 million in fiscal 2015 to ₹351.18 million in fiscal 2016 as a result of drawdowns of our term loan facilities in fiscal 2016, and (ii) an increase in interest on income tax from ₹0.32 million in fiscal 2015 to ₹40.07 million in fiscal 2016, partially offset by a decrease interest on non-convertible debentures by 35.91% from ₹363.31 million in fiscal 2015 to ₹232.84 million in fiscal 2016 as a result of the redemption of our non-convertible debentures in fiscal 2016.

- *Cost of materials consumed.* Our cost of materials consumed increased by 32.22% from ₹114.56 million in fiscal 2015 to ₹151.47 million in fiscal 2016.

- *Purchases of stock-in-trade.* Our purchases of stock-in-trade increased by 304.63% from ₹17.07 million in fiscal 2015 to ₹69.07 million in fiscal 2016, primarily due to an increase in our purchases of WiFi routers by 286.36% from ₹14.59 million in fiscal 2015 to ₹56.37 million in fiscal 2016.

- *Changes in inventories of stock-in-trade.* Our changes in inventories of stock-in-trade increased by 681.05% from a closing stock balance of ₹2.48 million in fiscal 2015 to ₹19.37 million in fiscal 2016.

- *Other expenses.* Our other expenses increased by 32.73% from ₹2,517.56 million in fiscal 2015 to ₹3,341.57 million in fiscal 2016 primarily due to increases in (i) distribution expenses, (ii) rent, (iii) repairs and maintenance, (iv) contract labor and other support services, (v) franchise fees and (vi) advertisement and sales promotions.

  Our distribution expenses increased by 18.28% from ₹456.07 million in fiscal 2015 to ₹539.42 million in fiscal 2016 primarily as a result of an increase in our wired broadband internet subscriber base in line with the expansion of our business and scale of operations into new markets and in the markets in which we operated.

  Our expenses on rent increase by 52.51% from ₹251.15 million in fiscal 2015 to ₹383.03 million in fiscal 2016 primarily due to an increase in our expenditure on network infrastructure and corporate offices to support our expansion into new markets, and to extend our network coverage area in the existing markets in which we operated.

  Our expenses on repairs and maintenance increase by 70.59% from ₹174.76 million in fiscal 2015 to ₹298.13 million in fiscal 2016 primarily due to an increase in our operating assets as a result of our business expansion and the related increase in repairs on our plant and machinery assets.

  Our expenses on contract labor and other support services increased by 54.76% from ₹363.07 million in fiscal 2015 to ₹561.89 million in fiscal 2016 primarily due to an increase in expenses on labor and other services from third-parties to develop our network infrastructure and scale of our operations in fiscal 2016.

  Our franchisee fees increased by 202.65% from ₹38.89 million in fiscal 2015 to ₹117.7 million in fiscal 2016 due to A.C.N Cable Private Limited, which converted from being our subsidiary to our associate as at October 1, 2014, resulting in franchise fees being payable by us to A.C.N Cable Private Limited from October 1, 2014.

  Our advertisement and sales promotion expenses increased by 17.24% from ₹233.60 million in fiscal 2015 to ₹273.88 million in fiscal 2016.

Share of profit / (loss) of equity accounted investees

Our share of profit / (loss) of equity accounted investees was a loss of ₹0.14 million in fiscal 2015 compared to a profit of ₹17.79 million in fiscal 2016 due to a loss incurred in fiscal 2015 by our then subsidiary, A.C.N Cable Private Limited, which became our associate from October 1, 2014.

Profit / (loss) before income tax

As a result of the above, our profit before income tax increased by 148.81% from ₹555.25 million in fiscal 2015 to ₹1,381.54 million in fiscal 2016.

Tax expense

- *Current tax (including MAT).* Our current taxes increased by 1,114.58% from ₹36.36 million in fiscal 2015 to ₹441.62 million in fiscal 2016 primarily due to an increase in our profit before tax by 148.81% from ₹555.25 million in fiscal 2015 to ₹1,381.54 million in fiscal 2016.

- *Deferred tax (including MAT credit entitlements).* We recorded a deferred tax liability of ₹194.61 million in fiscal 2015 compared to a deferred tax liability of ₹204.66 million in fiscal 2016.

Profit for the year

As a result of the factors outlined above, our profit increased by 126.74% from ₹324.28 million in fiscal 2015 to ₹735.26 million in fiscal 2016.

Other comprehensive income

We recorded a loss from other comprehensive income of ₹3.73 million in fiscal 2015 as compared to a loss of ₹13.89 million in fiscal 2016.

Liquidity and Capital Resources

Historically, we have been able to finance our capital requirements and the expansion of our business and operations through cash generated from our operations and bank loan facilities. Our primary capital requirements are working capital for our operations and capital expenditures. Since the commencement of our operations, we have expanded our operations into 12 cities and towns across India as at December 31, 2017. We believe that after taking into account the expected cash to be generated from our business and operations, the Net Proceeds from the Fresh Issue and the proceeds from our existing bank loans, we will have sufficient capital to meet our anticipated capital requirements for our working capital and capital expenditure requirements for the 12 months following the date of this Draft Red Herring Prospectus. Nonetheless, if global or Indian economic conditions worsen, competition in our industry increases beyond our current expectations or interest rates increase significantly, our net cash flow from operating activities may decrease and the amount of required expenditure may increase, any of which may adversely impact our liquidity. As at September 30, 2017, we had ₹2,124.33 million of cash and cash equivalents and other bank balances on a consolidated basis.

The following table sets forth a summary of our cash flow for the periods indicated.

	Six months Ended September 30 2017	**Fiscal**		
		2017	**2016**	**2015**
	₹ in millions			
Net cash generated from operating activities..	2,848.63	5,389.45	3,447.18	2,027.83
Net cash used in investing activities	(3,096.21)	(3,729.60)	(2,838.62)	(1,727.48)
Net cash provided by / (used in) financing activities	332.11	(1,344.87)	(932.54)	(206.41)
Net Increase / (Decrease) in cash and cash equivalents	84.53	314.98	(323.98)	93.94

Net cash generated from operating activities

Our net cash generated from operating activities was ₹2,848.63 million for the six months ended September 30, 2017, primarily due to a net profit before tax of ₹1,713.16 million, finance costs of ₹179.52 million and depreciation and amortization expenses of ₹955.85 million.

Our net cash generated from operating activities was ₹5,389.45 million in fiscal 2017, primarily due to a net profit before tax of ₹2,685.92 million in fiscal 2017, finance costs of ₹449.36 million and depreciation and amortization costs of ₹1,533.72 million. Our adjustments for changes comprised primarily of loans and other financial assets and other assets of ₹352.54 million, and liabilities and provisions of ₹1,286.86 million.

Our net cash generated from operating activities was ₹3,447.18 million in fiscal 2016, primarily due to a net profit before taxes of ₹1,363.75 million for fiscal 2016, finance costs of ₹684.70 million and depreciation and amortization costs of ₹1,167.88 million. Our adjustments for changes comprised primarily of liabilities and provisions of ₹1,116.64 million and loans and other financial assets and other assets of ₹469.86 million.

Our net cash generated from operating activities was ₹2,027.83 million in fiscal 2015, primarily due to a net profit before taxes of ₹555.39 million in fiscal 2015, finance costs of ₹627.68 million and depreciation and amortization costs of ₹933.82 million. Our adjustments for changes comprised primarily of liabilities and provisions of ₹292.13 million and loans and other financial assets and other assets of ₹285.09 million.

We attribute the trend of increasing cash flows provided from operating activities primarily to the corresponding increases in our operating revenues and profitability.

Net cash used in investing activities

Our net cash used in investing activities was ₹3,096.21 million for the six months ended September 30, 2017, primarily attributable to our acquisition of property, plant and equipment and other intangible assets of ₹2,120.48 million and the movement of term deposits of ₹1,049.26 million.

Our net cash used in investing activities was ₹3,729.60 million in fiscal 2017, which was primarily attributable to our acquisition of property, plant and equipment and other intangible assets of ₹4,040.56 million, loans repaid by other parties of ₹378.61 million and interest received of ₹100.01 million.

Our net cash used in investing activities was ₹2,838.62 million in fiscal 2016, which was primarily attributable to our acquisition of property, plant and equipment and other intangible assets of ₹2,904.96 million, interest received of ₹35.55 million and proceeds received from the sale of property, plant and equipment of ₹35.94 million.

Our net cash used in investing activities was ₹1,727.48 million in fiscal 2015, which was primarily attributable to our acquisition of property, plant and equipment and other intangible assets of ₹1,363.10 million and the movement of term deposits of ₹45.21 million, partially offset by interest received of ₹62.58 million.

Net cash provided by / (used in) financing activities

Our net cash from financing activities was ₹332.11 million in the six months ended September 30, 2017, primarily attributed to proceeds from loans (net) of ₹511.35 million, partially offset by finance costs paid of ₹179.24 million.

Our net cash used in financing activities was ₹1,344.87 million in fiscal 2017, which was primarily attributed to our repayment of our secured loans (net) of ₹931.52 million and associated finance costs paid, such as interest costs and other bank charges, of ₹443.02 million.

Our net cash used in financing activities was ₹932.54 million in fiscal 2016, which was primarily attributed to our redemption of preference shares and debentures of ₹778.33 million and ₹2,144.59 million, respectively, and finance costs paid of ₹530.09 million, partially offset by proceeds from loans (net) of ₹2,536.06 million.

Our net cash used in financing activities was ₹206.41 million in fiscal 2015, which was primarily attributed to our repayment of loans (net) of ₹272.65 million and finance costs paid of ₹321.92 million, partially offset by proceeds from the issuance of debentures of ₹400.00 million.

Capital Expenditure

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for investments in property, plant and equipment for our network infrastructure and other intangible assets. In fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our additions to property, plant and equipment and other intangible assets, including movement in capital work in progress, was ₹1,985.71 million, ₹3,075.16 million, ₹3,854.98 million and ₹2,161.85 million, respectively. The increase in our capital expenditure in fiscal 2016 was primarily related to plant and machinery, comprising of network switches, fiber cables and network materials of expanding our operations, indefeasible rights of connectivity, and the addition of assets to our data center, and the increase in our capital expenditure in fiscal 2017 was primarily related to plant and machinery, comprising network switches, fiber cables, network materials for expanding our operations and the construction of our underground fiber network, indefeasible rights of connectivity, set-top boxes and additional assets to our data center.

Indebtedness

As at September 30, 2017, we had an aggregate outstanding borrowings of ₹3,405.86 million in long-term borrowings, which consisted of secured loans from banks and finance lease obligations, and our current maturities of long-term borrowings was ₹877.10 million. Certain of our financing agreements also include conditions and covenants that require us to obtain consents from third-party lenders prior to carrying out certain activities and entering into certain transactions. For further details, see "*Financial Indebtedness*" on page 413.

Contractual Obligations

The table below sets forth our contractual obligations with definitive payment terms as at September 30, 2017.

	As at September 30, 2017			
	Total	**Less than 1 year**	**1 to 3 years**	**More than 3 years**
	₹ in millions			
Secured bank loan	3,397.52	868.76	1,994.39	534.37
Finance lease	8.34	8.34	-	-
Trade payables	327.16	327.16	-	-
Other financial liabilities	2,242.80	2,242.80	-	-
Total	**5,975.82**	**3,447.06**	**1,994.39**	**534.37**

Our other financial liabilities comprise of deposits, book overdrafts, accrued salaries and benefits, creditors for capital goods to related parties and others, interest accrued but not yet due, and other payables.

Provisions, contingent liabilities and commitments

Provisions

Provisions are accounted for in respect of present obligations arising out of past events where it is probable that an outflow of resources will be required to settle the obligation and the amounts of which can be reliably estimated. Provisions are determined on the basis of best estimate of the outflow of economic benefits required to settle the obligation as at the date of the relevant balance sheet. Where no reliable estimate can be made, a disclosure is made as contingent liability.

Contingent liabilities and commitments

The table below sets forth our contingent liabilities and commitments were as at September 30, 2017.

	As at September 30, 2017 ***₹ in millions***
Contingent liabilities	
Expected claims	10.00
Direct and indirect tax litigation	137.20
Provident fund assessment orders	20.87
Commitments	

	As at September 30, 2017 *₹ in millions*
Estimated amount of contracts remaining to be executed on capital contracts and not provided for	1,054.03

Our Company has provided irrevocable and unconditional guarantees for the repayment of term loans aggregating to ₹200 million availed by A.C.N. Cable Private Limited from each of HDFC Bank Limited and Tata Capital Financial Services Limited. Our Company has also provided an irrevocable and unconditional guarantee for the repayment of a term loan aggregating to ₹300 million availed by ACT Digital Home Entertainment Private Limited from HDFC Bank Limited.

Our contingent liabilities may become actual liabilities. In the event that any of our contingent liabilities become non-contingent, actual liabilities, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future.

Off-Balance Sheet Transactions

We do not have any off-balance sheet arrangements.

Market Risks

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds. As at September 30, 2017, our outstanding borrowings aggregated ₹3,405.86 million in secured loans, which are on a floating interest rate basis.

Our floating rate loans are linked to LIBOR. Any increase in LIBOR could increase our interest expenses on these loans.

Exchange Rate Risk

Our exchange rate risk arises primarily from our purchases from overseas suppliers which are denominated in foreign currencies, including the United States Dollar.

Inflation

According to the Organization for Economic Cooperation and Development, or OECD, India experienced higher levels of inflation than most of the member states of the OECD from 2012 through to 2015. According to the OECD, India's inflation rate as at November 2017 was 3.97%. A sharp rise in inflation rates may adversely affect growth in the Indian economy and our results of operations.

Credit Risk

We are exposed to the risk of financial loss if our customers fail to meet their contractual obligations to us. Our exposure to credit risk arises primarily from our receivables from our customers. If our customers do not pay us promptly or at all, our working capital cycle may be affected and we may have to make provisions for or write-off such amounts.

Seasonality

Our business is not subject to seasonal variations.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent."

Known Trends or Uncertainties

Except as disclosed in this Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on the revenues or income of our Company from continuing operations.

Future Relationships Between Costs and Income

Except as disclosed in this Draft Red Herring Prospectus, to our knowledge there are no known factors which will have a material adverse impact on the operations or finances of our Company.

New Product or Business Segments

Other than as described in this Draft Red Herring Prospectus, there are no new products or business segments in which we operate.

Competitive Conditions

We expect competitive conditions in our industry to intensify further as new entrants emerge and as existing competitors seek to grow their operations and offer products or services similar to us. For further details, please see the sections entitled "*Risk Factors*" and "*Our Business*."

Certain Observations Noted by Statutory Auditors

In connection with the audits of our financial statements, our Statutory Auditor has noted the following matters of emphasis and adverse remarks with respect to matters specified in the Companies (Auditors Report) Order, 2003, as amended, Companies (Auditors Report) Order, 2015 and Companies (Auditors Report) Order, 2016, in the annexures to their audit reports to our Company's financial statements:

Fiscal 2013 – Matters of Emphasis.

"We draw attention to note 2.35 to the financial statements regarding the company not obtaining the prior approval of the Central Government in respect of certain transactions for the rendering of service to the parties covered under section 297 of the Companies Act, 1956 for the period up to 31 March 2013. The company has made an application to the appropriate authorities for obtaining required approvals and for condonation of delay in obtaining the said approvals. As at the date of this report, the application is pending approval from the authorities. Management believes that it will be able to obtain the said approvals from the appropriate authorities and that there will be no material impact on the financial statements as at and for the year ended 31 March 2013 on account of not obtaining the prior approval of the central government for the said transactions.

Our opinion is not qualified in respect of this matter."

Management's response:

The Company has since received the approval order from the Central Government.

Fiscal 2013 – Adverse Remarks.

v. (a) In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act, have been entered in the register required to be maintained under that section. *In relation to the matter further set out in note 2.35 to the financial statements, the company had not obtained the prior approval of the Central Government for the services rendered to one company aggregating Rs. 1,000 lakhs up to March 31,2013. These services are covered under section 297 of the Act and the company was required to obtain prior approval of the central government. The company as on the date of this report, has filed the relevant applications, along with the required application for condonation, for obtaining the necessary approvals from the Central Government.*"

Directors Response in the Directors *Report:*

The Company receives Cable Television Signals from Kable First India Private Limited, one of its subsidiaries which is engaged in MSO business. The Company pays Rs. 25 Lakhs a month as link charges. The transaction falls within the purview of section 297 of the Companies Act which requiring prior approval of Central Government. The Company inadvertently omitted to obtain the required prior approval of the Central Government. The Company since applied to the Ministry of Corporate affairs, Government of India for Compounding of offence and approval of the Contract. The management is of the view that, as these transactions have been executed at arm's length, these defaults will not have material impact on the loss for the year or reserves and surplus of the Company.

Fiscal 2013 – Adverse Remarks.

"x. The Company has accumulated losses amounting to Rs. 6,489 lakhs at the end of the financial year which is more than fifty percent of its net worth. The Company has incurred cash losses in the current and immediately preceding financial year."

Directors Response in the Directors *Report:*

The Company has received share application money during the year and also during the earlier year. Once the allotment is completed, the net worth of the company will improve.

Fiscal 2013 – Adverse Remarks.

"xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis amounting to Rs. 16,900.34 lakhs have been used for long-term investments.

Directors' response in the directors' report:

The share application money received by the Company has been classified under current liabilities. Once the allotment is completed, the same will be long term fund.

Fiscal 2014 – Adverse Remarks.

"*x. The company has accumulated losses amounting to Rs. 11,344 lakhs at the end of the financial year which is more than fifty percent of its net worth. The company has incurred cash losses in the current and immediately preceding financial year."*

Directors' response in the directors' report:

The Company has received share application money during the year. Once the allotment is completed, the net worth of the Company will improve.

Fiscal 2014 – Adverse Remarks.

"*xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short-term basis amounting to Rs. 19,525.51 lakhs have been used for long-term investments.*"

Directors' response in the directors' report:

The share application money received by the Company has been classified under current liabilities. Once the allotment is completed, the same will be long term fund.

Fiscal 2015 – Matters of Emphasis.

"We draw attention to note 2.38 of the financial statements, where it is reported that the company, as at the balance sheet date, has share application money aggregating Rs. 20,700 lakhs which has been outstanding for more than one year. The Companies (Acceptance of Deposits) Amendment Rules, 2015, states that the company should either allot equity shares against the share application money or return such amounts prior to 1 June 2015.

In this regard, the company has been unable to allot shares till date as there is an application (filed December 20, 2013) currently pending with the Foreign Investment Promotion Board, India('FIPB') for additional investment proposed to be made by India Value Fund IV in the company. The company has been legally advised that it cannot change its share capital structure pending approval/disposal of the FIPB application. We are informed that equity shares will be allotted once the necessary approvals are obtained from FIBP or FIPB application is disposed. The company believes that there will be no financial or other implication in this regard.

Our opinion on the financial statements is not qualified in respect of this matter."

Management's response:

The Company has allotted the equity shares post its receipt of approval from the FIPB.

Fiscal 2015 – Adverse Remarks.

"vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including employees state insurance, service tax, wealth tax, custom duty, cess and other material statutory dues have generally been regularly deposited during the year by the company with the appropriate, though there has been slight delay in few cases. *With respect to provident fund, sales tax/ value added tax and income-tax, the undisputed dues deducted/accrued in the books have not been regularly deposited with the appropriate authorities and there have been considerable delays in a few cases.* As explained to us, the Company did not have any dues on account of excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income-tax, wealth tax, service tax, sales tax/value added tax, custom duty and other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable."

Directors' response in the directors' report:

The change in Provident Fund regulations and consequent remittance based on revised calculations was delayed.

Fiscal 2015 – Adverse Remarks.

"viii. The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year. *However, the company had incurred cash losses in the immediately preceding financial year."*

Directors' response in the directors' report:

The merger approval of Beam with ACT was received post finalization of accounts for year ended 31st March 2014. On the post-merger basis, there is no cash loss for the year ended March 31, 2014.

Fiscal 2015 – Adverse Remarks.

"vii. According to the information and explanations given to us and on the basis of of our examination of records of the company, amount deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, sales tax, service tax, customs duty, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. With respect to income-tax, the undisputed dues deducted/ accrued in the books have not been regularly deposited with the appropriate authorities and there have been significant delays in few cases. As explained to us the company did not have any dues on account of excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable,"

Board's response in the board report:

The Company did not deposit advance tax instalments in a quarterly basis due to its brought forward losses.

Fiscal 2017 – Adverse Remarks.

"The company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. However, we are unable to obtain sufficient and appropriate audit evidence to report on whether the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management- Refer Note 51 to the standalone financial statements."

Management's response:

The disclosure provided by the Company in the financials is accurate and as per the books of accounts.

Fiscal 2017 – Adverse Remarks.

"vii. According to the information and explanations given to us and on the basis of our examination of records of the company, amount deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, sales tax, service tax, customs duty, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. With respect to income-tax, the undisputed dues deducted/ accrued in the books have not been regularly deposited with the appropriate authorities and there have been significant delays in few cases. As explained to us the company did not have any dues on account of excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable."

Management's response:

This has since been regularized.

Fiscal 2013 – Matters of Emphasis.

"We draw attention to note 40 (c) to the consolidated financial statements regarding the Company not obtaining the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to March 31, 2013. The company has made an application to the appropriate authorities for obtaining required approvals and for condonation of delay in obtaining the said approvals. As at the date of this report, the application is pending approval from the authorities. Management believes that it will be able to obtain the said approvals from the appropriate authorities and that there will be no material impact on the consolidated financial statements as at and for the year ended 31 March 2013 on account of not obtaining the prior approval of the central government for the said transactions.

Our opinion is not qualified in respect of this matter."

Management's response:

The Company has since received the approval order from the Central Government.

Fiscal 2015 – Adverse Remarks.

"viii. The Holding Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year. However, the Holding Company had incurred cash losses in the immediately preceding financial year.

One of the associate companies and one subsidiary company has accumulated losses at the end of the financial year which is more than fifty percent of their respective net worth and has incurred cash losses in the current and in the immediately preceding financial year.

One of the subsidiary companies has not incurred cash losses in the current year, but, had incurred cash losses in the immediately preceding financial year.

Three step down companies and two associate companies have not completed five years from the date of their respective incorporation and accordingly this paragraph of the order is not applicable.

One of the step down subsidiary companies and one associate company do not have any accumulated losses at the end of the financial year and in the immediately preceding financial year.

On a consolidated basis, the Holding Company, subsidiary companies, step down subsidiary companies and associate companies do not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year. However the Holding Company, subsidiary companies and step down subsidiary companies have incurred cash losses in the immediately preceding financial year."

Management's response:

The holding company does not have any cash or accumulated losses.

Restated Standalone Financial Statements – Matters of Emphasis.

- Our Company had not obtained the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to 31 March 2013. The Company had made an application to the appropriate authorities for obtaining required approvals and for condonation of delay in obtaining the said approvals. As at the date of audit report for financial year ended 31 March 2013, the application was pending approval from the authorities. The approval was received subsequently.

Management's response:

The Company has since received the approval order from the Central Government.

- Our Company, as at 31 March 2015, had share application money aggregating Rs. 2,070 million which was outstanding for more than one year. The Companies (Acceptance of Deposits) Amendment Rules, 2015, stated that the Company should either allot equity shares against the share application money or return such amounts prior to 1 June 2015.

  In this regard, the Company was unable to allot shares till 29 June 2015 as there was an application (filed on 20 December 2013) pending with the Foreign Investment Promotion Board, India ("**FIPB**") for additional investment proposed to be made in the Company. The Company was legally advised that it cannot change its share capital structure pending approval / disposal of the FIPB application and that equity shares were to be allotted upon disposal of the FIPB application. Accordingly the FIPB approval was subsequently received on 23 June 2015 and Company issued equity shares on 30 June 2015.

  Management's response:

  The Company had allotted the equity shares post receipt of approval from FIPB.

- Our Company has been amortizing "goodwill on merger" in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bangalore and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted "goodwill on merger" in accordance with Ind AS from the date of transition to Ind AS, and the surplus in the statement of profit and loss would have been higher by Rs. 173.73 million and Rs. 86.63 million for the financial year ended 31 March 2017 and for the six months period ended 30 September 2017, respectively.

  Management's response:

  The High Court order overrides the treatment of "goodwill" as prescribed by Ind AS 103, and hence treatment given by the Company is in order.

Restated Consolidated Financial Statements – Matters of Emphasis.

- Our Company had not obtained the prior approval of the Central Government in respect of certain transactions for the rendering of services to the parties covered under Section 297 of the Companies Act, 1956 for the period up to 31 March 2013. The Company had made an application to the appropriate authorities for obtaining required approvals and for condonation of delay in obtaining the said approvals. As at the date of audit report for financial year ended 31 March 2013, the application was pending approval from the authorities. The approval was received subsequently.

  Management's response:

  The Company has since received the approval order from the Central Government.

- Our Company has been amortizing "goodwill on merger" in accordance with the Scheme of Amalgamation approved by the Hon'ble High Court of judicature at Bangalore and Hon'ble High Court of judicature at Hyderabad. Had the scheme not prescribed this treatment, then the Company would have accounted "goodwill on merger" in accordance with Ind AS from the date of transition to Ind AS, and the surplus in the statement of profit and loss would have been higher by Rs. 173.73 million and Rs. 86.63 million for the financial year ended 31 March 2017 and for the six months period ended 30 September 2017, respectively.

  Management's response:

  The High Court order overrides the treatment of "goodwill" as prescribed by Ind AS 103, hence treatment given by the Company is in order.

Although these matters of emphasis and adverse remarks did not require any corrective adjustments in our financial statements, these matters of emphasis and adverse remarks were made in accordance with the requirements of the Companies (Auditors Report) Order, 2003, as amended. Such matters of emphasis and adverse remarks may be repeated in future years.

For further details, see "*Risk Factors—Our Statutory Auditor has noted certain matters of emphasis and adverse remarks in the annexures to their reports to our Company's financial statements.*"

Significant Developments after September 30, 2017 that may affect our Future Results of Operations

Except as disclosed in this Draft Red Herring Prospectus, to our knowledge, there is no subsequent development after the date of our Restated Financial Statements contained in this Draft Red Herring Prospectus, which materially and adversely affects, or is likely to affect, the operations or profitability of our Company, the value of our assets, or our ability to pay our material liabilities within the next twelve months.

FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries avail term loans and working capital facilities in the ordinary course of business. For the Offer, our Company has obtained the necessary consents required under the relevant loan documentations for undertaking activities, such as change in its capital structure, change in its shareholding pattern or change or amendment to the constitutional documents of our Company or change in our Board.

Pursuant to a special resolution of our Shareholders passed at the extraordinary general meeting held on March 10, 2018, our Board has been authorized to borrow monies, which, together with the monies already borrowed, exceeds the aggregate of the paid-up capital and free reserves apart from temporary loans borrowed in the ordinary course of business, from such person or persons on such terms and conditions as to the repayment, interest and otherwise as they may think fit and proper, provided that the total amount so borrowed shall not, at any time, exceed ₹7,500 million.

As on the date of filing of this Draft Red Herring Prospectus, the overall borrowings of our Company do not exceed the overall limit as specified under Section 180(1)(c) of the Companies Act, 2013.

Set forth below is a brief summary of our aggregate borrowings as of December 31, 2017, as certified by Manian and Rao, Chartered Accountants on March 24, 2018:

(₹ in million)

Category of borrowing	Total Sanctioned (Fund and Non-fund based)	Fund Based Outstanding as on December 31, 2017	Non-Fund Based Outstanding as on December 31, 2017
Our Company[(1)]			
Term loan	5,430.80	3,952.76	-
*Forward cover/derivative limit**	*1,180.80*	-	-
Letter of credit	100.00		15.34^
Bank Guarantees**	-	-	10.45
ACT Digital Home Entertainment Private Limited			
Term Loan[(2)]	300	225.00	
Total	**5,830.80**	**4,177.76**	**25.79**

**as sub-limit to the term loan facility from the respective lenders*
^ outstanding letter of credits issued is to the tune of USD 240,000 (₹15.34 Million at the exchange rate of INR 1 = 63.93)
*** Bank guarantees does not have a sanctioned limit*
Notes:
(1) The Company has provided irrevocable and unconditional corporate guarantee for due repayment of the term loans aggregating to ₹200 million each availed by A.C.N. Cable Private Limited from HDFC Bank Limited and Tata Capital Financial Services Limited, respectively
(2) The Company has provided irrevocable and unconditional corporate guarantee for due repayment of the term loan aggregating to ₹300 million availed by ACT Digital Home Entertainment Private Limited from HDFC Bank Limited

Principal terms of the borrowings availed by us:

3. ***Interest:*** In terms of the loans availed by us, the interest rate is either the base rate of a specified lender and spread per annum, subject to a minimum interest rate or at rates which are mutually decided between the lender and us at the time of disbursement. The spread varies among different loans.

4. ***Tenor and repayment:*** The tenor and repayment of the facilities availed by us typically ranges from three years to five years in the manner agreed by the lenders.

5. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:

   a) create a first *pari passu* charge on all tangible moveable assets, machinery, tools and accessories, furniture, office equipment, spares, computer software, fixtures, furniture, vehicles and all other moveable assets (both present and future);

   b) create a first *pari passu* charge on stock, book of debts and moveable fixed assets, both present and future;

   c) create first *pari passu* charge on all receivables, current assets, operating cash flows, commissions, revenue of whatsoever nature, both present and future;

   d) create first *pari passu* charge on all intangible assets including but not limited to goodwill, rights, undertaking and uncalled capital, present and future;

   e) provide corporate guarantee in favour of the lenders in relation to the term loans availed by our Subsidiaries;

f) provide a counter indemnity;

g) provide a demand promissory note and letter of continuity; and

h) execute an undertaking cum indemnity and other miscellaneous security documents in the form approved by the lender.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

6. ***Events of Default:*** Borrowing arrangements entered into by us contain standard events of default, including:

a) default in payment of principal amount/interest as and when the same becomes due and payable;

b) default in performance or observance of any covenant, condition, representation, warranty or provision;

c) occurrence of any event or condition, which in the lender's opinion constitutes or could constitute a material adverse effect on our business condition or our ability to perform the obligations under the borrowing arrangements;

d) entering into any arrangement or composition with its creditors or committing any act of insolvency, or any act the consequence of which may lead to the insolvency or winding up of our Company or our Subsidiaries;

e) any representation, undertakings or warranties made is found to be false at any time or misleading as of the date on which the same was made or deemed to be made;

f) ceasing or threatening to cease to carry on business or giving or threatening to give notice of intention to do so;

g) if an event of default has occurred under any other agreement entered into by our Company or our Subsidiaries with any other person or entity;

h) non-creation of the required security as required under the loan agreement entered into between our Company or our Subsidiaries and the lender within the stipulated time; and

i) any substantial change in our constitution or management without the previous written consent of the lenders.

This is an indicative list and there may be additional terms and conditions that may amount to an event of default under various borrowing arrangements entered into by us. Our Company and our Subsidiaries are required to ensure that the aforementioned events of default and other events of default, as specified under the various binding documents and agreements entered into by our Company or our Subsidiaries, as the case maybe, for the purpose of availing of loans, are not triggered.

7. ***Restrictive Covenants:*** We are required to intimate the banks or obtain their prior written consent, as the case may be, in the event we intend to undertake the following:

a) Material change in the business or the management of our business;

b) Reconstruction or reorganization of our business;

c) Any change in shareholding pattern that dilutes equity shareholding of our Promoters below 76% or amounts to change control;

d) Alteration in Memorandum of Association and Articles of Association;

e) Adverse change in our capital structure;

f) Sell, lease, transfer or otherwise dispose of, mortgage or otherwise charge any assets including secured property other than disposal of assets for an aggregate value of ₹100.00 million or such other amount as prescribed by the banks in any given year;

g) Create, assume or incur further financial indebtedness of a long term nature; or

h) Undertake guarantee obligations on behalf of any other company or person.

This is an indicative list and there may be additional restrictive convenants that require prior intimation/prior consent of the banks.

Prepayment penalty/ prepayment charges: Prepayment premium is payable to some of the lenders at the rate of 1.5% of the amount of the outstanding loan being prepaid by our Company, plus applicable taxes.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) material litigation, in each case, involving our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Companies, and (iv) any litigation involving Company, our Promoters, our Directors, our Subsidiaries or our Group Companies or any other person whose outcome could have a material adverse effect on the position of our Company.

For the purpose of material litigation in (iii) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation to be disclosed by our Company in the Draft Red Herring Prospectus:

*(a) Criminal, tax proceedings and actions by statutory authorities/ regulatory authorities: All criminal proceedings, tax proceedings and actions by statutory/ regulatory authorities involving our Company, our Subsidiaries/ Directors/ Promoters/ Group Companies, as the case may be ("**Relevant Parties**") shall be deemed to be material;*

(b) Pre-litigation notices: Notices received by the Relevant Parties, from third parties (excluding statutory/ regulatory/ tax authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum;

(c) De minimis monetary threshold for civil litigation: Civil litigation involving any of the Relevant Parties or having any bearing on the Company or any of our Subsidiaries before any judicial forum and having a monetary impact not exceeding 1.00% of the profit after tax of the Company as per the last consolidated restated and audited financial statements, (i.e. ₹14.92 million as of March 31, 2017) shall not be considered material. However, in the event of civil litigation wherein a monetary liability is not quantifiable, such litigation shall be considered as material only in the event that the outcome of such litigation has a bearing on the operations or performance of the Company or any of its subsidiaries.

As part of our on-going business operations we are involved in several proceedings with our consumers that are pending before various forums. However, none of these proceedings are above the materiality threshold adopted by our Company and have therefore not been disclosed in this Draft Red Herring Prospectus.

Further, except as stated in this section, there are no (i) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or our Subsidiaries, (ii) fines imposed or compounding of offences against our Company or our Subsidiaries, (iii) material frauds committed against our Company, in each case under (i) to (iii) in the preceding five years from the date of this Draft Red Herring Prospectus; (iv) proceedings initiated against our Company for economic offences, (v) defaults or non-payment of statutory dues; (vi) outstanding dues to material creditors and material small scale understandings; and (vii) pending proceedings initiated against our Company for economic offences.

Litigation involving our Company

Litigation against our Company

Criminal Litigation

1. D.J. Halli Police Station, State of Karnataka, registered a first information report on December 8, 2011 against our Company for offences punishable under Section 337 of Indian Penal Code in relation to the injury suffered by one of the employees of our contractor while providing cable connection to a house. Our Company had borne all medical expenses of the employee. However a case was registered against our Company on December 8, 2011 on the basis of the complaint filed by the head constable. The matter is currently pending.

Civil Litigation

1. Rohit Sethi and others and our Company had entered into an asset transfer and share purchase agreement, in relation to acquisition of the business of S.R. Cable, a registered partnership firm wherein Rohit Sethi was a partner. Due to certain disputes in relation to non-payment of the full consideration, violation of provisions of the asset transfer and purchase agreement, including, non-compliance with the non-compete clause, the matter was referred to a sole arbitrator. The defendants in the said arbitration made counter claim against the Company on account of loss and non-payment of the full consideration under the said agreements. The sole arbitrator through his order dated December 9, 2015 allowed the claims of our Company in part and directed Rohit Sethi to pay our Company and S.R. Cable a sum of ₹37.76 million with interest of 12% from July 18, 2011 till the date of the award and thereafter 18% from the date of the award till the date of payment. Rohit Sethi filed arbitration suit no. 49 of 2016 before the Court of City Civil Judge, Bengaluru for setting aside the award dated December 9, 2015. Rohit Sethi has also approached

the High Court of Karnataka to appoint a sole arbitrator to resolve the disputes between him, our Company and S.R. Cable on account of non-payment of the full consideration under the said agreements. The matter is currently pending.

2. S.M. Communications filed a plaint under rule 1 of order VII read with section 26 of the Civil Procedure Code, 1908 before the Court of the Additional City Civil and Sessions Judge, Bengaluru for a permanent injunction directing our Company, our agents or any other person action on our behalf from not entering the business territory of S.M. Communications, within Bengaluru and to not interfere with S.M. Communications in any manner, including but not limited to their business activities. The Court of the Prl. City Civil and Sessions Judge, Bengaluru through its interim order dated January 6, 2018 directed both parties to maintain *status quo* relating to the business activities of S.M. Communications until next hearing. The matter is currently pending.

Actions taken by statutory or regulatory authorities

1. Inspector, Department of Legal Metrology issued a notice December 4, 2013 to our Company since the set top boxes leased by us to our customers do not contain prescribed declarations in violation of Section 18(1) of the Legal Metrology Act. Our Company along with three employees of our Company including our Managing Director and our Chief Executive Officer, has filed a writ petition no. 7636-7639 of 2014 against the Union of India and Department of Legal Metrology before the High Court of Karnataka challenging the notice of the Department of Legal Metrology dated December 4, 2013. High Court of Karnataka through its order dated July 11, 2014, dismissed the writ petition. Thereafter, our Company filed writ appeal no. 1846-1849 of 2014 before the High Court of Karnataka (Civil Appellate Jurisdiction) challenging the notice of the Department of Legal Metrology dated December 4, 2013 and the order of the High Court of Karnataka dated July 11, 2014. Our Company also sought a stay on the order dated December 4, 2013 pending disposal of the writ petition. The High Court of Karnataka through its interim order dated August 25, 2016 stayed the notice from the Inspector, Department of Legal Metrology dated December 4, 2013 during the pendency of the appeal. The matter is currently pending before the High Court of Karnataka (civil Appellate Jurisdiction).

2. Doddathogur Gram Panchayat through its final notices dated May 11, 2016 and June 3, 2016 to our Company demanded the payment of fee of ₹5.48 million on the ground that the work carried out by our Company in relation to laying of optical fibre cables underground was carried out within its panchayat area. Our Company filed a writ petition no. 36894 of 2016 against Doddathogur Gram Panchayat and others before the High Court of Karnataka challenging the notice issued by Doddathogur Gram Panchayat. High Court of Karnataka through its interim order dated July 11, 2016 directed our Company to deposit 50% of the fee demanded by Doddathogur Gram Panchayat within four weeks, failing which the entire fee demanded may be recovered by Doddathogur Gram Panchayat. Our Company filed a writ appeal before the High Court of Karnataka challenging the interim order dated July 11, 2016 and the said interim order has been stayed by the High Court of Karnataka. The matter is currently pending before the High Court of Karnataka.

3. The Regional Provident Fund Commissioner, Hyderabad through its order dated September 5, 2013 demanded from Beam Telecom Private Limited, which subsequently merged with our Company, the payment of a sum of ₹20.87 million as provident fund contributions on allowances given to our employees. Beam Telecom Private Limited filed an appeal no. 767(1) of 2013 before the Employees Provident Fund Appellate Tribunal, New Delhi challenging the order passed by the Regional Provident Fund Commissioner, Hyderabad on September 5, 2013. Beam Telecom Private Limited, also sought for suspension of the operation of the order dated September 5, 2013 and to restrain the Regional Provident Fund Commissioner, Hyderabad from proceeding in any manner against Beam Telecom Private Limited. The matter is currently pending before the Employees Provident Fund Appellate Tribunal.

4. The Inspector of Legal Metrology, Flying Squad 1, Bengaluru inspected our warehouse and issued a seizure notice dated May 18, 2016 to our Company seizing the goods stored at our warehouse for non-compliance with provisions of the Legal Metrology Act, 2009 and Legal Metrology (Packing Commodities) Rules, 2011. Our Company filed an appeal dated July 14, 2016 before the Controller of Legal Metrology, Bengaluru for dropping the proceedings initiated by the Inspector of Legal Metrology, Flying Squad 1, Bengaluru through his seizure notice dated May 18, 2016 and for release of good seized by him. The matter is currently pending.

5. Our Company filed an objection petition before the Karnataka Electricity Regulatory Commission, Bengaluru against Bangalore Electricity Supply Company Limited in relation to refusal of our application for obtaining commercial power connection for one of our network element, namely, FX/Fiber Switch to be installed in gated communities and residential premises/apartments on the ground that such commercial power approval is provided only for cellular telecommunication services. The matter is currently pending.

6. Our Company filed a writ petition before the High Court of Karnataka against the Bruhat Bengaluru Mahanagara Palike ("**BBMP**"), assistant executive engineer of BBMP, Bangalore Electricity Supply Company Limited

("**BESCOM**") in relation to the confiscation of OFC cables of our Company by BBMP and contending the powers of BBMP to interfere in laying of the OFC cables on the electricity supply poles erected and installed by BESCOM under the duly executed agreement between BESCOM and our Company. The High Court of Karnataka through its interim order dated October 21, 2016 directed BBMP to release the confiscated OFC cables and restrained BBMP from interfering in any manner with our business and remove cables without the permission of the High Court of Karnataka.

Litigation by our Company

Criminal Litigation

1. Our Company filed a criminal complaint under Section 200 of the Code of Criminal Procedure, 1973 before the Additional Chief Metropolitan Magistrate Court, Bengaluru for an offence punishable under section 138 and 142 of the Negotiable Instruments Act against N Satish Kumar in relation to inability to encash a cheque of ₹0.78 million issued to our Company in accordance with a decree passed by the civil court. The Additional Chief Metropolitan Magistrate Court, Bengaluru through its order dated May 21, 2015 dismissed the complaint. Our Company filed an appeal before the High Court of Karnataka against the order of the Additional Chief Metropolitan Magistrate Court, Bengaluru. Our Company has also applied for an interim stay order. Our Company is currently in the process of withdrawing the appeal.

2. Our Company filed three criminal complaints under Section 200 of Code of Criminal Procedure, 1973 read with Section 138 and Section 142 of the Negotiable Instruments Act, 1881, before the Court of the 13th Additional Chief Metropolitan Magistrate, Bengaluru against LCN Groups in relation to three bounced cheques for a sum of ₹1.69 million given by LCN Groups while paying for the cable TV signals taken from our Company. The matter is currently pending.

3. Beam Telecom Private Limited, which subsequently merged into our Company, filed a criminal complaint under Section 190 and Section 200 of Cr.P.C. read with Sections 138, 141 and 142 of the Negotiable Instruments Act before the Court of the 17th Metropolitan Magistrate, Nampally against IBSN in relation to a bounced cheque for a sum of ₹1.80 million given by IBSN while paying for the internet broadband services taken from Beam Telecom Private Limited. The matter was transferred to the metropolitan magistrate, Erramanzil Court and is currently pending.

4. Our Company and Atria Broadband Services Private Limited filed a criminal complaint under Section 200 of the Code of Criminal Procedure, 1973 read with section 406 of the Indian Penal Code, 1860 against K. P. Bollikatti in relation to criminal breach of trust and theft of cables and destruction of junction boxes and the failure of Kodigehalli Police Station to register the complaint submitted by our Company. The matter is currently pending.

5. Our Company has filed a Criminal complaint against LCN Groups represented by its proprietor Manjunath under Section 420 of the Indian Penal Code, 1860 before the High Grounds Police Station in relation to the failure by LCN Groups in finishing the laying of Underground Cable Network even after receipt of consideration of ₹9.40 million from the Company. The police has filed "B" Report and our Company has filed protest memo challenging the said report before 8th Additional Chief Metropolitan Magistrate. The matter is currently pending.

6. Our Company filed a first information report dated May 22, 2009 before the High Grounds Police Station in relation to alleged misappropriation of funds aggregating to ₹5.85 million by A S Jyothi, B M Venkatesh, Balachanakeshva, K Vishalakshi and B R Venkaiah. The inspector of police submitted his charge sheet post investigation. The matter is currently pending.

Our Company, our Subsidiaries and our Group Companies in the ordinary course of our business have filed several complaints before the respective police stations with jurisdiction in relation to theft and damage of cables or equipments. Many of these matters are pending before various courts or police stations, as the case may be.

Material frauds committed against our Company

There have been no material frauds committed against our Company in the last five years.

Litigation involving our Subsidiaries

Litigation by SR Cable TV Private Limited ("S.R. Cable")

Civil Litigation

1. S.R. Cable, one of our Subsidiaries, filed a writ petition no. 13628 of 2011 before the High Court of Madhya Pradesh for a declaration that the Madhya Pradesh Vilasita, Manoranjan, Amod Evam Vigyapan Kar Adhiniyam, 2011 ("**MP Entertainment Tax Act**") is ultra vires Article 246(2) read with Entry 62, List II of Seventh Schedule of the Constitution of India. The High Court of Madhya Pradesh through its order dated February 14, 2012 dismissed the writ petition. Thereafter, S.R. Cable filed a special leave petition no. 15722 of 2012 before the Supreme Court of India against the State of Madhya Pradesh challenging the order passed by the High Court of Madhya Pradesh dated February 14, 2012. S.R. Cable has also requested for certain interim reliefs including grant of stay on the order dated February 14, 2012 and to direct the State of Madhya Pradesh not to take any steps for recovery of the entertainment tax and not to make any further demand in respect of payment of entertainment tax by S.R. Cable under the MP Entertainment ACT. The total amount involved in the matter is ₹48.26 million. The matter is currently pending before the Supreme Court of India.

Litigation by Kable First India Private Limited ("Kable First")

Criminal Litigation

1. Kable First, one of our Subsidiaries, filed a criminal complaint dated February 9, 2016 under Section 200 of the Code of Criminal Procedure, 1973. read with Section 138 of the Negotiable Instruments Act, 1881 before the Court of the 27th Additional Chief Metropolitan Magistrate, Bengaluru against Vaisak Reddy, proprietor of Shree Annapoorneshwari Cable Network in relation to the bounced cheque for a sum of ₹0.10 million given by Shree Annapoorneshwari Cable Network while paying for the cable TV signals taken from Kable First. The matter is currently pending.

2. Kable First, one of our Subsidiaries, filed a criminal complaint under Section 200 of Cr.P.C. read with Sections 138 and 142 of the Negotiable Instruments Act before the Court of the 27th Additional Chief Metropolitan Magistrate, Bengaluru against LCN Groups in relation to the bounced cheque for a sum of ₹0.05 million given by LCN Groups while paying for the cable TV signals taken from Kable First. The matter is currently pending.

Litigation by HCV Digital Entertainment Private Limited ("HCV Digital")

Criminal Litigation

1. HCV Digital, one of our Subsidiaries, filed a criminal complaint before II Additional Judicial First Class Magistrate, Eluru under Sections 190 and 200 of the Code of Criminal Procedure, 1973 read with Sections 138 and 142 of the Negotiable Instruments Act, 1881 against Good Shephered E.M. School in relation to the bounced cheque for a sum of ₹0.05 million given by Good Shephered E.M. School while paying for telecasting advertisement in ACT City and ACT Music channels. The matter is currently pending.

Actions taken by statutory or regulatory authorities

1. The Inspector, Legal Metrology, Eluru seized certain set top boxes at the warehouse of HCV Digital, one of our Subsidiaries, on December 23, 2015 for non-compliance with the Legal Metrology Act, 2009 and Legal Metrology (Packing Commodities) Rules, 2011. HCV Digital filed a writ petition before High Court of Telangana and Andhra Pradesh for writ of mandamus declaring the seizure conducted by the Inspector, Legal Metrology, Eluru as arbitrary, illegal, bad in law, unreasonable and unfair and for release of good seized by him. The matter is currently pending.

Litigation by ACT Digital Home Entertainment Private Limited ("ACT Digital")

Criminal Litigation

1. ACT Digital, one of our Subsidiaries, filed a criminal complaint under Section 200 of the Code of Criminal Procedure, 1973 read with Sections 138 and 142 of the Negotiable Instruments Act, 1881 before the Court of the Additional Chief Metropolitan Magistrate, Bengaluru against Blue Star Power Solution Private Limited and its managing director, Somashekhar R, in relation to the bounced cheque for a sum of ₹0.07 million given by Blue Star Power Solution while repaying the advance payment made by ACT Digital. Court of the Additional Chief Metropolitan Magistrate through its order dated May 25, 2017 directed Blue Star Power Solutions Private Limited to pay the amount indicated in the cheque. Blue Star Power Solutions Private Limited and its managing director filed

an appeal before the Additional City Civil and Sessions Judge at Bengaluru challenging the order of the Additional Chief Metropolitan Magistrate dated May 25, 2017. Additional City Civil and Sessions Judge through its order dated July 1, 2017 set aside the order of the Additional Chief Metropolitan Magistrate dated May 25, 2017. ACT Digital, thereafter filed a petition before Additional Chief Metropolitan Magistrate for condonation of delay in filing the complaint under section 142(b) of the Negotiable Instruments Act which was allowed by Additional Chief Metropolitan Magistrate through its order dated November 2, 2017. Blue Star Power Solution Private Limited filed a criminal revision petition against the order dated November 2, 2017 issued by the Additional Chief Metropolitan Magistrate. The matter is currently pending.

2. ACT Digital, one of our Subsidiaries, filed a criminal complaint under Sections 190(1)(a) and 200 of the Code of Criminal Procedure, 1973 before the 1st Additional Junior Civil Judge Cum Judicial First Class Magistrate, Bapatla against Maganti Sambasiva Rao, Bethalam Venkata Subbaraju, Jaldu Murali, Yekkaladevi Nagaraju, Vallabhareddy Dharmendra Reddy, Nanganam Srinivasa Rao,Yarlagadda Bhimaiah, Chejarla Satish, Mandpati Andrey and Billa Stalin (collectively, the "**Accused**") in relation to the theft of set top boxes of ACT Digital by the Accused. The matter is currently pending before 1st Additional Junior Civil Judge Cum Judicial First Class Magistrate, Bapatla.

3. ACT Digital, one of our Subsidiaries, filed a criminal complaint under Section 200 of the Code of Criminal Procedure, 1973 read with Section 138 of the Negotiable Instruments Act, 1881 before the Court of the Additional Chief Metropolitan Magistrate, Vishakapatnam against SRE Communications in relation to the bounced cheque for an amount of ₹0.30 million. The matter is currently pending.

4. ACT Digital, one of our Subsidiaries, lodged a report with Machavaram police station against Potluri Sai Babu and others in relation to unlawful cutting and damaging of cables and theft of equipments and wires. Thereafter, ACT Digital Home Entertainment Private Limited, filed a complaint before the 1st Additional Metropolitan Magistrate, Vijayawada for offences punishable under sections 379, 427 and 120(b) of Indian Penal Code, 1860 read with section 34 of Indian Penal Code, 1860 and sections 25, 25(a) and 32 of the Indian Telegraph Act, 1885. The matter is currently pending.

5. ACT Digital, one of our Subsidiaries, lodged a report with Penamaluru police station against C Ramesh, managing director of Blue Chips Systems, G Narasimha Rao, Ramarao Chiranjeevi and Nandepu Koteswara in relation to unlawful cutting and damaging of cables and theft of equipments and wires. Thereafter, ACT Digital Home Entertainment Private Limited, filed a complaint under sections 190 and 200 of Cr.P.C. before the 1st Metropolitan Magistrate, Vijayawada in relation to offences punishable under sections 379, 427 and 120(b) of Indian Penal Code, 1860 read with section 34 of Indian Penal Code, 1860 and sections 25, 25(a) and 32 of the Indian Telegraph Act, 1885. The matter is currently pending.

6. ACT Digital, one of our Subsidiaries, lodged a report with Bhavanipuram police station against C Ramesh, managing director of Blue Chips Systems, G Narasimha Rao and others in relation to unlawful cutting and damaging of cables and theft of equipments and wires. Thereafter, ACT Digital Home Entertainment Private Limited, filed a complaint under sections 190 and 200 of Cr.P.C. before the 1st Metropolitan Magistrate, Vijayawada in relation to offences punishable under sections 379, 427 and 120(b) of Indian Penal Code, 1860 read with section 34 of Indian Penal Code, 1860 and sections 25, 25(a) and 32 of the Indian Telegraph Act, 1885. The matter is currently pending.

Litigation against ACT Digital

Criminal Litigation

1. B. Nagamani, on behalf of Master Channel Community Network Private Limited filed a first information report on June 8, 2016 before the Machavaram Police Station, Vijayawada, against ACT Digital, one of our Subsidiaries alleging theft of their set top boxes by employees of ACT Digital. ACT Digital filed a criminal petition before the High Court of Telangana and Andhra Pradesh against the state of Andhra Pradesh and Master Channel Community Network Private Limited challenging the registration of the complaint by Machavaram police station. The High Court of Telangana and Andhra Pradesh directed the courts below it to dispose off the dispute between the parties in relation to the custody of the set top boxes. Master Channel Community Network Private Limited filed a petition the 1st Additional Chief Metropolitan Magistrate, Vijayawada for interim custody of set top boxes which was disposed off by an order dated December 2, 2016 and returned the set top boxes labelled with the Siti Cable logo to the interim custody of Master Channel Community Network Private Limited upon submission of personal bond and bank guarantee. Master Channel Community Network Private Limited thereafter filed a petition before XIII Additional District and Sessions Judge, Vijayawada for modification of the order dated December 2, 2016 wherein ACT Digital was made a formal party to the suit. XIII Additional District and Sessions Judge, Vijayawada through its order dated January 4, 2017 modified the amount to be submitted as personal bond and removed the requirement of submission of bank guarantee by Master Channel Community Network Private Limited for the release of the set top boxes. ACT

Digital filed a revision petition in Cr.L.P No 3498 of 2017 before the High Court of Telangana and Andhra Pradesh for quashing the order dated January 4, 2017 of XIII Additional District and Sessions Judge, Vijayawada. The matter is currently pending.

2. G. Narasimharao, on behalf of Blue Chip Systems filed a first information report dated June 8, 2016 before Suryarao Pet Police Station, against ACT Digital, one of our Subsidiaries, alleging theft of their set top boxes by employees of ACT Digital. The matter is currently pending before the Suryarao Pet Police Station.

3. G. Krishna Kishore, on behalf of Divya Network Private Limited filed a first information report dated June 8, 2016 before Patamata Police Station, Vijayawada against ACT Digital one of our Subsidiaries, alleging theft of their set top boxes by employees of ACT Digital. The matter is currently pending before the Patamata Police Station.

4. Zee Entertainment Private Limited represented by Sarfarraz Syed filed a complaint against ACT Digital and its employees including its director, Janakirama Raju alleging piracy of its channels at Vinukonda Police station at Vishakhapatnam. The matter is currently pending.

5. One of the employee of C Channel filed a complaint against the employees and the director of ACT Digital for theft of termination boxes, cables and equipments before Bhavanipuram Police station. The employees and others of ACT Digital Home Entertainment Private Limited filed a quash petition before High Court of Hyderabad, in CR.L.P 3221 of 2018 in which the High Court of Andhra Pradesh through its order dated March 15, 2018 stayed the arrest of the petitioners for period of six weeks. The matter is currently pending.

6. V Ratna Kumar, one of the employee of Blue Chip Systems, filed a complaint under section 427 of IPC along with section 3 of Prevention of damage to Public Property Act 1984 before the Vijayawada City II town police station against Gopi Krishna and others who are the employees of ACT Digital and also employees of other Multi System Operators for theft of termination boxes, cables and equipments.

Litigation involving our Group Companies

Litigation by A.C.N Cable Private Limited ("A.C.N. Cable")

Criminal Litigation

1. A.C.N. Cable, one of our Group Companies, filed a criminal complaint before the Court of 2nd Additional Judicial Magistrate of 1st Class, Nellore against V. Suresh Kumar and others under Section 190 and 200 Cr.PC for defamation of A.C.N Cable at a press conference held in Press Club Nellore dated March 7, 2016. The matter is currently pending before the Court of 2nd Additional Judicial Magistrate of 1st Class, Nellore.

2. A.C.N. Cable, one of our Group Companies, filed a complaint dated October 31, 2014 before Nellore police station against Polireddy Srinivas Reddy alleging cheating, breach of trust, misappropriation and diversion of payments due to A.C.N Cable from one of the customers to his account. Subsequently, Sub Inspector of Police, Nellore police station filed a charge sheet against Polireddy Srinivas Reddy before II Additional Judicial Magistrate of First Class, Nellore. The matter is currently pending.

3. A.C.N. Cable filed a section 138 of NIA act complaint against kalayana Masthu Shopping Mall and its representative Yeshwanth Reddy in relation to dishonor of cheque of ₹1.6 Million paid on account of advertisements displayed in our local channel in the city of Nellore before the II additional judicial first class magistrate Nellore.

Litigation against A.C.N. Cable

Criminal Litigation

1. S V Krishna Reddy filed a complaint before 2nd Additional Judicial First Class Magistrate, Nellore against the managing director of A.C.N. Cable Private Limited, one of our Group Companies and others under Section 190 and 200 Cr.PC for publication and telecasting of false news involving the complainant publication. The matter is currently pending.

Inquiries, inspections or investigations under the Companies Act

There are no inquiries, inspections or investigations under the Companies Act or any previous company law against our Company or Subsidiaries in the past five years.

Fines imposed or compounding of offences

Compounding

1. Our Company and our Managing Director had filed an application for compounding of offence under Section 621A of the Companies Act, 1956 in relation to failure of our Company to obtain prior approval of the central government for entering into a contract for availing of analog and digital cable link from December 1, 2009 to September 26, 2013 with Kable First India Private Limited, wherein the Directors of our Company were interested, in contravention of Section 297 of the Companies Act, 1956. The Company Law Board, Chennai bench, through its order dated April 4, 2014 compounded the offence and directed the Company and our Managing Director to pay ₹0.1 million and ₹0.05 million, respectively as compounding fees. Accordingly, our Company and our Managing Director paid the compounding fees on March 21, 2014.

2. Kable First, one of our Subsidiaries, and four of its directors filed an application for compounding of offence under Section 621A of the Companies Act, 1956 in relation to delay in issuing and delivering share certificates without the prior approval of the central government, in violation of Section 113(1) of the Companies Act, 1956. The Company Law Board, Chennai bench, through its order dated June 20, 2013 compounded the offence and directed Kable First India Private Limited and its four directors to pay ₹0.05 million and ₹0.04 million (by each director who had filed the application), respectively as compounding fees. Accordingly, Kable First and four of its directors paid the compounding fees on June 14, 2013.

3. Our Company and our Managing Director had filed an application for compounding of offence under Section 621A of the Companies Act, 1956 in relation to delay in issuing and delivering share certificates without the prior approval of the central government, in violation of Section 113(1) of the Companies Act, 1956. The Company Law Board, Chennai bench, through its order dated October 4, 2013 compounded the offence and directed the company and its Director to pay ₹0.05 million and ₹0.03 million respectively as compounding fees. Accordingly, Our Company and its director paid the compounding fees on September 9, 2013.

4. SVDHEPL and its six directors, filed an application for compounding of offence under Section 621A of the Companies Act, 1956 in relation to issue a share certificate with the delay of 232 days, in violation of Section 113(1) of the Companies Act, 1956. The Company yet to receive the Compounding order from the Company Law Board, Chennai bench.

5. In 2008, India Value Fund III A ("**IVF III A**"), a resident SEBI registered Venture Capital Fund, invested in approximately 65% of the Equity Shares of our Company through direct and indirect investments. Indium III (Mauritius) Limited, a SEBI registered FVCI wholly owned by non-residents, held approximately 90% of the units of IVF III A. Since the receipt of the investments from IVF III A in 2008, our Company made further downstream investments in the following Indian entities engaged in cable network, multi system operators and internet service provider activities: (i) ACN Cable Private Limited; (ii) ACT Digital Home Entertainment Private Limited; (iii) Kable First India Private Limited; (iv) Chitradurga Entertainment Private Limited; (v) Beam Telecom Private Limited; (vi) S.R. Cable TV Private Limited; (vii) Raja Rajeshwari Entertainment Private Limited; (viii) Sri Venkateswara Digital Home Entertainment (Private) Limited; (ix) I.B. Communications Network Private Limited; (x) Sree Digital Home Entertainment Private Limited; (xi) HCV Digital Entertainment Private Limited; and (xii) Mandapeta Digital Entertainment Private Limited. In terms of Regulation 14(6)(i) of notification no. FEMA 20/2000-RB read with A.P. (DIR Series) Circular no.01 dated July 4, 2013 our Company was required to obtain prior government approval for downstream investments post July 4, 2013 exceeding 49% and upto 74% of the equity share capital. Our Company was also required to notify the secretariat for industrial assistance, DIPP and FIPB for the downstream investments undertaken post July 4, 2013. Further, in relation to downstream investments during the period between February 13,2009 and July 4, 2013 within 90 days from the circular dated July 4, 2013. Our Company was required to intimate RBI of such investments. Beam Telecom Private Limited, a resident Indian company has amalgamated with our Company. Further, our Company had invested in two dormant companies, S.R. Cable TV Private Limited and Chitradurga Entertainment Private Limited, which required prior approval of Foreign Investment Promotion Board.

   Our Company filed a compounding application dated March 22, 2016 before RBI for compounding of contraventions of the FEMA and regulations issued thereunder in relation to (i) exceeding the sectoral cap on foreign investment as applicable to the sector while making indirect foreign investment without the prior approval of the government/ RBI; (ii) non-reporting of indirect foreign investment to RBI within the prescribed period; (iii) investment in dormant companies without Foreign Investment Promotion Board approval; and (iv) merger with resident company without prior Foreign Investment Promotion Board approval subsequent to downstream investment in the company in contravention of Regulation 14(6)(i) read with Annexure B to Schedule I, Regulation 14(6)(ii)(a), Regulation 14(6)(ii)(d) and Regulation 7(1)(a) of Foreign Exchange Management (Transfer of Issue of Security by a Person Outside India) Regulations, 2000, as amended from time to time read with A.P. (DIR Series) Circular No.01 dated July 4, 2013. RBI through its order dated June 23, 2016 compounded the aforementioned offences and directed our

Company to pay ₹7.34 million as compounding fees. Accordingly, our Company paid the compounding fees and the receipt of payment was confirmed by RBI through its certificate dated July 19, 2016.

6. IBCNPL filed a compounding application dated August 2, 2016 before RBI for compounding of contraventions of the FEMA and regulations issued thereunder in relation to issuance of partly paid shares by IBCNPL to our Company, having indirect foreign investment, without prior approval of Foreign Investment Promotion Board, government of India as applicable, in contravention of paragraph 3 of Schedule I to Foreign Exchange Management (Transfer of Issue of Security by a Person Outside India) Regulations, 2000, as amended from time to time. RBI through its order dated January 11, 2017 compounded the aforementioned offences and directed IBCNPL to pay ₹0.13 million as compounding fees. Accordingly, IBCNPL paid the compounding fees and the receipt of payment was confirmed by RBI through its certificate dated January 30, 2017.

7. S.R. Cable filed a compounding application dated August 2, 2016 before RBI for compounding of contraventions of the FEMA and regulations issued thereunder in relation to write off of share application money beyond the prescribed period of 180 days specified for allotment/ refund of shares without the prior approval of RBI in contravention of paragraph 8 of Schedule I to Foreign Exchange Management (Transfer of Issue of Security by a Person Outside India) Regulations, 2000, as amended from time to time. RBI through its order dated January 11, 2017 compounded the aforementioned offences and directed S.R. Cable to pay ₹1.03 million as compounding fees. Accordingly, S.R. Cable paid the compounding fees and the receipt of payment was confirmed by RBI through its certificate dated January 30, 2017.

8. SVDHEPL filed a compounding application dated July 29, 2016 for compounding of contraventions of the FEMA and regulations issued thereunder in relation to issuance of partly-paid shares by SVDHEPL to our Company, a resident investor having indirect foreign investment, without the prior approval of the Foreign Investment Promotion Board, Government of India as applicable, in contravention of paragraph 3 of Schedule I to Foreign Exchange Management (Transfer of Issue of Security by a Person Outside India) Regulations, 2000, as amended from time to time. RBI through its order dated January 18, 2017 compounded the aforementioned offences and directed SVDHEPL to pay ₹0.07 million as compounding fees. Accordingly, SVDHEPL paid the compounding fees and the receipt of payment was confirmed by RBI through its certificate dated February 1, 2017.

Except as disclosed above, there are no compounding applications which have been filed by our Company or our Subsidiaries in the last five years. Further, there are no fines that have been imposed on our Company or our Subsidiaries in the past.

Litigation involving our Directors

Litigation against Chinnaswamy Sunder Raju

Civil Litigation

1. A suit for partition no. O.S. No. 7904/2000 has been filed by A.S. Narayana Raju against A.S. Kuppa Raju and others (including our erstwhile promoter and current director, Chinnaswamy Sunder Raju and family) before the Court of the City Civil Judge, at Bangalore, seeking partition and separate possession of 1/3rd share in all joint family properties, businesses, ventures and movable and immovable properties as described in the plaint (which includes investments in our Company by Chinnaswamy Sunder Raju). Pursuant to an order dated March 6, 2017, the Additional City Civil and Sessions Judge, at Bangalore has decreed the suit in part and inter-alia granted the petitioners a right to 1/4th and 1/20th share in 'schedule A' and 'schedule B' properties (which includes investments in our Company by Chinnaswamy Sunder Raju and his family). The defendants were directed to render accounts for the profits of the suit schedule properties to enable the plaintiffs to ascertain their share. Our Company has received notice of the proceedings pursuant to a letter dated July 1, 2017 calling upon us to not disburse any amounts, profits, accruals, funds in any form or effect transfer of any securities or deal with the investments of the defendants. We have also been requested to produce certain documents including our charter documents, balance sheets since incorporation, details of contracts entered into, details of investment of the defendants etc. The defendants have thereafter filed an appeal no. RFA No. 1171 of 2017 on July 10, 2017 before the High Court of Karnataka against the order of the Additional City Civil and Sessions Judge, at Bangalore in O.S. No. 7904/2000 and also sought a stay on the judgement and order, pending disposal of the appeal. The petitioners have applied for a final decree on June 22, 2017. Pursuant to an order dated August 11, 2017, the High Court of Karnataka has stayed the final decree proceedings pending disposal of the appeal and also directed the appellants to not transfer or alienate the properties, save and except for running of regular business. The appeal is still pending.

Actions taken by statutory or regulatory authorities

1. Senior labour inspector filed a criminal case before the MMTC-III, Bangalore against Chinnaswamy Sunder Raju, our Director and one of our contractor in relation to violation of provisions of the Minimum Wages Act. The

Metropolitan Magistrate Traffic Court - III, Bangalore through its order dated October 28, 2017 took cognizance of the offence and issued summons to Chinnaswamy Sunder Raju. Chinnaswamy Sunder Raju filed a criminal petition before the High Court of Karnataka under section 482 of the Code of Criminal Procedure for quashing the complaint filed by the senior labour inspector and the order of Metropolitan Magistrate Traffic Court -III, Bangalore dated October 28, 2017. The High Court of Karnataka through its interim order dated March 8, 2018 stayed the criminal proceedings against Chinnaswamy Sunder Raju before the Metropolitan Magistrate Traffic Court – III until the next hearing before the High Court of Karnataka. The matter is currently pending.

2. Kiran, an employee of our contractor Chakra Electricals suffered from injuries due to electric shock while laying electrical distribution poles in Jaraganahalli. The senior labour inspector suo motto issued notice to Chinnaswamy Sunder Raju for non-payment of wages to Kiran for a period of 14 days of work he had done in violation of Section 3 of the Payment of Wages Act 1936. The matter is currently pending.

3. Senior labour inspector issued a notice dated August 29, 2017 to Chinnaswamy Sunder Raju in relation to employment of minors/children in occupations involving hazardous substances in violation of Section 3 of the Child Labour (Prohibition and Regulation) Act, 1986 and directed Chinnaswamy Sunder Raju to deposit a fine of ₹0.02 million.

4. Chinnaswamy Sunder Raju has filed original petition with Karnataka Electricity Regulatory Commission against Bangalore Electricity Supply Company Limited ("**BESCOM**") and Karnataka Power Transmission Corporation Limited ("**KPTCL**") against demand of ₹8.26 million raised by BESCOM in relation short wheeling of the energy into the grid due to injection of the lesser number of units into the grid than anticipated number of units. Chinnaswamy Sunder Raju has challenged the applicability of shot wheeling charges for non-exclusive consumers under the wheeling and banking agreement entered into between Chinnaswamy Sunder Raju, BESCOM and KPTCL. The matter is currently pending.

Litigation against Mahendra Kumar Sharma

Actions taken by statutory or regulatory authorities

1. In 1996, there were allegations of insider trading against Hindustan Lever Limited (presently known as Hindustan Unilever Limited) ("**HUL**") in relation to the purchase of 800,000 shares of Brook Bond Lipton India Limited ("**BBIL**") from Unit Trust of India through a transaction on a stock exchange a few weeks ahead of public announcement of proposed merger of BBIL with HUL. SEBI after an enquiry held HUL and its five directors, including our Director, Mahendra Kumar Sharma, as guilty of violation of insider trading regulations. Subsequently, the appellate authority reversed the SEBI order and exonerated HUL and its five directors, including our Director, Mahendra Kumar Sharma, of the charge of violation of insider trading regulations in 1997. Thereafter, SEBI filed a writ petition before the High Court of Bombay challenging the order of the appellate authority. The matter is currently pending.

Litigation or legal action against our Promoter taken by any Ministry, Department of Government or any statutory authority

Except as disclosed above, there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of our Company during the last five years immediately preceding the year of the issue of this Draft Red Herring Prospectus.

Tax proceedings

A summary of tax proceedings involving our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Companies are stated below:

Nature of case	Number of cases	Amount involved (in ₹ million)
Company		
Direct Tax		
(i) Income tax	8	193.24
Indirect Tax		
(i) Commercial tax	8	84.52
(ii) Service tax	4	72.99
Subsidiaries		
Direct Tax		
(i) Income tax	20	73.47
Indirect Tax		

Nature of case		Number of cases	Amount involved (in ₹ million)
(i)	Commercial tax	8	42.47
(ii)	Entertainment tax	5	7.02
Directors			
Direct Tax			
(i)	Income tax	2	218.04
Group Companies			
Direct Tax			
(i)	Income tax	4	7.39
Indirect Tax			
(i)	Commercial tax	5	46.06

Proceedings initiated against our Company for economic offences

There are no proceedings initiated against our Company for any economic offences.

Defaults in respect of dues payable

Our Company has no outstanding defaults in relation to statutory dues payable, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financials institution (including interest)

Material developments since March 31, 2017

Other than as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 383, in the opinion of the Board, there has not arisen, since the date of the last restated financial statements included in this Draft Red Herring Prospectus, any circumstance that materially and adversely affects or is likely to affect the trading or profitability of our Company taken as a whole or the value of its consolidated assets or its ability to pay its liabilities over the next 12 months.

Outstanding dues to Creditors

All creditors of the group to whom the amount due by the Company exceeds ₹16.36 million, i.e., 5% of the total trade payables of the Company as on September 30, 2017, on a consolidated basis based on the Restated Financial Statements, shall be considered material.

The material dues owed to small scale undertakings and other creditors as at September 30, 2017, is set out below:

Material Creditors	Number of cases	Amount involved (in ₹ million)
Micro and small enterprises	Nil	Nil
Other Creditors	2	49.96

The details pertaining to net outstanding dues towards our creditors are available on the website of our Company at https://www.actcorp.in/legal/investor-relations. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.actcorp.com, would be doing so at their own risk.

SEBI proceedings involving ICICI Bank Limited in which our Director Mahendra Kumar Sharma, is a director

1. SEBI has vide letter dated May 20, 2015, issued an administrative warning to ICICI Bank Limited, as a Depository Participant ("**DP**"), for the following observation post the inspection conducted for the period of April 2012 to June 2013 wherein it was noticed that in all account opening forms, the date of execution of Power of Attorney ("**POA**") was prior to the date of account opening/date of activation of account in the DP's system. ICICI Bank Limited has intimated SEBI that the necessary changes have been effected in the PoA in such a manner that the effective date of the PoA will the later of the date of account opening or the date of PoA execution.

2. Pursuant to an inspection conducted for the period of April 2010 to March 2012, SEBI has vide a letter dated February 18, 2013, issued an administrative warning to ICICI Bank Limited as a registered Depository Participant ("**DP**") to have an exclusive designated email ID for receiving complaints pertaining to its DP operations. The same (headdematservices@icicibank.com) has been created and status has been intimated to SEBI vide a letter dated August 28, 2013.

3. ICICI Bank Limited received a show cause notice from SEBI under the Securities and Exchange Board of India (Procedure for Holding Inquiry and imposing Penalties by Adjudicating Officer) Rules, 1995 for delay of 81 days in filing disclosures under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992, for change in shareholding exceeding 2% in a listed company, when prior shareholding exceeded 5%. This was in respect of ICICI Bank Limited's holding in Jord Engineers India Limited which was largely unlisted, and trading in the scrip was suspended, though the company was listed. ICICI Bank Limited filed consent terms and paid ₹ 0.1 million to SEBI pursuant to the consent order passed in May 2012. ICICI Bank Limited has put in place systems and controls to file necessary disclosures irrespective of the listing status of its securities.

4. SEBI had carried out certain inspections of ICICI Bank Limited's books and records with respect to its debenture trustee activity on August 04, 2014 and September 19, 2014. ICICI Bank Limited had submitted its comments on the SEBI search report. Subsequently, ICICI Bank Limited received a letter from SEBI dated October 19, 2015 highlighting certain discrepancies. SEBI had pointed out that there was a (i) delay in transfer of issues to other debenture trustees after the regulation 13A (b) of the Debenture Trustee Regulations came into effect from August 08, 2000; (ii) non issuance of press release and non-dissemination of the events of default on ICICI Bank Limited's website; (iii) failure to obtain quarterly reports from other issuer companies; (iv) non-dissemination of designated investor grievance email-id on DT's website and that (v) ICICI Bank Limited had not furnished correct data in the periodical report for the half year ending from March 2012 to SEBI. SEBI had advised ICICI Bank Limited to be careful in future and improve its compliance standards to avoid recurrence of such instances, failing which, action may be initiated in accordance with the SEBI Act and rules/regulations thereunder. ICICI Bank Limited took note of the same.

5. During SEBI inspection of debenture trustee operations of erstwhile ICICI Limited Limited, observations on certain shortcomings were made by SEBI in its inspection report dated July 24, 1998. Erstwhile ICICI Limited initiated suitable action based on the SEBI report and submitted a detailed reply to SEBI on August 6, 1998. Subsequently, ICICI Bank Limited received a notice dated February 12, 2007 from SEBI requesting it to provide certain details. ICICI Bank Limited furnished all the details required by SEBI on March 2, 2007. SEBI re-inspected the books and records of ICICI Bank Limited, maintained in its capacity as debenture trustee, during September, 2007 to October 2007. ICICI Bank Limited received the inspection report on September 10, 2008 and submitted a detailed reply on October 15, 2008. However vide letter dated June 22, 2010, SEBI observed that, certain observations made by SEBI in the inspection report dated September 10, 2008 were not rectified or partially rectified and had accordingly advised ICICI Bank Limited to take appropriate corrective steps to rectify the discrepancies. SEBI also advised ICICI Bank Limited to notify the board of directors of ICICI Bank Limited of the relevant communication regarding the inspection, further observations made by SEBI and corrective steps taken to rectify the discrepancies. ICICI Bank Limited, by a letter dated July 19, 2010, intimated SEBI of the corrective steps taken by ICICI Bank Limited to address the discrepancies and informed the audit committee and the board of directors of ICICI Bank Limited on July 30, 2010 and July 31, 2010, respectively.

6. SEBI had issued a notice to ICICI Bank Limited in connection with matters pertaining to erstwhile Bank of Madura's Bhadra, Ahmedabad branch, to show cause as to why the said branch should not be suspended from conducting merchant banking activities for a period of six months. SEBI stated that there were irregularities in the fiscal year 1996 in the operations of the account of North Star Gems Limited with the branch. A detailed reply was filed with SEBI in this regard. SEBI vide its order dated October 16, 2002 issued a warning to the branch with a further direction to that branch to act with due skill, care and diligence while acting as a banker to an issue. SEBI noted that ICICI Bank Limited had taken appropriate disciplinary action against the concerned employees. SEBI further noted that inspection by the Reserve Bank of India did not indicate mala-fide actions on the part of ICICI Bank Limited's officials. In view of the same, SEBI concluded that the aforesaid warning would suffice as sufficient action against the branch.

7. During SEBI inspection of books of accounts of Depository Participant ("**DP**") activities of ICICI Bank Limited, observations on certain shortcomings were made by SEBI, in its inspection report dated March 15, 2010. ICICI Bank Limited had submitted its reply/comments giving information about the steps taken to improve its system and procedures. SEBI vide a letter dated June 17, 2010 advised ICICI Bank Limited not to repeat the irregularities and ensure compliance with SEBI Depositories Act 1996, Rules and Regulations. SEBI also advised to place the findings of inspection, corrective steps taken by ICICI Bank Limited and the final communication by SEBI before ICICI Bank' board of directors. The same was reported and noted at the Audit Committee Meeting of ICICI Bank Limited held on July 30, 2010.

8. In May 2005, SEBI issued the advice letter based on the inspection conducted in 2003-04.

GOVERNMENT APPROVALS

Our Company and our Subsidiaries have received the necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/ or regulatory authorities, required for carrying out its present business and except as mentioned below, no further material approvals are required by our Company and our Subsidiaries for carrying out their respective existing businesses. The objects clause clause of the respective memoranda of association enables our Company and our Subsidiaries to undertake their present business activities.

A. Incorporation Details of our Company

1. Certificate of incorporation dated June 16, 2000 issued by the RoC to our Company, in its former name, being Atria Convergence Technologies Private Limited.

2. Fresh certificate of incorporation dated March 5, 2018 issued by the RoC to our Company consequent upon conversion into a public company and consequent upon change of our Company's name to Atria Convergence Technologies Limited.

3. Our Company was allotted a corporate identity number U72900KA2000PLC027290.

B. Approvals in relation to the foreign investments in our Company

We have received various approvals from the erstwhile Foreign Investment Promotion Board in the past in respect of foreign investments in our Company. Pursuant to letter dated February 25, 2016, the Government of India, Ministry of Finance, Department of Economic Affairs (FIPB Unit) has approved the transfer of shares from resident and non-resident shareholders to our existing non-resident shareholders, namely, Argan and TA. For further, details, see "*Capital Structure*" on page 76.

C. Approvals in relation to the Offer

For details of approvals/consents obtained from the Selling Shareholders, see "*Other Regulatory and Statutory Disclosures*" and "*The Offer*" on pages 429 and 66 respectively.

Our Company is in the process of applying to the Department of Telecommunication (i) for amending the existing approval for foreign direct investment received from the erstwhile Foreign Investment Promotion Board in order to undertake the Offer to non-resident investors and (ii) as required under the terms of our Internet Service Provider – Category A license for the Offer.

D. Approvals under tax laws

Our Company is required to register itself under various tax laws such as the IT Act and GST Act. Our Company is also required to pay state specific professional tax. Our Company has obtained the necessary licenses and approvals from the appropriate regulatory and governing authorities in relation to such tax laws.

E. Approvals in relation to the business operations of our Company and Subsidiaries

Indian Telegraph Act, 1885

Our Company is registered as an infrastructure provider – Category I under the Indian Telegraph Act, 1885. Our Company has also entered into a license agreement for internet services dated December 19, 2008 with the President of India, acting through the Director, Department of Telecommunications pursuant to which our Company has been granted the license for providing internet services in the 'all India' service area.

As part of our day-to-day business, in accordance with the Indian Telegraph Right of Way Rules, 2016, our Company applies for right of way permission from the appropriate authority such as the National Highway Authority of India, the municipal corporations and panchayats for the purpose of laying optic fibre cables (overhead or underground) within their respective jurisdiction. Further, our Company has entered into a memorandum of understanding with the Bruhath Bangalore Mahanagara Palike in respect of right of way permission for laying optical fiber network within the areas coming under its jurisdiction.

Cable Television Networks (Regulation) Act, 1995

We, through certain of our Subsidiaries, have been granted a permanent multi system operator registration by the Ministry of Information and Broadcasting for operating as multi system operators in the digital addressable sytem notified areas of Andhra Pradesh, Telangana, Mandepetta, Bengaluru and Eluru.

Further, our Subsidiaries are registered with the Head Post Office, Government of India as cable operators for running cable television networks.

Shops and establishments legislations

We are required to obtain a certificate of establishment issued by the labour departments of the respective state governments where the corporate office and branch offices of our Company and our Subsidiaries are located under the provisions of the relevant state specific legislations on shops and establishments. We have obtained the relevant shops and establishments registrations under the applicable provisions of the shops and establishments legislations of the relevant state for our corporate office and branch offices in India.

Employment related laws

We have obtained the relevant registrations under the Employees' State Insurance Act, 1948, the Payment of Gratuity Act, 1972 and the Contract Labour (Regulation and Abolition) Act, 1970. We have also been allotted a code under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Other approvals

Our Company is registered with the Department of Information Technology & Biotechnology, Government of Karnataka as an information technology company providing broadband internet services throughout the state of Karnataka.

I. Registrations under Employment Laws

Our Company has obtained the relevant registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

II. Approvals applied for but not received by our Company and Subsidiaries

Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no approvals which our Company or our Subsidiaries have applied for but have not received:

- Our Company proposes to increase our shareholding in A.C.N. Cable, one of our Associates and Group Companies, to 90.81% of its paid-up share capital. Accordingly, A.C.N. Cable has filed an application dated August 11, 2017, for increase in foreign direct investment from 49% to 90.81% before the Ministry of Information and Broadcasting, Government of India. The application is currently pending.

- Further, our Company and Beam Telecom Private Limited had informed the DoT through letters dated April 11, 2014, about the merger between our Company and Beam Telecom Private Limited, along with a copy of the scheme of amalgamation, which was duly filed before the High Court of Karnataka and the High Court of Judicature of Andhra Pradesh. Beam Telecom Private Limited, through its letter dated November 17, 2014, notified the DoT of its request to surrender its Class B - ISP license, since our Company was already holding a Class A – ISP license at the relevant time. Our Company, through its letters dated December 23, 2014, November 13, 2015 and December 13, 2016, had also requested the DoT to approve the surrender of the Class B – ISP license held by Beam Telecom Private Limited. The application is currently pending.

III. Approvals expired but not applied for by our Company and Subsidiaries

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no approvals that has expired but have not been renewed by our Company or our Subsidiaries:

- The postal registration obtained by ACT Digital in Visakhapatnam expired on February 10, 2018 and ACT Digital in in the process of making a renewal application before the Head of Post Office, Government of India.

IV. Approvals required but not obtained or applied for by our Company and Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no approvals which our Company or its Subsidiaries were required to obtain or apply for in relation to their respective businesses which have not been obtained.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to the resolution passed at their meeting held on March 16, 2018 and our Shareholders have approved the Offer pursuant to a resolution passed at the EGM held on March 17, 2018.

Our Company is in the process of applying to the Department of Telecommunication (i) for amending the existing approval for foreign direct investment received from the erstwhile Foreign Investment Promotion Board in order to undertake the Offer to non-resident investors and (ii) as required under the terms of our Internet Service Provider – Category A license for the Offer.

For details on the authorisations received from the Selling Shareholders in relation to the Offer, see "*The Offer*" on page 66.

The Equity Shares being offered by the Selling Shareholders in the Offer have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Offer. Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Each of the Selling Shareholders have severally and on their own account confirmed that they have not been prohibited from dealing in the securities market and the Equity Shares proposed to be offered and sold by each of them are free from any lien, encumbrance, transfer restrictions or third party rights (other than such rights as set out under the various shareholder agreements) further details of which are set out in "*History and Certain Corporate Matters*" on page 149. TA and Argan have also confirmed that each of them is the legal and beneficial owner of the Equity Shares being offered by them under the Offer for Sale.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company, the natural persons in control of the corporate Promoter and the Selling Shareholders have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoter, Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Other than Mahendra Kumar Sharma who is a director of ICICI Bank Limited which is registered with SEBI in various capacities including as a debenture trustee and custodian, none of our Directors or the entities that our Directors are associated with are engaged in securities market related business and are registered with SEBI. There has been no action taken by SEBI against any of our Directors or the entities that are Directors are associated with.

Further except as disclosed in "*Outstanding Litigation and Material Developments*" on page 416 in respect of ICICI Bank Limited, of which our Director, Mahendra Kumar Sharma is a director, there has been no action taken by SEBI against any of the entities in which our Directors are involved in as promoters or directors.

Prohibition with respect to wilful defaulters

Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters, Directors, Group Companies, nor the Selling Shareholders have been identified as a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as explained under the eligibility criteria calculated in accordance with the restated financial information prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations:

- Our Company has had net tangible assets of at least ₹30,000,000 in each of the preceding three full years (of 12 months each), of which not more than 50 % are held in monetary assets;

- Our Company has a minimum average pre-tax operating profit of ₹150,000,000 calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹10,000,000 in each of the three preceding full years (of 12 months each);
- The aggregate size of the proposed Offer and all previous issues made in the same financial year is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of the Company for the year ended March 31, 2017; and
- Our Company has changed its name from Atria Convergence Technologies Private Limited to Atria Convergence Technologies Limited on March 5, 2018.

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets derived from the restated consolidated financial information included in this Draft Red Herring Prospectus as at, and for the last five years ended Fiscal 2017, 2016, 2015, 2014 and 2013 are set forth below:

(*₹ in Million, unless otherwise stated*)

Particulars	Fiscal				
	2017	2016	2015	2014	2013
Net tangible assets*, as restated	6,646.75	6,130.79	3,196.96	1,681.03	914.20
Monetary assets**, as restated	926.60	585.16	959.44	807.77	585.95
Percentage of monetary assets, to net tangible assets	13.94%	9.54%	30.01%	48.05%	64.09%
Pre-tax operating profit/ (loss)***, as restated	3,059.17	1,918.98	946.12	111.19	(94.07)
Net worth****, as restated	4,835.92	3,178.38	363.69	(7.95)	(201.25)

Source: Restated Summary Statement of Assets and Liabilities and Restated Summary Statement of Profit and Loss of the Company as included in the Draft Red Herring Prospectus under "Financial Statements"
** Restated net tangible assets are defined as the sum of total assets excluding intangible assets as defined in Indian Accounting Standard 38 issued by the Institute of Chartered Accountants of India, deferred tax asset and intangible assets under development, deducted by total non-current liabilities and current liabilities excluding deferred tax liabilities, non-current borrowings (including current maturities), and current borrowings, each on a restated basis*
*** Monetary assets include cash and cash equivalents and other bank balances including non-current portion of fixed deposits with bank, margin money deposits with bank and interest accrued but not due thereon*
**** Restated pre-tax operating profit has been calculated as restated net profit before tax excluding other income and finance cost, each on a restated basis*
*****Restated net worth has been defined as the total equity, each on a restated basis*

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets derived from the restated standalone financial information included in this Draft Red Herring Prospectus as at, and for the last five years ended Fiscal 2017, 2016, 2015, 2014 and 2013 are set forth below:

Particulars	Fiscal				
	2017	2016	2015	2014	2013
Net tangible assets*, as restated	6,610.16	6,469.96	3,441.08	2,412.45	750.84
Monetary assets**, as restated	781.06	525.58	876.40	733.35	337.77
Percentage of monetary assets, to net tangible assets	11.82%	8.12%	25.47%	30.40%	44.99%
Pre-tax operating profit/ (loss)***, as restated	2,733.17	1,913.84	970.16	193.64	(611.56)
Net worth****, as restated	5,224.68	3,550.57	602.34	273.43	(300.42)

Source: Restated Summary Statement of Assets and Liabilities and Restated Summary Statement of Profit and Loss of the Company as included in the Draft Red Herring Prospectus under "Financial Statements"
** Restated net tangible assets are defined as the sum of total assets excluding intangible assets as defined in Indian Accounting Standard 38 issued by the Institute of Chartered Accountants of India, deferred tax asset and intangible assets under development, deducted by total non-current liabilities and current liabilities excluding deferred tax liabilities, non-current borrowings (including current maturities), and current borrowings, each on a restated basis*
*** Monetary assets include cash and cash equivalents and other bank balances including non-current portion of fixed deposits with bank, margin money deposits with bank and interest accrued but not due thereon*
**** Restated pre-tax operating profit has been calculated as restated net profit before tax excluding other income and finance cost, each on a restated basis*
*****Restated net worth has been defined as the total equity, each on a restated basis*

(i) Net tangible assets are defined as the sum of all assets excluding intangible assets (as defined in Ind AS 38 and Accounting Standard 26 issued by Institute of Chartered Accountants of India) and deferred tax assets deducted by total non-current and current liabilities excluding deferred tax liabilities, non-current borrowings (including current maturities) and current borrowings.

(ii) Monetary assets include cash and cash equivalents and other bank balances including non-current portion of fixed deposits with banks, margin money deposits with banks and interest accrued but not due thereon.

(iii) 'Pre-tax operating profit' has been calculated as net profit before exceptional items and tax excluding finance costs and other income.

(iv) Net worth has been defined as aggregate of equity share capital and other equity as on March 31, 2017, March 31, 2016 and March 31, 2015; and the aggregate of paid-up share capital and reserves and surplus as on March 31, 2014 and March 31, 2013.

Fiscals 2015, 2016 and 2017 are the three most profitable years out of the immediately preceding five financial years in terms of our restated consolidated summary statements.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND J.P. MORGAN INDIA PRIVATE LIMITED AND THE BOOK RUNNING LEAD MANAGER, HDFC BANK LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE GCBRLMS AND BRLM ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GCBRLMS AND BRLM HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 24, 2018 WHICH READS AS FOLLOWS:

WE, THE GCBRLMS AND BRLM TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID OFFER;

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:

(A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;

(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI (ICDR) REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THIS DRAFT RED HERRING PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS. -COMPLIED WITH AND NOTED FOR COMPLIANCE**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. COMPLIED WITH AND NOTED FOR COMPLIANCE**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.-COMPLIED WITH**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY, AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR**

REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

    (A) **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

    (B) **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. – COMPLIED WITH AND NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE GCBRLMS AND BRLM (WHO ARE RESPONSIBLE FOR PRICING THE OFFER), AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR.**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18/ IND AS 24, IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y(1)(a) OR (b) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM UNDER CHAPTER XC OF THESE REGULATIONS (IF APPLICABLE) – NOT APPLICABLE**

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with the Managers, any irregularities or lapses in this Draft Red Herring Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve the Selling Shareholders from any liability to the extent the statements made by them in respect of the Equity Shares being offered by them under the Offer for Sale, under Section 34 and Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26 and 30 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders and the Managers

Our Company, the Directors, the Selling Shareholders and the Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.actcorp.in or the respective websites of our Subsidiaries, Promoters, Promoter Group, Associate Companies or Group Companies, would be doing so at his or her own risk.

The Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/ hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, VCFs, AIFs, FVCIs, public financial institutions, scheduled commercial banks, state industrial development corporation, permitted national investment funds, Systemically Important NBFCs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to Eligible NRIs and FPIs and other eligible foreign investors including registered multilateral and bilateral development financial institutions. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to or purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus had been filed with the SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, our Subsidiaries, our Associate Companies, our Group Companies or the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs." For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of the Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of the Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(3) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer with respect to which it exercises sole investment discretion;

(4) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(5) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

(6) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

(7) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

(8) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;

(9) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(10) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(11) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of the Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of the Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(3) the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

(5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

(7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;

(8) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

    THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(9) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(10) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each EEA State that has implemented the Prospectus Directive (Directive 2003/71/EC) (each, a "Relevant Member State"), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors), subject to obtaining the prior consent of the Managers; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for the Company or any Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Draft Red Herring Prospectus will be deemed to have represented, warranted and agreed to with the Managers and the Company that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public in a Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than their offer or resale to qualified investors or in circumstances in which the prior consent of the Managers has been obtained to each such proposed offer or resale.

The Company, the Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai, India - 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies, ‘E’ Wing, 2nd Floor, Kendriya Sadan, Koramangala, Bengaluru 560 034, Karnataka, India.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholders will forthwith repay without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus as required by applicable law. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date. Further, the Selling Shareholders confirm that it shall extend all reasonable co-operation required by our Company, the Managers for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other timeline as prescribed by law.

The fees and expenses relating to the Offer shall be shared, upon successful completion of the Offer, in the proportion mutually agreed among the Company and the Selling Shareholders, in accordance with applicable law. However in the event that the Offer is withdrawn by the Company for any reason whatsoever, all the Offer related expenses will by borne by the Company.

Price information of past issues handled by the Managers

A. I-Sec

1. Price information of past issues handled by I-Sec

S. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Avenue Supermarts Limited	18,700.00	299.00	21-Mar-17	600.00	+145.08%, [-0.20%]	+166.35%, [+5.88%]	+264.38%, [+11.31%]
2	Housing and Urban Development Corporation Limited	12,095.70	60.00(1)	19-May-17	73.00	+13.17%, [+2.44%]	+34.67%, [+4.98%]	+35.67%, [+8.05%]
3	AU Small Finance Bank Limited	19,125.14	358.00	10-Jul-17	530.00	+58.76%, [+2.12%]	+65.20%, [+2.23%]	+95.38%,[+8.06%]
4	Security and Intelligence Services (India) Limited	7,795.80	815.00	10-Aug-17	879.80	-3.29%, [+1.17%]	+3.14%, [+5.40%]	+39.12%,[+8.62%]
5	Matrimony.Com Limited	4,974.79	985.00(2)	21-Sep-17	985.00	-12.28%, [+0.62%]	-7.64%,[+3.37%]	-16.55%,[-0.27%]
6	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	27-Sep-17	651.10	+3.62%, [+6.25%]	+18.97%,[+8.17%]	-
7	SBI Life Insurance Company Limited	83,887.29	700.00(3)	03-Oct-17	735.00	-7.56%, [+5.89%]	-0.07%,[+5.84%]	-
8	Newgen Software Technologies Limited	4,246.20	245.00	29-Jan-18	254.10	-0.20%, [-5.18%]	-	-
9	Galaxy Surfactants Limited	9,370.90	1,480.00	8-Feb-18	1,525.00	+1.14%, [-3.31%]	-	-
10	Aster DM Healthcare Limited	9,801.40	190	26-Feb-18	183.00	-	-	-

(1) Discount of ₹2 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of ₹60.00 per equity share.
(2) Discount of ₹98 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of ₹985.00 per equity share.
(3) Discount of ₹68 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹700.00 per equity share.

Notes:
1. *All data sourced from www.nseindia.com*
2. *Benchmark index considered is NIFTY*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day*

2. Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	9	208,306.61	-	-	4	1	-	3	**-**	**-**	**1**	**1**	**2**	**-**
2016-2017	12	160,855.45	-	-	3	4	4	1	-	1	1	7	2	1
2015-2016	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-

B. Citi

1. Price information of past issues handled by Citi

S. No.	Issue Name	Issue Size (₹) in million	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar	+/- % change in closing price, [+/- % change in closing benchmark]- 180th
1.	UFO Moviez India Ltd.	6,000.0	625.00	May 14, 2015	600.00	(-)11.68% [(-)2.93 %]	(-)3.18% [+2.90%]	(-)18.27% [(-)3.76%]
2.	Coffee Day Enterprise Limited	11,500.0	328.00	November 2, 2015	317.00	(-)21.42% [(-)1.19%]	(-)20.76% [(-)6.15%]	(-)20.98% [(-)2.50%]
3.	InterGlobe Aviation Limited	30,085.0	765.00	November 10, 2015	855.80	+32.39% [(-)2.20%]	+9.41% [(-)3.78%]	+40.59% [(-)0.64%]
4.	Dr. Lal Pathlabs Limited	6,319.1	550.00	December 23, 2015	720.00	+32.54% [(-)7.49%]	+66.95% [(-)2.06%]	+63.13% [+3.87%]
5.	Mahanagar Gas Ltd.	10,388.8	421.00	July 1, 2016	540.00	+20.86% [+3.72%]	+57.15% [+5.00%]	+83.71% [(-)3.55%]
6.	L&T Infotech Ltd	12,363.8	710.00	July 21, 2016	667.00	(-)6.39% [+1.84%]	(-)12.44% [+1.97%]	(-)4.21% [(-)1.14%]
7.	RBL Bank Limited	12,129.7	225.00	August 31, 2016	274.20	+27.07% [(-)2.22%]	+56.98% [(-)7.50%]	+103.07% [+1.74%]
8.	Endurance Technologies Limited	11,617.4	472.00	October 19, 2016	572.00	+16.06% [(-)6.69%]	+23.78% [(-)2.84%]	+76.32% [+5.68%]
9.	Laurus Labs Limited	13,305.1	428.00	December 19, 2016	489.90	+11.44% [+3.62%]	+23.97% [+13.03%]	+41.43% [+18.31%]

S. No.	Issue Name	Issue Size (₹) in million	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar	+/- % change in closing price, [+/- % change in closing benchmark]- 180th
10.	India Grid Trust	22,499.6	100.00	June 6, 2017	99.70	(-)7.66% [+0.00%]	(-)3.50% [+3.50%]	(-)5.15% [+5.03%]
11.	Tejas Networks Limited	7,766.9	257.00	June 27, 2017	257.00	+28.04% [+5.35%]	+23.27% [+4.76%]	+51.65% [10.32%]
12.	Eris Lifesciences Limited	17,404.9	603.00	June 29, 2017	611.00	+0.87% [+5.37%]	(-)5.69% [+3.87%]	+27.19% [10.40%]
13.	AU Small Finance Bank Limited	19,125.1	358.00	July 10, 2017	530.00	+58.76% [+2.12%]	+71.80% [+2.14%]	+95.38% [+8.06%]
14.	SBI Life Insurance Company Limited	83,887.3	700.00	October 3, 2017	735.00	(-)7.56% [+5.89%]	(-)0.66% [+6.81%]	NA
15.	General Insurance Corporation of India	112,568.3	912.00	October 25, 2017	850.00	(-)12.92% [+0.52%]	(-)13.95% [+6.52%]	NA

Source: www.nseindia.com

Notes:
1. Nifty 50 is considered as the benchmark index.
2. In case 30th/ 90th/180th day is not a trading day, closing price on the NSE of a trading day immediately prior to the 30th/ 90th/180th day, is considered. A day prior to that is considered if the immediately preceding day is not a trading day
3. Since the listing date of SBI Life Insurance Company Limited and General Insurance Corporation of India Limited was October 3, 2017 and October 25, 2017, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.

2. Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹) in million	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	6	263,252.1	-	-	3	1	1	1	-	-	1	2	1	-
2016-2017	5	59,804.8	-	-	1	-	1	3	-	-	1	3	1	-
2015-2016	4	53,904.1	-	-	2	-	2	-	-	-	2	1	1	-

Notes:
1. Since the listing date of SBI Life Insurance Company Limited and General Insurance Corporation of India was October 3, 2017 and October 25, 2017 respectively, information relating to closing prices and benchmark index as on 180th calendar day from listing date is not available.

C. J.P.Morgan

1. Price information of past issues handled by J.P. Morgan:

S. No.	Issue Name	Issue Size (₹) in million	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar	+/- % change in closing price, [+/- % change in closing benchmark]- 180th
1.	InterGlobe Aviation Limited[1]	30, 171.4	765.00	November 10, 2015	855.80	32.4%, [-3.8%]	7.8%, [-6.7%]	40.8%, [-0.6%]
2.	Alkem Laboratories Limited[2]	13,477.6	1,050.00	December 23, 2015	1,380.00	30.3%, [-6.5%]	28.6%,[-1.1%]	31.9%, [5.8%]
3.	Quick Heal Technologies Limited	4,512.5	321.00	February 18, 2016	305.00	-31.6%,[7.0%]	-20.0%, [11.0%]	-24.2%, [21.6%]
4.	PNB Housing Finance Limited[3]	30,000.0	775.00	November 7, 2016	860.00	11.7%,[-3.4%]	26.9%,[4.4%]	70.5%,[10.1%]

Source: www.nseindia.com
1. *Price for eligible employees was ₹688.50 per equity share*
2. *Discount of ₹100 per equity share to the offer price offered to eligible employees*
3. *Discount of ₹75per equity share to the offer price offered to eligible employees*

Notes:
1. *The S&P CNX NIFTY is considered as the Benchmark Index.*
2. *Price on NSE is considered for all of the above calculation*
3. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered*
4. *Closing price of 30th, 90th, 180th calendar day from listing day has been taken as listing day plus 29, 89 and 179 calendar days respectively*
5. *Pricing Performance for the company is calculated as per the final offer price*
6. *Pricing Performance for the benchmark index is calculated as per the close on the day prior to the listing date*
7. *Issue size as per the basis of allotment*

2. Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹) in million	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	1	30,000.0	-	-	-	-	-	1	-	-	-	1	-	-
2015-2016	3	48,161.5	-	1	-	-	2	-	-	-	1	-	2	-

Note: In the event that any day falls on a holiday, the price/ index of the next trading day has been considered.
The information for each of the financial years is based on issues listed during such financial year.

D. HDFC

3. Price information of past issues handled by HDFC:

S.No.	Issue name	Issue size (Rs. million)	Issue price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] – 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar day from listing
1.	H.G. Infra Engineering Limited	4,620	270	March 9, 2018	270.00	-	-	-
2.	HDFC Standard Life Insurance Company Limited	86,950.07	290	November 17, 2017	310.00	+30.16%[+1.02%]	+48.93% [+2.11%]	-
3.	AU Small Finance Bank Limited	19,125.14	358	July 10, 2017	525.00	+58.76%[+2.12%]	+65.20% [+2.23%]	+95.38% [+8.06%]
4.	Shankara Building Products Limited	3,450.01	460	April 5, 2017	555.05	+51.04% [+1.02%]	+80.91%[+3.78%]	+214.86% [+6.41%]
5.	Avenue Supermarts Limited	18,700.00	299	March 21, 2017	600.00	+145.08% [-0.20%]	+166.35%[+5.88%]	+264.38%[+11.31%]
6.	RBL Bank Limited	12,129.67	225	August 31, 2016	274.20	+27.07% [-2.22%]	+56.98% [-7.50%]	+107.91% [+1.26%]
7.	Precision Camshafts Limited	4,101.90	186	February 8, 2016	165.00	-14.57% [+1.33%]	-20.32% [+6.48%]	-20.11% [+17.54%]

Source: www.nseindia.com for price information and prospectus for issue details

1. *Opening price information as disclosed on the website of NSE*
2. *Change in closing price over the issue/offer price as disclosed on NSE*
3. *Change in closing price over the closing price as on the listing date for benchmark index i.e. NIFTY 50*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately after the trading holiday have been considered*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days*

4. Summary statement of disclosure

Financial Year	Total no. of IPOs	Total amount of funds raised (₹) in million	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017 - 2018*	4	114,145.22	-	-	-	2	1	-	-	-	-	2	-	-
2016 - 2017	2	30,829.67	-	-	-	1	1	-	-	-	-	2	-	-
2015 - 2016	1	4,101.90	-	-	1	-	-	-	-	-	1	-	-	-

**The information is as on the date of this Draft Red Herring Prospectus*

Track record of past issues handled by the Managers

For details regarding the track record of the Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Managers as set forth in the table below:

Sl. No	Name of the Manager	Website
1.	I-Sec	www.icicisecurities.com
2.	Citi	http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
3.	J.P. Morgan	www.jpmipl.com
4.	HDFC	www.hdfcbank.com

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Statutory Auditors, Indian Legal Counsel to our Company, Indian Legal Counsel to the GCBRLMs and BRLM, International Legal Counsel to the GCBRLMs and BRLM, Banker/ Lenders to our Company and our Subsidiaries, the BRLMs, the Syndicate Members, the Escrow Collection Banks and the Registrar to the Offer to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, our Statutory Auditors, B S R & Associates LLP, Chartered Accountants, have given their written consent for inclusion of their examination reports dated March 17, 2018 on the Restated Financial Statements of our Company and the statement of special tax benefits dated March 24, 2018 in the form and context, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus for filing with SEBI.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors namely, B S R & Associates LLP, Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the examination reports dated March 17, 2018 on the Restated Financial Statements of our Company and the statement of special tax benefits dated March 24, 2018 included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Further, our Company has received written consent from Media Partners Asia, to include its name as an expert under Section 2(38) read with Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and in relation to its report titled "India Broadband Market Overview – 2017" dated February 19, 2018 and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Offer Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see "*Objects of the Offer*" on page 98.

The fees and expenses relating to the Offer shall be shared, upon successful completion of the Offer, in the proportion mutually agreed among the Company and the Selling Shareholders in accordance with Applicable Law. However, in the event that the Offer is withdrawn by the Company for any reason whatsoever, all the Offer related expenses will be borne by the Company. The Selling Shareholders shall reimburse the Company for all expenses incurred by the Company in relation to the Offer for Sale on each of their behalf.

Fees Payable to the Registrar to the Offer

The fees payable by our Company and the Selling Shareholders to the Registrar to the Offer for processing of applications, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated March 23, 2018 entered into, between our Company, the Selling Shareholders and the Registrar to the Offer a copy of which is available for inspection at the Registered and Corporate Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment Advice by registered post/ speed post/ under certificate of posting.

The Selling Shareholders will reimburse our Company a part of the expenses incurred proportionately.

IPO grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Particulars regarding public or rights issues by our Company during the last five years

Except as disclosed in "*Capital Structure*" on page 76, our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in "*Capital Structure*" on page 76, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Previous capital issue during the previous three years by listed Group Companies, Subsidiaries and Associate Companies of our Company

None of our Group Companies, Subsidiaries and Associate Companies of our Company are listed as on the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of our Company and/ or listed Group Companies, Subsidiaries and Associate Companies of our Company

Our Company has not undertaken any previous public or rights issue. None of our Group Companies, Subsidiaries or Associate Companies of our Company have undertaken any public or rights issue in the last ten years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

There are no outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

Outstanding Preference Shares or convertible instruments issued by our Company

Except the options granted by our Company under ESOP 2016, there are no outstanding instruments as on the date of this Draft Red Herring Prospectus. For further details in relation to the options granted by our Company, see "*Capital Structure*" on page 76.

Partly Paid-up Equity Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the fee/engagement letter dated [●].

For details of the Offer expenses, see "*Objects of the Offer*" on page 98.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs see "*Objects of the Offer*" on page 98.

Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or such longer period as may be prescribed under applicable law to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors may contact the GCBRLMs and BRLM for any complaint pertaining to the Offer. All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary where the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. The investors other than Anchor Investors shall also submit the ASBA account number in which the amount equivalent to the Bid Amount shall be blocked.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concered Designated Intermediary in addition to the information mentioned hereinabove.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company, Managers and Registrar accept no responsibility for errors, omissions, commissions of any acts of the Designated Intermediaries, including any default in complying with its obligations under the SEBI ICDR Regulations.

Our Company has appointed a Stakeholders' Relationship Committee comprising Nishi Vasudeva, Dhiraj Poddar, Pramod Kabra, Pangulury Mohan Murty and Chinnaswamy Sunder Raju, as members. For details, see "*Our Management*" on page 163.

Our Company has also appointed Jithesh Chathambil, Company Secretary of our Company as the Compliance Officer for the Offer. For details, see "*General Information*" on page 68.

There are no listed companies under the same management as our Company.

Changes in Auditors

There has been no change in the statutory auditors in the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in "*Capital Structure*" on page 76.

Revaluation of Assets

Our Company has not re-valued its assets at any time in the last five years.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Offer for Sale

The Offer comprises an Offer for Sale by the Selling Shareholders. All Offer related expenses shall be borne *pro-rata* as agreed amongst our Company and the Selling Shareholders in proportion to the respective Equity Shares offered by each of them in the Offer in accordance with applicable law. The Selling Shareholders shall reimburse our Company for all expenses incurred by the Company in relation to the Offer for Sale on each of their behalf. However, in the event that the Offer is withdrawn by the Company for any reason whatsoever, all the Offer related expenses will be borne by our Company.

Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of voting and the right to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of Articles of Association*" on page 498.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines that may be issued in this respect by the Government of India. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 185 and 498, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹10 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Offer, the Retail Discount and the Employee Discount, if any, will be decided by our Company and Promoter Selling Shareholders, in consultation with the Managers and advertised in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and [●] edition of the Kannada newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" on page 498.

Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, our Company is in the process of entering into tripartite agreements with the respective Depositories and the Registrar to the Offer.

At present, two agreements have been entered into amongst our Company, the respective Depositories and Purva Sharegistry (India) Private Limited:

- Tripartite agreement dated April 12, 2016 our Company, NSDL and Purva Sharegistry (India) Private Limite
- Tripartite agreement dated March 31, 2016 amongst our Company, CDSL and Purva Sharegistry (India) Private Limited

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in dematerialised form in multiples of one Equity Share subject to a minimum Allotment of [•] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capial and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and Promoter Selling Shareholders, in consultation with the Managers, reserves the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. The notice of withdrawal shall be included in the same newspapers in which the post Offer advertisements have appeared.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid/Offer Programme

BID/OFFER OPENS ON	[●][(1)]
BID/OFFER CLOSES ON	**[●]**[(2)]

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

(2) Our Company and the Promoter Selling Shareholders may, in consultation with the Managers, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company or the Selling Shareholders or the Managers.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the Managers to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only during Monday to Friday (excluding any public/bank holiday). None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company and Promoter Selling Shareholders, in consultation with the Managers reserves the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Offer equivalent to at least 10% post-Offer paid up Equity Share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b) of the SCRR), including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law. The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

Further, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Any expense incurred by our Company on behalf of the Selling Shareholders with regard to refunds, interest for delays, etc. for the Equity Shares being offered in the Offer will be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by the Selling Shareholders in the Offer, to the extent that the delay is solely attributable to such Selling Shareholder.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, Promoters' minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 76 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details see "*Main Provisions of the Articles of Association*" on page 498.

Option to Receive Securities in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be Allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

OFFER STRUCTURE

Public Offer of up to [•] Equity Shares for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating to ₹[●] comprising of a Fresh Issue of up to [•] Equity Shares aggregating to ₹8,000 million by our Company and Offer of Sale of up to 10,351,076 Equity Shares aggregating to ₹[●] by the Selling Shareholders. The Offer includes an Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹[●] million, for subscription by Eligible Employees. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation*(2)	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Up to [●] % of the Offer.	Not more than 50% of the Net Offer size shall be available for allocation to QIBs. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. Any unsubscribed portion in the Mutual Fund reservation will be added to the remaining QIB Portion (other than Anchor Investor Portion).	Not less than 15% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Retail Individual Investors shall be available for allocation.	Not less than 35% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Non-Institutional Investors shall be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	The Allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For details, see "*Offer Procedure – Part B – Allotment Procedure and Basis of Allotment – Allotment to RIBs*" on page 487
Mode of Bidding	ASBA only	ASBA only (3)	ASBA only	ASBA only
Minimum Bid	[●] Equity Shares	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 in multiples of [●] Equity Shares	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 in multiples of [●] Equity Shares	[●] Equity Shares and in multiples of [●] Equity Shares thereafter

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Maximum Bid	Such number of Equity Shares in multiples of [●] so as to ensure that the Bid Amount does not exceed ₹500,000 (which will be less Employee Discount, if any).	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Who can apply	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III FPIs, VCFs, AIFs, FVCIs, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III FPIs	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form(4)			

* *Assuming full subscription in the Offer*

(1) *Our Company and Promoter Selling Shareholders in consultation with the Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion 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. For details, see "Offer Procedure" on page 455*

(2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under the SEBI ICDR Regulations*

(3) *Anchor Investors are not permitted to use the ASBA process*

(4) *Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form. For details of terms of payment applicable to Anchor Investors, see "Offer Procedure -Section 7: Allotment Procedure and Basis of Allotment" on page 487*

The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under subscription shall be permitted from the Employee Reservation Portion, subject to the Net Offer constituting [●]% of the post-Offer equity share capital of the Company. Employee Discount of ₹[●] to the Offer Price may be offered to Eligible Employees bidding in the Employee Reservation Portion. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the Managers and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

Employee Discount

The Employee Discount, if any, will be offered to the Eligible Employees bidding in the Employee Reservation Portion, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion bidding at a price within the Price Band can make payment at the Bid Amount (which will be less Employee Discount, if any) at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion bidding at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion must ensure that the Bid Amount (which will be less Employee Discount, if any) does not exceed ₹500,000. Please refer to "*Offer Procedure - Maximum and Minimum Bid Size*" on page 474.

Retail Discount

Subject to valid Bids being received at or above the Offer Price, our Company and Promoter Selling Shareholders may in consultation with the Managers offer a Retail Discount to Retail Individual Bidders in accordance with the SEBI ICDR Regulations.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations, Companies Act, 2013 and any other enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Company, the Selling Shareholders and the Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be allocated to QIBs on a proportionate basis, provided that our Company and Promoter Selling Shareholders, in consultation with the Managers may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer 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 Offer Price.

The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under subscription shall be permitted from the Employee Reservation Portion, subject to the Net Offer constituting [●]% of the post-Offer equity share capital of the Company. Employee Discount of ₹[●] to the Offer Price may be offered to Eligible Employees bidding in the Employee Reservation Portion. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and Promoter Selling Shareholders, in consultation with the Managers and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and the Registered and Corporate Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FVCIs or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White
Eligible Employees bidding in the Employee Reservation Portion	[●]

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs." For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoters, Promoter Group, the Managers the Syndicate Members and persons related to the Promoters/Promoter Group/ Managers

The Managers and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Managers and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Managers nor any persons related to the Managers (other than Mutual Funds sponsored by entities related to the Managers) Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. Pursuant to our Board resolution dated March 16, 2018 and Shareholders' resolution dated March 17, 2018, the aggregate limit of 24% has been increased up to 49%. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits for an FII or sub account in our Company are 10% and 100% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III Foreign Portfolio Investor and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivate instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF registered with SEBI under the SEBI VCF Regulations in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour form).

(b) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000 (less the Employee Discount, if any). The maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000 (less the Employee Discount, if any).

(c) The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee.

(d) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.

(e) Only those Bids, which are received at or above the Offer Price, would be considered for Allotment under this category.

(f) Eligible Employees can apply at Cut-off Price.

(g) Bid by Eligible Employees can be made also in the "Net Offer to the Public" and such Bids shall not be treated as multiple Bids.

(h) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(i) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Offer constituting [●]% of the post-Offer share capital of the Company.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, see "*Offer Procedure – Part B – Section 7: Allotment Procedure and Basis of Allotment*" on page 487.

Employee Discount of ₹[●] to the Offer Price may be offered to Eligible Employees bidding in the Employee Reservation Portion.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

(a) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer, or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and Promoter Selling Shareholders, in consultation with the Managers in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may

occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the respective members of the Syndicate (in the Specified Locations), the SCSBs, the Registered Brokers (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDPs (at the Designated CDP Locations);

7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or state governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the state government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that the Demographic Details are updated, true and correct in all respect;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

15. Ensure that the category and the investor status is indicated;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

17. Ensure that Bids submitted by any person outside India are in compliance with applicable foreign and Indian laws;

18. Ensure that the Bidders' depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the

online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database; and

19. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Do not submit the Bid for an amount more than funds available in your ASBA Account.
9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
10. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
11. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository).
12. Do not Bid for shares more than specified by respective Stock Exchanges for each category.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company and Promoter Selling Shareholders, in consultation with the Managers, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[•] – Escrow Account – R"

(b) In case of Non-Resident Anchor Investors: "[•] – Escrow Account – NR"

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) [•] edition of English national newspaper [•]; (ii) [•] editions of Hindi national newspaper [•]; and (iii) [•] edition of Kannada newspaper [•], each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.

- it shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date will be taken;

- if Allotment is not made application money will be refunded/unblocked in the relevant ASBA Account within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;

- the funds required for making refunds (to Anchor Investors, to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- Promoters' contribution shall be brought in advance before the Bid/Offer Opening Date;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicants within 15 days from the Bid/Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- the certificates of the securities/refund orders to Eligible NRIs shall be despatched within specified time; and

- no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholders

TA and Argan undertake that each of them is the legal and beneficial owner of, and has full clear and marketable title to the Equity Shares being offered by each of them in the Offer.

Further, each Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;

- the Equity Shares being sold by it pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;
- it shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of the Equity Shares offered by it pursuant to the Offer;
- it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Managers in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;
- funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus and Prospectus shall be made available to the Registrar to the Offer by the Selling Shareholder;
- it shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within 15 days from the Bid/ Offer Closing Date or such other period as may be specified under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- it shall not have recourse to the proceeds of the Offer until final approval for listing and trading of the Equity Shares from all Stock Exchanges where listing and trading is sought has been received;
- if the Selling Shareholder does not proceed with the Offer after the Bid/ Offer Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly. It shall extend all reasonable cooperation requested by our Company and the Managers in this regard;
- it shall not further transfer the Equity Shares except in the Offer during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;
- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and
- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI ICDR Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer.

Utilisation of Offer Proceeds

The Board of Directors certify that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under the Promoters' contribution, if any, shall be disclosed, and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under the Promoters' contribution, if any, shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

The Selling Shareholders along with our Company declare that all monies received out of the Offer for Sale shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR, SEBI Listing Regulations and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus ("**RHP**")/Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Offer and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Offer Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Offer ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities. Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

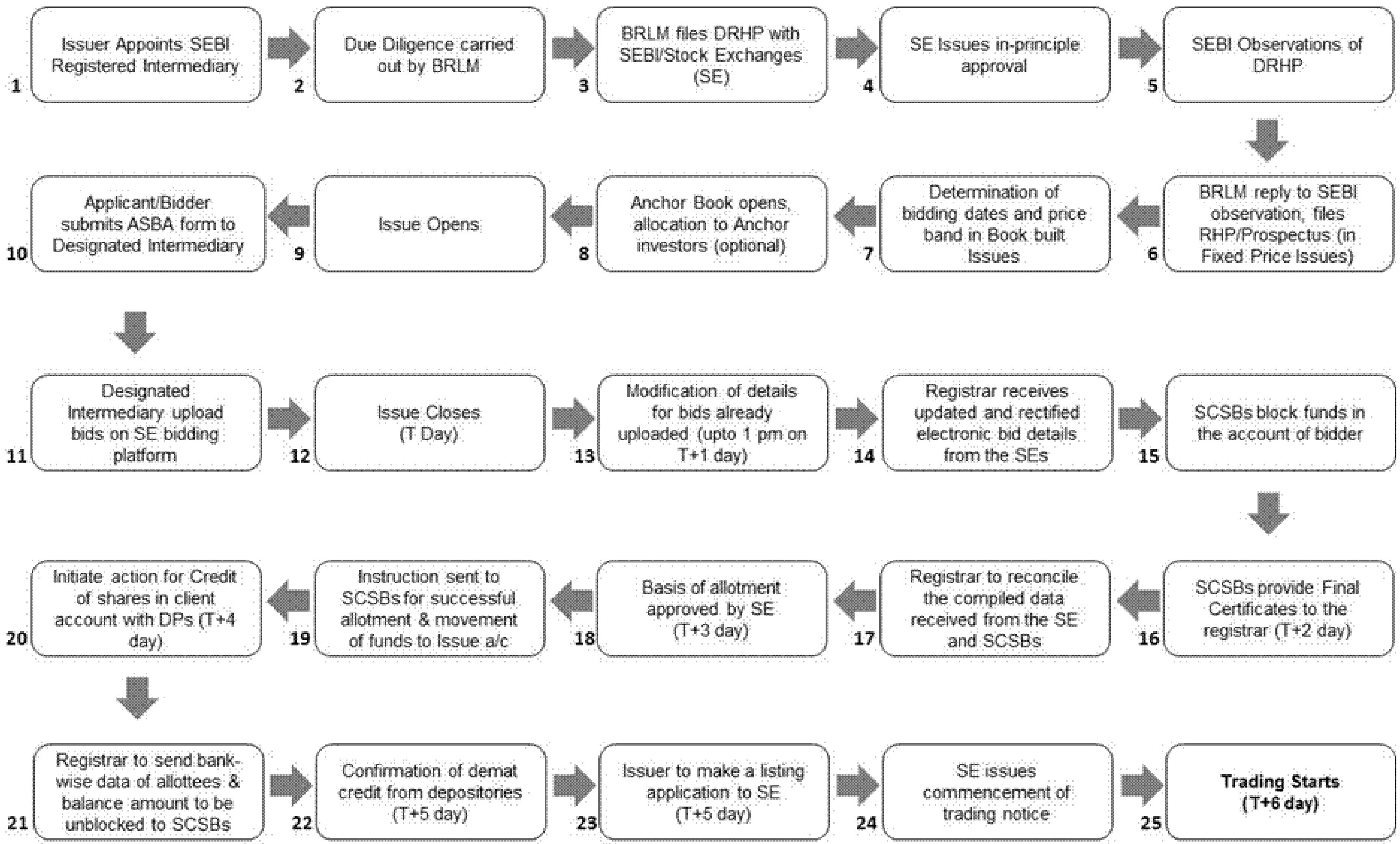
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Offer other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

    i. Step 7 : Determination of Offer Date and Price

    ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries


1
Issuer Appoints SEBI Registered Intermediary
2
Due Diligence carried out by BRLM
3
BRLM files DRHP with SEBI/Stock Exchanges (SE)
4
SE Issues in-principle approval
5
SEBI Observations of DRHP
6
BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7
Determination of bidding dates and price band in Book built Issues
8
Anchor Book opens, allocation to Anchor investors (optional)
9
Issue Opens
10
Applicant/Bidder submits ASBA form to Designated Intermediary
11
Designated Intermediary upload bids on SE bidding platform
12
Issue Closes (T Day)
13
Modification of details for bids already uploaded (upto 1 pm on T+1 day)
14
Registrar receives updated and rectified electronic bid details from the SEs
15
SCSBs block funds in the account of bidder
16
SCSBs provide Final Certificates to the registrar (T+2 day)
17
Registrar to reconcile the compiled data received from the SE and SCSBs
18
Basis of allotment approved by SE (T+3 day)
19
Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20
Initiate action for Credit of shares in client account with DPs (T+4 day)
21
Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22
Confirmation of demat credit from depositories (T+5 day)
23
Issuer to make a listing application to SE (T+5 day)
24
SE issues commencement of trading notice
25
Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Scientific organisations authorised in India to invest in the Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the BRLMs, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : .... Contact Details: .... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

*HUF should apply only through Karta (Application by HUF would be treated on par with individual)

7. PAYMENT DETAILS | PAYMENT OPTION : FULL PAYMENT ☐ | PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date : ....

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No. ....

Bank & Branch ....

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub-account not a Corporate/Foreign Individual
FIISA	FII Sub-account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investors
OTH	Others (Please Specify)_______

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date : ____________	3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No. ____________

Bank & Branch ____________

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.1 **FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.2 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, 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 other correspondence(s) related to an Offer.

(d) 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.

4.1.3 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.3.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹200,000.

(b) Bids by Employees must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by such Bidder does not exceed ₹500,000. However, Allotment to the Employees under the employee reservation portion may exceed ₹200,000 (which will be less employee discount) only in the event of an under-subscription in the employee reservation portion and such unsubscribed portion may be allotted on a proportionate basis to Employees Bidding in the employee reservation portion, for a value in excess of ₹200,000, subject to total Allotment to an Employee not exceeding ₹500,000 (which will be less the employee discount).

(c) In case the Bid Amount exceeds ₹200,000 (except, Bids by Employees under the Employee Reservation Portion) due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(d) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(e) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.

(f) RIIs may revise their bids or withdraw their bids until the Bid/Offer Closing Date. QIBs and NIIs cannot withdraw or lower their Bids (in terms of quantity of Equity Share or the Bid Amount) at any stage after Bidding.

(g) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(h) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(i) A Bid cannot be submitted for more than the Offer size.

(j) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(k) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the highest number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.3.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

(b) Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(c) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(d) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.4 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.5 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.6 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Offer, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Offer only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, cheques, demand drafts, through money order or through postal order.

4.1.6.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids through a Book Running Lead Manager.

(b) Payments should be made either by direct credit, RTGS or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.6.2 **Payment instructions for ASBA Bidders**

(a) Bidders may submit the ASBA Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA Account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the Registered Brokers at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

Additional payment instructions for Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis must use the Bid cum Application Form for residents and make payment through the NRO Account. Eligible NRIs Bidding on a repatriation basis must use the Bid cum Application Form meant for Non-Residents. In the case of Bids by Eligible NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.6.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the Designated Branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.6.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than ₹200,000 or more than ₹500,000 in case of Employees bidding in the Employee Reservation Portion, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category.

4.1.7 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.8 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

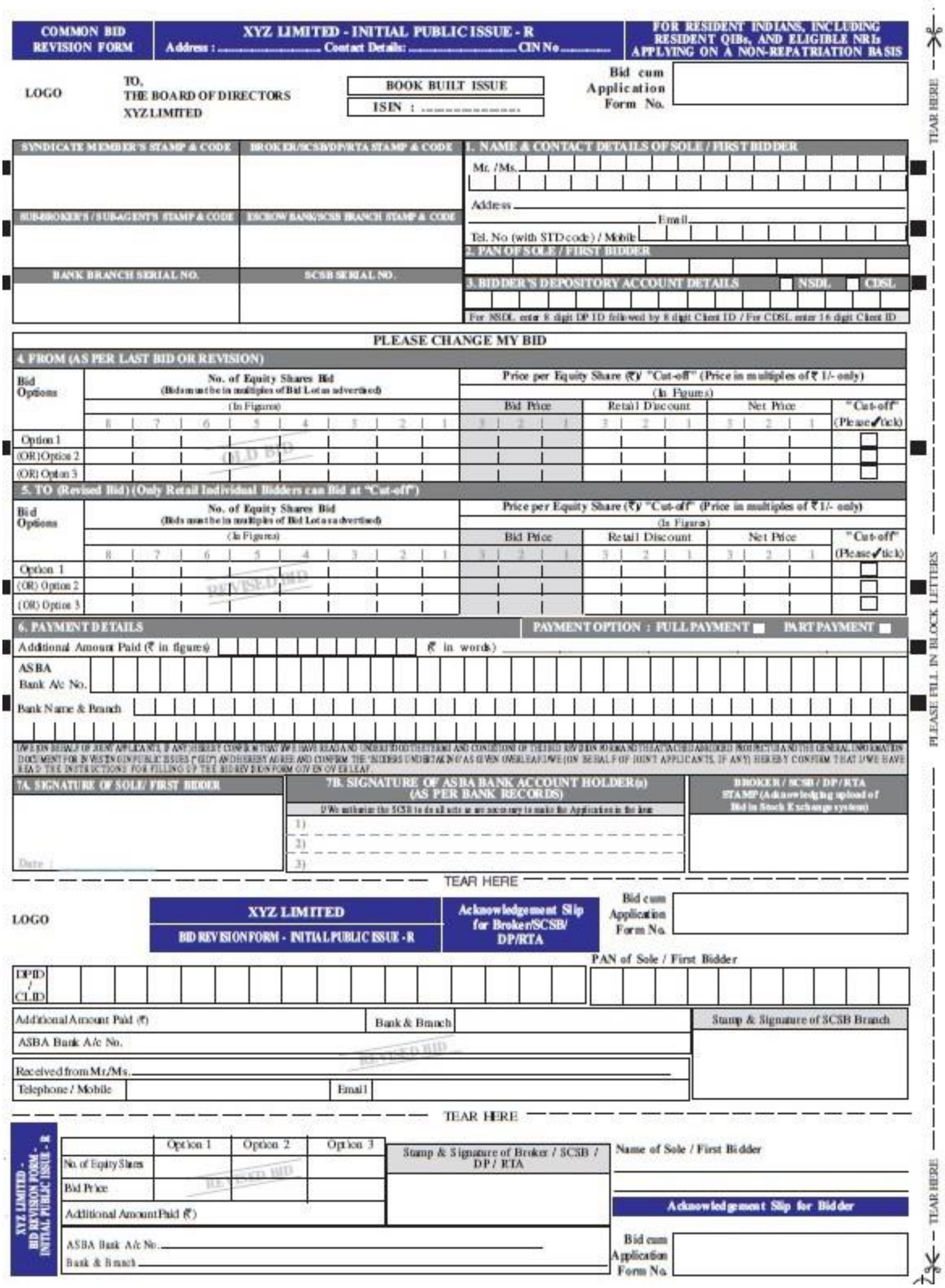
(a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RIB may revise their bids or withdraw their Bids till the Bid/Offer Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:


COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					
(OR) Option 2					
(OR) Option 3					

OLD BID

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					
(OR) Option 2					
(OR) Option 3					

REVISED BID

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Additional Amount Paid (₹)

Bank & Branch

Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIBs, and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case of revision in Bids by Employees under the Employee Reservation Portion, such Employees shall ensure that the Bid Amount, subsequent to revision does not exceed ₹500,000. In the event of under subscription in the employee reservation portion, the unsubscribed portion may be Allotted on a proportionate basis for a value in excess of ₹200,000, subject to total Allotment to an Employee not exceeding ₹500,000. In case the Bid Amount exceeds ₹200,000, except Bids by Employees under the Employee Reservation Portion, due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹200,000, except Bids by Employees under the Employee Reservation Portion, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible. shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, except Bids by Employees under the Employee Reservation Portion, wherein the application amount shall not exceed ₹500,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required to be blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹200,000, except for Bids by Employees bidding in the Employee Reservation Portion wherein the application amount payable should not exceed ₹500,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Offer size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other Designated Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applicantions bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Offer portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Offer are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue

(b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 **Payment instructions for ASBA Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/APPLICATION FORM/REVISION FORM

4.4.1 **Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Locations or the CDPs at the Designated CDP Locations (b) To the Designated Branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Managers, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Offer Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

(a) RIBs can withdraw their Bids until Bid/Offer Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Bids accepted by the Designated Intermediary,

ii. the Bids uploaded by the Designated Intermediary, and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

(b) Any RIB whose Bid has not been considered for Allotment, due to failures on the part of the SCSB may seek redressal from the concerned SCSB within three months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

(c) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.

(d) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA Account or on technical grounds.

(e) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(f) All bids by QIBs, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, which have been detailed at various placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs;

(c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum application form;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) PAN not mentioned in the Bid cum Application Form/Application Forms except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(k) Bids/Applications at Cut-off Price by NIBs and QIBs;

(l) The amounts mentioned in the Bid cum Application Form/Application Forms do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(n) Bids/Applications for shares more than the prescribed limit by each Stock Exchanges for each category;

(o) Submission of more than five ASBA Forms/Application Forms per ASBA Account;

(p) Bids/Applications for number of Equity Shares which are not in multiples of Equity Shares as specified in the RHP;

(q) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(r) Bids not uploaded in the Stock Exchanges bidding system.

(s) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;

(t) Where no confirmation is received from SCSB for blocking of funds;

(u) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(v) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Offer;

(w) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(x) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.

(b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Net Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, *i.e.*, ₹22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. As the Offer Price is mentioned in the Fixed Price Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Offer Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Offer is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIBs who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIBS

Bids received from NIBs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the issuer in consultation with the Selling Shareholder and the BRLMs, subject to compliance with the following requirements:

i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹100 million;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹100 million and up to ₹2,500 million subject to minimum Allotment of ₹50 million per such Anchor Investor; and

- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof, subject to minimum Allotment of ₹50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹100 million in the Offer.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Offer Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 ALLOTMENT UNDER EMPLOYEE RESERVATION PORTION

Allotment to all successful Eligible Employees may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Employee Reservation Portion at or above the Offer Price, full Allotment may be made to Eligible Employees to the extent of their demand. In case the aggregate demand in this category is greater than the Employee Reservation Portion at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Employee Reservation Portion.

7.6 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.7 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker to the Offer. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may initiate corporate action for credit of Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹50,000 but which may extend to ₹3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.
If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer involving a Fresh Issue and an Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method.

In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

(d) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and the refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within 15 days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the Offer/Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	Except in case of Anchor Investors (if applicable), the date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made

Term	Description
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders and Anchor Investor Application Forms from Anchor Investors, as applicable, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form

Term	Description
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Issue Account	A Bank account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date

Term	Description
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account	The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank	Refund bank as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Bidders/ RIBs	Investors who applies or bids for a value of not more than ₹200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	"Working Day", means all days, other than second and fourth Saturdays of a month, Sundays or a public holiday, on which commercial banks in Mumbai are open for business, provided that with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), issued the Consolidated FDI Policy Circular of 2017 ("**FDI Circular 2017**"), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs." For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

The Articles of Association of the Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part A and Part B, the provisions of Part B shall be applicable. However, Part B, shall automatically terminate and cease to have any force and effect from the date of listing of shares of the Company on a stock exchange in India subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the shareholders.

PART A

1. CONSTITUTION OF THE COMPANY

a) *The regulations contained in table "F" of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.*

b) *The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013, as amended.*

2. INTERPRETATION

A. DEFINITIONS

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

a. "**Act**" means the Companies Act, 1956 as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the notified sections of the Companies Act, 2013) and the notified sections of the Companies Act, 2013 and include the Rules made thereunder.

b. "**ADRs**" shall mean American Depository Receipts representing ADSs.

c. "**Affiliate**" means in respect of any specified Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person, and any investment funds managed or advised by such specified Person, provided that neither the Company nor any Identified Entity will be considered as the Affiliate of any Shareholder. In case of (a) natural Persons, Relatives will be deemed to be Affiliates of such natural persons; and (b) Investor 1 and Investor 2, in addition to the aforesaid, any fund or investment vehicle owned, managed, advised, controlled or promoted by Investor 1 and/or Investor 2 or by their respective Affiliates, investment managers and investment advisors will also be deemed to be Affiliates of Investor 1 and/or Investor 2 (as the case maybe). In addition, for the purposes of Article 105, (i) Indium-V and its Affiliates, and (ii) all present and future funds managed and/or advised by True North Managers LLP and/or Global Opportunity Advisors (Mauritius) Limited shall also be considered as Affiliates of Argan.

d. "**Annual General Meeting**" shall mean an annual General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.

e. **"ADR Facility"** shall mean an ADR facility established by the Company with a depository bank to hold any Equity Shares as established pursuant to a deposit agreement and subsequently as amended or replaced from time to time.

f. **"ADSs"** shall mean American Depository Shares, each of which represents a certain number of Equity Shares.

g. **"Articles"** shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.

h. **"Auditors"** shall mean and include those persons appointed as such for the time being by the Company.

i. **"Board"** shall mean the board of directors of the Company, as constituted from time to time, in accordance with law and the provisions of these Articles.

j. **"Board Meeting"** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

k. **“Beneficial Owner”** shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act.

l. **“Business”** shall mean the business of the Company and the Identified Entities (i) providing broadband connectivity in India, (ii) providing cable TV services (including any other value added services such as over the top TV services and IPTV) in India and (iii) such other business as may be undertaken by the Company as approved by the Board.

m. **“Business Day”** shall mean any day (other than a Saturday, a Sunday, and any public holiday) on which commercial banks in Mumbai, Bangalore and Mauritius are open for the conduct of ordinary banking business;

n. **“Capital” or “share capital”** shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.

o. **“Chairman”** shall mean such person as is nominated or appointed as chairman of the General Meeting or chairman of the Board in accordance with Article 37 and 43, respectively, herein below.

p. **“Companies Act, 1956”** shall mean the Companies Act, 1956 (Act I of 1956), as may be in force for the time being.

q. **“Company” or “this company” or “the Company”** shall mean **ATRIA CONVERGENCE TECHNOLOGIES LIMITED.**

r. “**Company Competitor**” means any Person carrying on a Competing Business and the revenue generated by such Person from such Competing Business exceeds 20% (twenty percent) of the total revenues of such Person in a financial year (as per its latest available audited financial statement)

s. “**Competing Business**” means any business, which directly or indirectly, in any manner whatsoever is in competition with the Business of the Company in India

t. **“Committees”** shall mean a committee constituted in accordance with Article 73.

u. **“Debenture”** shall include debenture stock, bonds, and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

v. **“Depositories Act”** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.

w. **“Depository”** shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.

x. **“Director”** shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.

y. **“Dividend”** shall include interim dividends.

z. “**Equity Share Capital**” shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.

aa. “**Equity Shares**” shall mean fully paid-up equity shares of the Company having a par value of INR 10/- (Rupees Ten) per equity share.

bb. **“Executor”** or **“Administrator”** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

cc. **“Extraordinary General Meeting”** shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act;

dd. "**Financial Year**" shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

z. "**Fully Diluted Basis**" shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.

aa. **"GDRs"** shall mean the registered Global Depositary Receipts, representing GDSs.

bb. **"GDSs**" shall mean the Global Depository Shares, each of which represents a certain number of Equity Shares.

cc. **"General Meeting" or** "**Shareholders' Meeting**" shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.

dd. "**Identified Entities**" shall mean ACT Digital Home Entertainment Private Limited, Kable First India Private Limited, ACN Cable TV Private Limited, HCV Digital Entertainment Private Limited and shall also include other subsidiaries of the Company from time to time and the expression "Identified Entity" shall be construed accordingly;

ee. "**Independent Director**" shall mean an independent director as defined under the Act and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ff. **"India"** shall mean the Republic of India.

gg. "**Investors**" means Investor 1 and Investor 2;

hh. "**Investor 1**" or "Argan" means Argan (Mauritius) Limited, a company incorporated under the laws of Mauritius and having its registered office at office 201, 2nd floor, Sterling Tower, 14 Poudriere Street, Port Louis, Mauritius.

ii. "**Investor 2**" or "TA" means TA FVCI Investors Limited, a company incorporated and registered under the laws of the Republic of Mauritius, having its principal place of business at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius

jj. **"Law"** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) generally accepted accounting principles or the relevant accounting standards.

kk. "**Managing Director**" shall have the meaning assigned to it under the Act.

ll. "**MCA**" shall mean the Ministry of Corporate Affairs, Government of India.

mm. "**Memorandum**" shall mean the memorandum of association of the Company, as amended from time to time.

nn. **"Office"** shall mean the registered office for the time being of the Company.

oo. **"Officer"** shall have the meaning assigned thereto by Section 2(59) of the Act.

pp. **"Ordinary Resolution**" shall have the meaning assigned thereto by Section 114 of the Act.

qq. "**Paid up**" shall include the amount credited as paid up.

rr. "**Person**" shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

ss. "**Register of Members**" shall mean the register of shareholders to be kept pursuant to Section 88 of the Act.

tt. "**Registrar**" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

uu. "**Relative**" shall have the meaning ascribed to it under the Act. For the purposes of Article 105.3, the term "relative" shall mean an individual related to Sunder in any of the following manner (i) daughter, (ii) daughter-in-law, (iii) son, (iv) son-in-law and (v) wife.

vv. "**Restricted Activities**" means

(i) with respect to Argan or TA or any of its Affiliates:

(a) establishing another entity, vehicle or joint venture or entering into any business that, in each case, is directly competing with the Business;

(b) investing, directly or indirectly, in any Company Competitor;

(c) soliciting, canvassing, enticing away or inducing or persuading or attempting in any manner to solicit, canvass, entice away, induce or persuade any Person dealing or engaged with the Company, or the Identified Entities, to (i) cease dealing or doing business with the Company or the Identified Entities or to (ii) reduce the amount of dealings or business which any such Person has been doing with the Company or the Identified Entities;

(d) offering employment to, entering into a contract for the services of, or to entice away from any of the Company or the Identified Entities, any individual who is (at the time of the offer), or has been at any time within the 6 (six) months period prior to the offer, an employee of the Company or a Identified Entities, or procuring or facilitating the making of any such offer by any other Person; or

(e) causing or permitting any Person under its control to do any of the foregoing acts or things;

(ii) with respect to Sunder or any of his Affiliates:

(a) establishing another entity, vehicle or joint venture or entering into any business that, in each case, is directly or indirectly competing with the Business;

(b) investing, directly or indirectly, in any entity carrying on the Competing Business or any part thereof;

(c) soliciting, canvassing, enticing away or inducing or persuading or attempting in any manner to solicit, canvass, entice away, induce or persuade any Person dealing or engaged with the Company or the Identified Entity, to (i) cease dealing or doing business with the Company or the Identified Entity; or (ii) reduce the amount of dealings or business which any such Person has been doing with the Company or the Identified Entities;

(d) offering employment to, entering into a contract for the services of, or to entice away from any of the Company or the Identified Entities, any individual who is (at the time of the offer), or has been at any time within the 6 (six) months period prior to the offer, an employee or director of the Company or an Identified Entity, or procuring or facilitating the making of any such offer by any other Person; or

(e) causing or permitting or assisting any Person in any capacity whatsoever including as a joint venture, partner, collaborator, contractor, shareholder, principal, agent, director, distributor, secondee, employee or consultant or nominee to do any of the foregoing acts or things.

ww. "**Restricted Period**" means:

(i) in relation to Argan and TA, the period from the date on which Investors participated in the Equity shareholding of the Company until Argan or TA (as the case may be), ceasing to hold more than 10%

of the issued and paid up share capital of the Company, calculated on a Fully Diluted Basis;

(ii) in relation to Sunder means, the period from the date on which Investors participated in the Equity shareholding of the Company until Sunder ceasing to be a Director on the Board of the Company

xx. "**Rules**" shall mean the rules made under the Act and notified from time to time.

yy. "**Seal**" shall mean the common seal(s) for the time being of the Company.

zz. "**SEBI**" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

aaa. "**SEBI Listing Regulations**" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

bbb. **"Secretary"** shall mean a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under the Act.

ccc. "**Securities**" shall mean any Equity Shares or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.

ddd. **"Share Equivalents"** shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.

eee. "**Shareholder**" shall mean any shareholder of the Company, from time to time.

aaa. **"Special Resolution"** shall have the meaning assigned to it under Section 114 of the Act.

bbb. **"Sunder**" will mean Mr. Chinnaswamy Sunder Raju, an Indian resident, aged 58 years and presently residing at No. 294, Upper Palace Orchards, Bangalore 560 080;

ccc. **"Transfer"** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word "**Transferred**" shall be construed accordingly.

ddd. "**Tribunal**" shall mean the National Company Law Tribunal constituted under Section 408 of the Act.

B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

(i) References to a Person shall, where the context permits, include such Person's respective successors, legal heirs and permitted assigns.

(ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

(iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub-articles herein.

(iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

(v) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

(vi) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

(vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.

(viii) A reference to a Person being liable to another Person, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).

(ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.

(xi) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.

(xii) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4. SHARE CAPITAL

(a) The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.

(b) The Paid up Share Capital shall be at all times a minimum of Rs. 5,00,000/- (Rupees Five Lakhs only) or such other amount as may be required under the Act.

(c) The Company has power, from time to time, to increase its authorised or issued and Paid up Share Capital.

(d) The Share Capital of the Company may be classified into Equity Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

(e) Subject to Article 4(d), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.

(f) The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

(g) The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.

(h) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

(i) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

(j) All of the provisions of these Articles shall apply to the Shareholders.

(k) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

(l) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

5. BRANCH OFFICES

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places at its Board may deem fit.

6. PREFERENCE SHARES

(a) **Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) **Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

7. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of preference shares pursuant to Article 6 above, the following provisions shall apply:

(a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

(b) No such shares shall be redeemed unless they are fully paid;

(c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;

(d) Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "**Capital Redemption Reserve Account**" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

(e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

(f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and

(g) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

8. SHARE EQUIVALENT

The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

9. ADRS/GDRS

The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board.

10. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

(a) increase its Share Capital by such amount as it thinks expedient;

(b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.

(c) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination

(d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

11. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law.

This Article is not to derogate any power the Company would have under Law, if it were omitted.

12. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board or Shareholders as applicable in accordance with the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

13. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48(2) of the Act and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

14. REGISTERS TO BE MAINTAINED BY THE COMPANY

(a) The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act

(i) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

(ii) A register of Debenture holders; and

(iii) A register of any other security holders.

(b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

(c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

15. SHARES AND SHARE CERTIFICATES

(a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(b) A duplicate certificate of shares may be issued, if such certificate:

i. is proved to have been lost or destroyed; or

ii. has been defaced, mutilated or torn and is surrendered to the Company.

(c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be *prima facie* evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the *prima facie* evidence of the interest of the beneficial owner.

(e) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law including the rules or regulations or requirements of any stock exchange and the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

(f) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

(g) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

(h) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.

(i) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine–numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(j) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.

(k) All books referred to in sub-article (j) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

(l) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(m) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.

(n) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

16. SHARES AT THE DISPOSAL OF THE DIRECTORS

(a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Section 54 of the Act) and at such time as they may, from time to time, think fit and with the sanction of the Company in the General Meeting, give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid-up shares. Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

(b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

(c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

(d) In accordance with Section 56 and other applicable provisions of the Act and the Rules:

(i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a fee not exceeding such fee as may be prescribed under Law.

(ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in the form and manner as specified in Article 15 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the one or several joint holders shall be sufficient delivery to all such holders.

(iii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(iv) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

17. UNDERWRITING AND BROKERAGE

(a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

18. CALLS

(a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

(b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

(d) The joint holders of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

(e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(f) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

(g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

(h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

(i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

(j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(k) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

(l) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

19. COMPANY'S LIEN:

i. On shares:

(a) The Company shall have a first and paramount lien:

(i) on every share (not being a fully paid-up share), registered in the name of each shareholder (whether solely or jointly with others) and upon the proceeds of sale thereof for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and except as provided in Article 19(i)((b);

(ii) on all shares (not being fully paid-up shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

(c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.

(d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

(e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

ii. On Debentures:

(a) The Company shall have a first and paramount lien:

(i) on every Debenture (not being a fully paid-up Debenture), registered in the name of each debenture holder (whether solely or jointly with others) and upon the proceeds of sale thereof for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

(ii) on all Debentures (not being fully paid-up Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.

(c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the

Company's lien shall be restricted to money called or payable at a fixed time in respect of such Debentures.

(d) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

(e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

20. FORFEITURE OF SHARES

(a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

(b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

(c) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

(d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

(e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

(f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

(g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

(h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

(i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

(j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

(k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

21. FURTHER ISSUE OF SHARE CAPITAL

(a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause a. above shall contain a statement of this right;

c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(b) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

(d) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

22. TRANSFER AND TRANSMISSION OF SHARES

(a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.

(b) Every instrument of transfer of shares shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and the registration thereof. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

(c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

(e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

(f) Subject to the provisions of Sections 58 and 59 of the Act, the Rules, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company or debentures of the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever.

(g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

(h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

(j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

(l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

(o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

(p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

(q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

(r) There shall be a common form of transfer in accordance with the Act and Rules.

(s) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

23. DEMATERIALIZATION OF SECURITIES

(a) Dematerialization:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

(c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles.

(d) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

(e) Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) Rights of Depositories & Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

(g) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(h) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(i) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the

Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(j) Service of Documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(k) Transfer of Securities:

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(l) Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(m) Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(n) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(o) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(p) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(q) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

(r) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

24. NOMINATION BY SECURITIES HOLDERS

a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

25. NOMINATION FOR FIXED DEPOSITS

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

26. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

27. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

28. BORROWING POWERS

(a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

(i) accept or renew deposits from Shareholders;

(ii) borrow money by way of issuance of Debentures;

(iii) borrow money otherwise than on Debentures;

(iv) accept deposits from Shareholders either in advance of calls or otherwise;

(v) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

(b) Subject to provisions of Section 186 and other applicable provisions of the Act and these Articles, the Board may from time to time, at its discretion by resolution passed at the meeting of the Board:

(i) give any loan to any person or other body corporate;
(ii) give any guarantee or provide security in connection with a loan to any other body corporate or person;
(iii) acquire by way of subscription, purchase or otherwise of debt securities of any other body corporate.

(c) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture–stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

(d) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

(e) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

(f) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(g) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

(h) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

29. SHARE WARRANTS

(a) The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Companies Act, 1956; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid-up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

(b) (i) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of 2 (two) clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposited warrant.

(ii) Not more than one person shall be recognised as depositor of the share warrant.

(iii) The Company shall, on 2 (two) days' written notice, return the deposited share warrant to the depositor.

(c) (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Shareholder at a meeting of the Company, or be entitled to receive any notices from the Company.

(ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the Shareholder included in the warrant, and he shall be a Shareholder of the Company.

(d) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

(e) The provisions contained under this Article shall cease to have effect post the notification of section 465 of the Act which shall repeal the provisions of Companies Act, 1956.

30. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

(a) The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.

(b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

31. ANNUAL GENERAL MEETING

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

32. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

33. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

(a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

(b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

34. NOTICE OF GENERAL MEETINGS

(a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,

(b) Auditor or Auditors of the Company, and

(c) all Directors.

(b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

(c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any Extraordinary General Meeting of the Company shall be deemed to be special and all business transacted at an Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

(e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

(g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

35. REQUISITION OF EXTRAORDINARY GENERAL MEETING

(a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

(b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

36. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

37. CHAIRMAN OF THE GENERAL MEETING

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their member to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

38. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

39. QUESTIONS AT GENERAL MEETING HOW DECIDED

(a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

(b) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

(c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

(d) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.

(e) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

(f) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

(g) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

40. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

41. VOTES OF MEMBERS

(a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll or in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the

Company has exercised any right of lien.

(b) No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

(c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

(d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

(e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

(f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

(g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

(h) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

(i) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

(j) A Shareholder present by proxy shall be entitled to vote only on a poll.

(k) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.

(l) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.

(m) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

(n) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

(o) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

(p) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

(i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(vii) Any such Minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -

a) the names of the Directors and Alternate Directors present at each General Meeting;

b) all Resolutions and proceedings of General Meeting.

(q) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.

(r) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

(s) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

(t) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

(u) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

(v) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

42. DIRECTORS

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

(a) Argan shall be entitled to appoint two Directors on the board of the Company (for so long as it holds at least 26% of the issued and paid up share capital of the Company calculated on a Fully Diluted Basis). In the event that the shareholding of Argan falls below 26% of the issued and paid up share capital of the Company, calculated on a Fully Diluted Basis, Argan shall be entitled to appoint one Director on the Board of the Company (for so long as it holds at least 10% of the issued and paid up share capital of the Company, calculated on a Fully Diluted Basis); and

(b) TA shall be entitled to appoint one Director on the board of the Company (for so long as it holds at least 10% of the issued and paid up share capital of the Company, calculated on a Fully Diluted Basis).

The Provisions mentioned in sub clause (a) and (b) hereinabove is subject to the receipt of shareholders' approval through a special resolution by the shareholders, only if required specifically in writing by Securities and Exchange Board of India, in the first general meeting of the Company held after successful listing and trading pursuant to completion of the initial public offer by the Company.

43. CHAIRMAN OF THE BOARD OF DIRECTORS

(a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall not have a casting vote in the event of a tie.

(b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

44. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "**the Original Director**") (subject to such person being acceptable to the Chairman) during the Original Director's absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

45. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42**.** Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

46. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

47. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.

48. EQUAL POWER TO DIRECTOR

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

49. NOMINEE DIRECTORS

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sitting fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

50. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

51. REMUNERATION OF DIRECTORS

(a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

(b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.

(c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.

(d) All fees/compensation/commission to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of Central Government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

52. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

53. TRAVEL EXPENSES OF DIRECTORS

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

54. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 42 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

55. VACATION OF OFFICE BY DIRECTOR

(a) Subject to relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall *ipso facto* be vacated if:

(i) he is found to be of unsound mind by a court of competent jurisdiction; or

(ii) he applies to be adjudicated an insolvent; or

(iii) he is adjudged an insolvent; or

(iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or

(v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or

(vi) he absents himself from all meetings of the Board held during a period of 12 months with or without obtaining leave of absence from the Board; or

(vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or

(viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

(ix) he acts in contravention of Section 184 of the Act; or

(x) he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or

(xi) he is removed in pursuance of Section 169 of the Act; or

(xii) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

56. RELATED PARTY TRANSACTIONS

(a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a 'related party' with respect to: :

i. sale, purchase or supply of any goods or materials;

ii. selling or otherwise disposing of, or buying, property of any kind;

iii. leasing of property of any kind;

iv. availing or rendering of any services;

v. appointment of any agent for purchase or sale of goods, materials, services or property;

vi. such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

vii. underwriting the subscription of any securities or derivatives thereof, of the company:

(b) no Shareholder of the Company shall vote on such Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.

(c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis

(d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

(e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.

(f) The term 'related party' shall have the same meaning as ascribed to it under the Act.

(g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

57. DISCLOSURE OF INTEREST

(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid-up Share Capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(b) No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however that nothing herein contained shall apply to:-

(i) any contract or indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;

(ii) any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director consists solely,

1. in his being –

I. a director of such company, and

II. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or

2. in his being a member holding not more than 2 (two) per cent of its Paid-up Share Capital.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

(c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 57(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

(d) A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

58. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the Directors appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

59. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

(a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(ii) retiring Director has, by a notice in writing addressed to the Company or its Board , expressed his unwillingness to be so reappointed;

(iii) he is not qualified or is disqualified for appointment; or

(iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

60. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.

Subject to Article 42 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

61. REGISTER OF DIRECTORS ETC

(a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

62. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

63. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairman of the Board as the Managing Director / whole time director or executive director of the Company.

64. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager.

65. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

66. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ managers in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

67. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

(l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

(a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;

(b) to borrow money; and

(c) any such other matter as may be prescribed under the Act, the SEBI Listing Regulations and other applicable provisions of Law.

68. PROCEEDINGS OF THE BOARD OF DIRECTORS

(a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.

(b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

(c) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

(d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.

(e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

(f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

69. QUORUM FOR BOARD MEETING

(a) Quorum for Board Meetings

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

(b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

70. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED

(a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall not have a second or casting vote.

(b) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

71. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

(b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

72. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

ii. Remit, or give time for repayment of, any debt due by a Director;

iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

73. COMMITTEES AND DELEGATION BY THE BOARD

(a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

(b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

(c) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

(d) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

74. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director . Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

75. PASSING OF RESOLUTION BY CIRCULATION

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

76. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

(a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

(b) The Company shall circulate the minutes of the meeting to each Director within 15 (fifteen) days after the Board Meeting.

(c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -

(i) all appointments of Officers;

(ii) the names of the Directors present at each meeting of the Board;

(iii) all resolutions and proceedings of the meetings of the Board;

(iv) the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.

(f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -

(i) is or could reasonably be regarded as defamatory of any person;

(ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interests of the Company.

(g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.

(h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

(i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 3 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

77. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

78. CHARGE OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

79. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

80. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

81. OFFICERS

(a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.

(b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.

(c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.

(d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.

(e) The Board shall appoint the President and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

82. THE SECRETARY

(a) Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

(b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

83. DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

(a) on terms approved by the Board;

(b) which includes each Director as a policyholder;

(c) is from an internationally recognised insurer approved by the Board; and

(d) for a coverage for claims of an amount as may be decided by the Board, from time to time.

84. SEAL

(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.

(b) The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Companies Act, 1956, for use in any territory, district or place outside India.

(c) Every deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by any one of the Directors or the Secretary of the Company under an authority of a resolution.

85. ACCOUNTS

(a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

(b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.

(c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.

(d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.

(e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as specified under the Act and Law.

(f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:

i. the extract of the annual return as provided under sub-section (3) of Section 92 of the Act;

ii. number of meetings of the Board;

iii. Directors' responsibility statement as per the provisions of Section 134 (5) of the Act;

iv. a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Act;

v. in the event applicable, as specified under sub-section (1) of Section 178 of the Act, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act;

vi. explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-

1. by the auditor in his report; and

2. by the company secretary in practice in his secretarial audit report;

vii. particulars of loans, guarantees or investments under Section 186 of the Act;

viii. particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;

ix. the state of the Company's affairs;

x. the amounts, if any, which it proposes to carry to any reserves;

xi. the amount, if any, which it recommends should be paid by way of Dividends;

xii. material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report;

xiii. the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;

xiv. a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company;

xv. the details about the policy developed and implemented by the Company on corporate social responsibility initiatives taken during the year;

xvi. in case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors; and

xvii. such other matters as may be prescribed under the Law, from time to time.

(g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

86. AUDIT AND AUDITORS

(a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.

(b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.

(c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.

(d) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.

(e) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.

(f) The Company shall within 7 (seven) days of the Central Government's power under sub clause (b) becoming exercisable, give notice of that fact to the Government.

(g) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(h) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.

(i) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.

(j) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

87. AUDIT OF BRANCH OFFICES

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

88. REMUNERATION OF AUDITORS

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

89. DOCUMENTS AND NOTICES

(a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.

(b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

(c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Members in respect of the Share.

(d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

(e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.

(f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

(g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

90. SHAREHOLDERS TO NOTIFY ADDRESS

Each registered Shareholder from time to time notify in writing to the Company such place to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

91. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address, and has not supplied to the Company any address, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

92. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

93. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

(i) To the Shareholders of the Company as provided by these Articles.

(ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.

(iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

94. DIVIDEND POLICY

(a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

(c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -

1. if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and

2. if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act or against both.

(ii) The declaration of the Board as to the amount of the net profits shall be conclusive.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

(e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.

(f) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.

(iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(l) No unpaid Dividend shall bear interest as against the Company.

(m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.

(n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

95. UNPAID OR UNCLAIMED DIVIDEND

(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

(b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

(c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

96. CAPITALIZATION OF PROFITS

The Company in General Meeting may, upon the recommendation of the Board, resolve that:

(a) it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and

(b) such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

(c) the sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

(ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(iii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

(d) a share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

97. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

(a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.

(b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

(ii) generally do all acts and things required to give effect thereto.

(c) The Board shall have full power:

i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and

ii. to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

(d) Any agreement made under such authority shall be effective and binding on all such shareholders.

98. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

(a) If the Company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the Company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

99. DIRECTOR'S AND OTHER'S RIGHTS TO INDEMNITY

The Company shall and shall cause each Identified Entity to indemnify its directors, and the Company shall indemnify its chief executive officer, executive committee members, key managerial personnel, manager and other officer or employee to the fullest extent permissible under law, including against any and all Losses and expenses which such directors, chief executive officer, executive committee members or key managerial personnel, manager and other officer or employee may suffer or incur arising out of or in connection with (i) any proceedings that any such individual becomes a party to or is involved in as a result of being a director of the Company or the Identified Entity or as a result of being chief executive officer, executive committee member or key managerial personnel, manager and other officer or employee of the Company, (ii) any breach of agreement, willful omission or misconduct of or by the Company or the Identified Entity or their employees or agents, or (iii) any action, suit, claim or proceeding arising out of or relating to any such conduct, or any failure to act undertaken by such individual at the request of the Company or the Identified Entity as applicable, or contravention of any law in respect of the business of the Company or the Identified Entity, and any action or proceedings taken against the director, chief executive officer, executive committee member or key managerial personnel, manager and other officer or employee, in connection with any such contravention or alleged contravention, except where such liabilities arise solely due to gross negligence of such director or any criminal offence committed by such director (for which such director chief executive officer, executive committee members or key managerial personnel, manager and other officer or employee has been convicted).

100. DIRECTORS ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of Section 197 of the Act, no Director, Manager, Officer or Employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the Company.

101. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the board and shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of law.

102. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

(a) The shareholders shall vote for all the equity shares owned or held on record by such shareholders at any annual or extraordinary General meeting of the Company in accordance with these Articles.

(b) The shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

(c) The Articles of the Company shall not be amended unless (i) Shareholders holding not less than 75% of the Equity shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/s to the Articles.

103. SECRECY

Except as provided in Article 101, no shareholder shall be entitled to inspect the Company's work without permission of the managing Director/Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the shareholders of the Company to communicate to the public.

104. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, managing Directors, manager, Secretary, Auditor, members of Committees, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Board before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the General Meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the Company's affairs.

105. NON-COMPETE AND OTHER COVENANTS

105.1 Restrictions on Investors

105.1.1. An Investor will not, during the Restricted Period, engage in any Restricted Activities in India without the prior written Consent of the other Investor. In addition, Investor 1 covenants that Indium-V and its Affiliates (including any funds, schemes, or Persons under common management, trusteeship or Control with Indium-V) will also be bound by, and comply with, the provisions of this Article 105.1.

105.1.2. The covenants contained in this Article 105.1 are reasonable covenants under the circumstances;

105.1.3. If any of the restrictions contained in this Article 105.1 is found to be unenforceable, but would be valid if any part of it were deleted or the period or area of application amended, the restriction will apply with such minimal modifications as may be necessary to make it valid and effective

105.2 Exceptions to the Non-Compete

105.2.1 The restrictions contained in Article 105.1 will not apply if (i) the Investor and/or its Affiliates directly or indirectly own, control or is a beneficiary of not more than 10% (ten percent) (in aggregate) of the shareholding of a Company Competitor, and/or (ii) any investment which is not an Active Investment (collectively referred to as the "Exempted Criteria"). For the purposes of this Article 105.2, an investment will be considered an "Active Investment" if it confers any right to have representation on the board of directors (including any advisory board).

105.2.2 Article 105.1 and 105.2 shall fall away upon Argan or TA (as the case may be), ceasing to hold more than 10% of the issued and paid up share capital of the Company, calculated on a Fully Diluted Basis.

105.3 Restriction on Sunder

105.3.1 Notwithstanding anything to the contrary, neither Sunder nor his Relatives, will, during the Restricted Period, engage in any Restricted Activities in India without the prior written consent of the Investors.

105.3.2 Sunder agrees that the covenants contained in this Article 105.3 are reasonable covenants under the circumstances.

105.3.3 If any of the restrictions contained in this Article 105.3 is found to be unenforceable, but would be valid if any part of it were deleted or the period or area of application amended, the restriction will apply with such minimal modifications as may be necessary to make it valid and effective.

105.4 Restrictions on Sunder under Article 105.3 shall fall away on Sunder ceasing to be a Director on the Board of the Company.

PART B

1. DEFINITIONS AND INTERPRETATION

1.1. The regulations contained in Table F in the First Schedule to the Companies Act, 2013 will apply to the Company to the extent to which they are not modified, varied, amended or altered by these Articles.

1.2. In these Articles, except to the extent that the context requires otherwise the following terms will have the meanings set forth below, such meanings to be applicable to both the singular and the plural forms of such terms:

The words or expressions contained in these Articles but not defined herein will bear the same meaning as in the Act.

1.2.1. "**Act**" means the Companies Act, 1956 or the Companies Act, 2013, whichever is applicable or any statutory modification(s) thereof or any other succeeding enactment;

1.2.2. **"Accounts"** means the audited financial statements of the Company and of each Subsidiary and the audited consolidated financial statements of the Company for the accounting reference period ended on 31 March of the Financial Year immediately preceding the Closing, if applicable, together with, in each case, the auditors' and directors' reports and the notes to the audited financial statements, such financial statements comprising, in each case, a balance sheet and a profit and loss account;

1.2.3. "**Accepted Offeror**" has the meaning given in Article 12.5.3.

1.2.4. "**Additional ESOP**" has the meaning given in Article 6.3A.1.

1.2.5. "**Affiliate**" means in respect of any specified Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person, and any investment funds managed or advised by such specified Person, provided that neither the Company nor any Group Company will be considered as the Affiliate of any Shareholder. In case of (a) natural Persons, Relatives will be deemed to be Affiliates of such natural persons; and (b) Investor 1 and Investor 2, in addition to the aforesaid, any fund or investment vehicle owned, managed, advised, controlled or promoted by Investor 1 and/or Investor 2 or by their respective Affiliates, investment managers and investment advisors will also be deemed to be Affiliates of Investor 1 and/or Investor 2 (as the case maybe). In addition, for the purposes of Article 17 (*Non-Compete and Other Covenants*), (i) Indium-V and its Affiliates, and (ii) all present and future funds managed and/or advised by India Value Fund Managers LLP and/or Global Opportunity Advisors (Mauritius) Limited (each such Person, an "**Indium Related Person**"), shall also be considered as Affiliates of Argan.

1.2.6. "**Affirmative Rights**" has the meaning given in Article 10.1.2;

1.2.7. "**Agreed Business Plan Funding**" has the meaning given in Article 7.1.1;

1.2.8. "**Agreement**" means depending on the context (a) the Shareholders Agreement dated May 10, 2015, entered into between Atria Convergence Technologies Limited, Argan (Mauritius) Limited and TA FVCI Investors Limited and any amendments thereto; and/or (b) the Shareholders Agreement dated September 30, 2015, entered into between Atria Convergence Technologies Limited, Argan (Mauritius) Limited, TA FVCI Investors Limited and Sunder and any amendments thereto;

1.2.9. "**Anti-Corruption Laws**" has the meaning given in **Schedule 1** (Regulatory Requirements) of these Articles;

1.2.10. **“Applicable Law”** means any applicable national, foreign, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Governmental Authority, statutory authority, court, tribunal having jurisdiction over the Company and the Shareholders; (b) Governmental Approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority, having jurisdiction over the Company and the Shareholders;

1.2.11. “**Appointment Period**” has the meaning given in Article 12.10;

1.2.12. “**Argan Change of Control Event**” has the meaning given in Article 6.3.6;

1.2.13. “**Argan Director**” has the meaning has the meaning given in Article 8.2.1;

1.2.14. “**Argan Exempted Transfer**” has the meaning given in Article 12.2.2;

1.2.15. “**Argan Floor Price**” has the meaning given in Article 12.9;

1.2.16. “**Argan Initiated Exit”** has the meaning given in Article 12.8.1;

1.2.17. “**Argan Lock-in Period”** has the meaning given in Article 12.2.1;

1.2.18. **“Argan Offered Shares**” has the meaning given in Article 12.7.1;

1.2.19. “**Argan Rights Transferee”** has the meaning given in Article 12.2.1;

1.2.20. “**Argan Shares”** means all the Equity Shares held by Argan;

1.2.21. **“Articles”** means these Articles of Associations of the Company, as amended from time to time;

1.2.22. **“Auditors”** means the statutory auditor of the Company;

1.2.23. **“Authorisation**” means any (a) authorisation, consent, approval, resolution, license, permit, exemption, filing, notarisation, registration or waiver of notice of a Governmental Authority or any Third Party; and (b) authorisation, resolution or approval of the board and/or shareholders of the Company or a Group Company;

1.2.24. **“Big 4 Accounting Firms”** means Ernst & Young, KPMG International, Deloitte & Touche, and Price Waterhouse Coopers and/or their respective affiliates in India;

1.2.25. **“Board”** means the Board of Directors of the Company, from time to time;

1.2.26. **“Business”** means the business of the Company and the Group Companies (i) providing broadband connectivity in India, (ii) providing cable TV services (including any other value added services such as over the top TV services and IPTV) in India, and (iii) undertaking such other businesses as may be approved by Argan, and by TA in accordance with Article 10.1.2;

1.2.27. **“Business Day”** means any day (other than a Saturday, a Sunday, and any public holiday) on which commercial banks in Mumbai, Bangalore and Mauritius are open for the conduct of ordinary banking business;

1.2.28. “**Business Plan**” means the rolling business plan for the Company relating to the current Financial Year and indicative / forecasted business plan for 2 (two) succeeding Financial Years, which will inter alia include (i) the annual operating and capital budget / expenditure allocations for the Company and the Group Companies for a Financial Year (including the respective marketing and capital expenditure budget for the broadband as well as cable business), and (ii) the annual business and financing plan for the business of the Company and the Group Companies for a Financial Year, which plan will include details of the proposed business roll-out in new territories, projected revenues, operating and capital expenditure, cash flow and financing requirements and the amount, timing and means of any external and / or Shareholder financing (if any), and which will become effective upon approval pursuant to Article 10.1.2 of these Articles;

1.2.29. **“Calendar Quarter**” has the meaning given in Schedule 2, Paragraph 1;

1.2.30. **“Candidate Choice Period”** has the meaning given in Article 11.3;

1.2.31. **“CFO”** has the meaning given in Schedule 3, Paragraph 1;

1.2.32. **“Chairman”** means the chairman of the Board, from time to time;

1.2.33. **“Change of Control”** will occur if a Person who has Control of a body corporate ceases to do so;

1.2.34. **“Claim”** means any (i) contractual, legal, administrative or regulatory proceedings against any of the Company and its Shareholders alleging any act or omission or non-performance or failure by any one or more of the Company and its Shareholders to perform any of their respective obligation, representation, warranty or covenants under any contract or agreement (including the Share Purchase Agreement), or Applicable Law and includes the issue of a writ or notice or summons or cross claim or counter claim issued or initiated against or fixed upon any one or more of the Company and its Shareholders; or (ii) any claim made under the Share Purchase Agreement;

1.2.35. **“Closing”** means the completion of the purchase of the Sale Shares by the Investors, in accordance with the terms and conditions set out in the Share Purchase Agreement;

1.2.36. **“Closing Date”** means the Business Day on which Closing occurs;

1.2.37. **“Company”** means Atria Convergence Technologies Limited having its registered office at the Indian Express Building, 2nd Floor, No. 1 Queens Road, Bangalore – 560001, Karnataka, India;

1.2.38. “**Company Competitor**” means any Person carrying on a Competing Business and the revenue generated by such Person from such Competing Business exceeds 20% (twenty percent) of the total revenues of such Person in a Financial Year (as per its latest available audited financial statement);

1.2.39. “**Competing Business**” means any business, which directly or indirectly, in any manner whatsoever is in competition with the Business of the Company in India;

1.2.40. **“Confidential Information”** has the meaning ascribed to it in Article 23.1;

1.2.41. **“Consent”** means any notice, consent, approval, no-objection, waiver, ratification, permit, grant, concession, agreement, license, certificate, exemption, order or registration, of, issued or granted by any Person and includes consents issued or granted by any Governmental Authority under or pursuant to Applicable Law;

1.2.42. “**Control**” or “**control**” will have the meaning ascribed to the term under the Share Purchase Agreement; and the terms “**controlling**” and “**controlled**” will be construed accordingly;

1.2.43. “**Controlling Shareholder**” means between Argan or TA, the Shareholder which (together with its respective Affiliate(s)) holds the largest number of Shares of the Company (on a fully diluted basis). As of the Effective Date, Argan is the Controlling Shareholder;

1.2.44. “**Co-Sellers**” will have the meaning ascribed to it under the Share Purchase Agreement;

1.2.45. “**Deadlock Matter**” has the meaning given in Article 11.1.2;

1.2.46. “**Deadlock Notice**” has the meaning given in Article 11.1.2;

1.2.47. “**Deadlock Resolution Firms**” has the meaning given in Article 11.2.1;

1.2.48. “**Declining Shareholder**” has the meaning given in Article 7.2.3;

1.2.49. “**Deed of Adherence**” means a deed substantially in the form set out in the Agreement;

1.2.50. “**Defaulting Shareholder**” has the meaning given in Article 14.1;

1.2.51. “**Director**” means a member of the Board of Directors, from time to time, and “**Directors**” will be construed accordingly;

1.2.52. “**Disenfranchised Shares**” has the meaning given in Article 14.3;

1.2.53. “**Disenfranchisement Notice**” has the meaning given in Article 14.3;

1.2.54. “**Dispute**” has the meaning given in Article 25.1;

1.2.55. “**Dispute Notice**” has the meaning given in Article 25.1;

1.2.56. “**Distribution**” means any dividend, buy-back, redemption or any other distribution of assets by the Company to any Shareholder;

1.2.57. “**Drag Notice**” has the meaning given in Article 12.11.3 and Article 12.12.1;

1.2.58. “**Drag Right**” has the meaning given in Article 12.1.2 and Article 12.11.2;

1.2.59. “**Drag Sale Price**” has the meaning given in Article 12.11.3 and Article 12.12.1;

1.2.60. “**Drag Shares**” has the meaning given in Article 12.11.3 and Article 12.12.1;

1.2.61. “**Dragged Investor**” has the meaning given in Article 12.11.2;

1.2.62. “**Dragging Investor**” has the meaning given in Article 12.11.2 and Article 12.12.1;

1.2.63. “**Effective Date**” means the Closing Date;

1.2.64. **“Encumbrances”** means any pledge, charge, lien, mortgage, debenture, hypothecation, security interest, pre-emption right, option or any other defect in title, encumbrance or third party right or claim of any kind or any agreement to create any of the above;

1.2.65. **“EOD Notice**” has the meaning given in Article 14.2.1;

1.2.66. “**ESOP**” means an employee stock option plan / scheme of the Company or any Group Company;

1.2.67. **“Equity Shares”** means the Equity Shares of the Company having a face value of Rs. 10 each;

1.2.68. “**Event of Default**” has the meaning given in Article 14.2;

1.2.69. “**Exempted Criteria**” has the meaning given in Article 18.2.1;

1.2.70. "**Exit Deadline Date**" means date falling on expiry of 66th (sixty sixth) month from the Closing Date;

1.2.71. "**Exit Sale Consideration**" has the meaning given in Article 12.10;

1.2.72. "**Extended Exit Deadline Date**" means date falling on expiry of 78th (seventy eighth) month from the Closing Date;

1.2.73. "**Failed IPO**" has the meaning given in Article 13.1.6;

1.2.74. "**Financial Investor**" means any Person who is not a Strategic Investor;

1.2.75. "**Financial Year**" or "**FY**" means the fiscal year beginning from 1 April of each year and ending on 31 March of the immediately succeeding year;

1.2.76. "**Firm Choice Period**" has the meaning given in Article 11.2.1;

1.2.77. **"Fully Diluted Basis"** means in reference to any calculation, that the calculation should be made in relation to the equity share capital, assuming that all (i) outstanding convertible preference shares or debentures, options, warrants, notes and other Shares convertible into or exercisable or exchangeable for Shares of the Company or any Group Company or Other Group Company, as applicable to the context, (whether or not by their terms then currently convertible, exercisable or exchangeable), including stock options, have been so converted, exercised or exchanged to the maximum number of Shares possible under the terms thereof; and (ii) partly paid Shares (if any) have been fully paid up;

1.2.78. **"Governmental Authority**" means any nation or government or any province, central, state or any other political sub-division thereof; any entity, authority or body exercising executive, legislative, judicial, quasi-judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of India, as applicable, or any political subdivision thereof or any other applicable jurisdiction; any court, tribunal or arbitrator and any securities exchange or body or authority regulating such securities exchange;

1.2.79. "**Government Official**" means any officer or employee of a Governmental Authority or any department, agency, or instrumentality thereof, or any person acting in an official capacity for or on behalf of any such Governmental Authority or department, agency, or instrumentality;

1.2.80. **"Group" or "Group Companies"** means ACT Digital Home Entertainment Private Limited, Kable First India Private Limited, ACN Cable TV Private Limited and HCV Digital Entertainment Private Limited, and shall also include such other subsidiaries of the Company as the Investors may mutually agree from time to time to form part of this definition, and the expression "Group Company" will be construed accordingly;

1.2.81. "**Group Company Shareholding Agreement**" means (i) any agreement with respect to the shareholding of any of the Group Companies (by whatever name called, including any option agreement or share sale & purchase agreement); and (ii) any agreement between the Company and other shareholders of the Group Company;

1.2.82. "**Indemnified Parties**" has the meaning given in Article 19.1;

1.2.83. "**Indemnifying Parties**" has the meaning given in Article 19.1;

1.2.84. "**Independent Director**" has the meaning ascribed to the term in the Act;

1.2.85. "**Indium-V**" will mean Indium V (Mauritius) Holdings Limited, a public company incorporated under the Companies Act 2001, of the Republic of Mauritius and having its office at Office 201, Sterling Tower, 14 Poudriere Street, Port Louis, Mauritius;

1.2.86. "**INR Equivalent**" means, with respect to any monetary amount in US$, the amount of INR obtained by converting the amount of US$ into INR at the INR–US$ reference rate published by the Reserve Bank of India on the Closing Date;

1.2.87. **"INR"** and **"Rs."** and **"Rupee"** mean the lawful currency of the Republic of India;

1.2.88. **"Indian GAAP"** means Generally Accepted Accounting Principles accepted in India

1.2.89. "**Insolvency Event**" means any of the following events:

(a) the relevant party voluntarily files or institutes a petition or proceeding seeking a judgment of insolvency or an order for winding up or any other similar relief under any bankruptcy or insolvency laws or other laws affecting creditor rights;

(b) any Person (i) files or institutes against the relevant party, a petition or proceeding seeking a judgment of insolvency or an order for winding up or any other similar relief under any bankruptcy or insolvency laws or other laws affecting creditor rights on account of a failure by the relevant party to pay an amount, when due and payable, and such person obtains an admission order or interlocutory order in connection with such petition or proceeding (including for the appointment of a provisional liquidator, receiver or manager in respect of the relevant party or any of its assets), and provided that if any such order is passed by a court, such order is not stayed or dismissed within a period of 180 (one hundred and eighty) days, or (ii) obtains a judgment of insolvency or a winding up order in respect of the relevant party from a court of competent jurisdiction and such judgment of insolvency or winding up order is not stayed or dismissed within a period of 90 (ninety) days; or

(c) any legal proceedings are initiated in connection with the enforcement of any security over substantial assets of the relevant party, provided that, such legal proceedings are not dismissed within a period of 180 (one hundred and eighty) days;

1.2.90. "**Intellectual Property**" means patents, utility models, trademarks, service marks, logos, trade and business names, registered designs, design rights, copyright, database rights, domain names, and rights in Business Information, inventions, software, websites and website content, trade secrets, confidential information of all kinds and other similar proprietary rights which may subsist in any part of the world and whether registered or not, including, where such rights are obtained or enhanced by registration, any registration of such rights and rights to apply for such registrations anywhere in the world;

1.2.91. "**Investment of earnings in United States property**" has the meaning given in Schedule 2, Paragraph 2;

1.2.92. "**Investment Vehicles**" will mean Alternative Investment Funds, Foreign Venture Capital Fund or Domestic Venture Capital Fund registered with the Securities and Exchange Board of India;

1.2.93. "**Investors**" means Investor 1 and Investor 2;

1.2.94. "**Investor 1**" or **"Argan"** means Argan (Mauritius) Limited, a company incorporated under the laws of Mauritius and having its registered office at office 201, 2nd floor, Sterling Tower, 14 Poudriere Street, Port Louis, Mauritius.

1.2.95. "**Investor 2**" or **"TA"** means TA FVCI Investors Limited, a company incorporated and registered under the laws of the Republic of Mauritius, having its principal place of business at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius

1.2.96. "**Investor Director Undertaking**" has the meaning given in Article 13.1.4 (b);

1.2.97. "**Investor Buyer"** has the meaning given in Article 12.5.6 (b)(i);

1.2.98. “**IPO” or “Initial Public Offering**” means the first public offering of Shares (which public offering complies with all applicable legal, regulatory and listing requirement) whether by means of a fresh issue of additional Shares, an offer of Shares by the Shareholders or a combination of the foregoing, and the listing of such Shares on a Recognized Stock Exchange and their admission to trading;

1.2.99. “**Issuance Notice**” has the meaning given in Article 7.2.1;

1.2.100. “**Issuance Period**” has the meaning given in Article 7.2.2;

1.2.101. **“Issuance Price**” has the meaning given in Article 7.2.1

1.2.102. “**Issuance Shares**” has the meaning given in Article 7.2.1;

1.2.103. “**Key Executives**”, “**Key Officers**”, or “**Key Management Persons**” means the list of individuals identified by the Investors as being key to the management and operations of the Company, as set out in the Share Purchase Agreement;

1.2.104. “**Management Consulting Firms**” means (i) McKinsey & Company, (ii) Bain & Company, (iii) The Boston Consulting Group, (iv) A.T. Kearney, and (v) Strategy& (formerly Booz &Co);

1.2.105. “**Management Shareholders**” shall have the meaning ascribed to it under the Share Purchase Agreement;

1.2.106. “**Management Shares**” means the shares held by the Management Shareholders;

1.2.107. “**MB Choice Period**” has the meaning given in Article 12.10;

1.2.108. “**Memorandum**” or “**Memorandum of Association**” means the memorandum of association of the Company, from time to time;

1.2.109. “**Merchant Banker**” has the meaning given in Article 12.10;

1.2.110. “**Minority Strategic Sale**” means sale of Shares to a Strategic Investor which does not lead to a Change of Control of the Company;

1.2.111. “**Month**” and “**Year**” means a calendar month and a calendar year respectively;

1.2.112. “**New Issuance**” has the meaning given in Article 7.2;

1.2.113. “**Non-compliant Investor**” has the meaning given in Article 18.2.2;

1.2.114. “**Non-Controlling Shareholder**” means between Argan or TA, the Shareholder (which along with its Affiliates) is not the Controlling Shareholder. As of the Effective Date, TA is the Non-Controlling Shareholder;

1.2.115. “**Non-Executive Directors**” has the meaning ascribed in Article 8.9.2;

1.2.116. “N**on-passive Assets**” has the meaning given in Schedule 3;

1.2.117. “**Non-Transferring Party (ies)**” has the meaning given in Article 12.5;

1.2.118. **“Observers**” has the meaning given in Article 8.12;

1.2.119. “**Offer Notice**” has the meaning given in Article 12.5.1;

1.2.120. “**Offer Price**” has the meaning given in Article 12.5.2;

1.2.121. “**Offer Terms**” has the meaning given in Article 12.5.2;

1.2.122. "**Offered Shares**" has the meaning given in Article 12.5.1;

1.2.123. "**OFS Component**" has the meaning given in Article 13.1.3(a);

1.2.124. **"Other Group Company"** means S R Cable TV Private Limited, Raja Rajeshwari Entertainment Private Limited, Sri Venkateshwara Digital Home Entertainment Private Limited, Sree Digital Home Entertainment Private Limited, Chitradurga Entertainment Private Limited, Kable First Davanagere Private Limited, Atria Broadband Services Private Limited, I.B. Communications Private Limited and Mandapeta Digital Entertainment Private Limited, and the expression "**Other Group Company**" will be construed accordingly;

1.2.125. "**Other Shareholder**" has the meaning given in Article 14.2.3;

1.2.126. "**Participation Notice**" has the meaning given in Article 7.2.2;

1.2.127. "**Participation Period**" has the meaning given in Article 7.2.2;

1.2.128. "**Participation Shares**" has the meaning given in Article 7.2.2;

1.2.129. "**Passive Assets**" has the meaning given in Schedule 3;

1.2.130. **"Person"** means any corporation, association, unincorporated association, partnership (general or limited), joint venture, estate, trust, limited liability company, limited liability partnership, proprietorship, single business unit, division or undertaking of any of the above or, any other legal entity, individual or government, state or agency of a state;

1.2.131. "**PFIC**" has the meaning given in Schedule 3;

1.2.132. "**Prohibited Actions**" has the meaning given in Schedule 1 (*Regulatory Requirements*);

1.2.133. **"Proposed Transferee"** has the meaning given in Article 12.7.1;

1.2.134. **"Proposed Transfer"** has the meaning given in Article 12.7.1;

1.2.135. **"Proposed Transfer Notice** has the meaning given in Article 12.7.1;

1.2.136. "**Prospective Purchaser**" has the meaning given in Article 12.5.4;

1.2.137. "**Purchasing Investors"** has the meaning given in Article 12.5.6(b)(vii)(b);

1.2.138. "**Put Consideration**" means the fair market value of all the TA Shares, provided that, in case the fair market value of all the Shares held by TA is less than the Threshold Return, the Put Consideration will be at least the Threshold Return;

1.2.139. "**Put Option**" has the meaning given in Article 12.8.1(a)(ii);

1.2.140. "**QIPO**" or "**Qualified Initial Public Offering**" means an IPO (i) on or before the third anniversary of the Effective Date in which the price per Share offered (at the lowest end of the price band, if any) is not less than a price which would ascribe all Shares held by TA with a valuation (on the basis of an entire company valuation) which is at least equivalent to the Threshold Return; or (ii) after the third anniversary of the Effective Date but prior to the Exit Deadline Date in which the price per Share offered (at the lowest end of the price band, if any) is not less than a price which would ascribe all Shares held by TA with a valuation (on the basis of an entire company valuation) which is at least equivalent to the TA Entry Valuation;

1.2.141. "**Quarter**" means a 3 (three) month period each commencing on 1 January, 1 April, 1 July and 1 October of each calendar year;

1.2.142. "**Recipient**" has the meaning given in Article 23.1;

1.2.143. "**Recognized Stock Exchange**" means the Bombay Stock Exchange Limited or the National Stock Exchange of India Limited or any other internationally recognized public securities market acceptable to TA and Argan;

1.2.144. "**Related Party**" will have the meaning ascribed to it in the Act. Each Indium Related Person will be regarded as a Related Party of the Company for the purposes of the Articles;

1.2.145. "**Relative**" will have the meaning ascribed to it in the Act; Provided that "**Relative**" with reference to Sunder will mean an individual related to Sunder in any of the following manner:

(i) Wife;

(ii) Son;

(iii) Daughter;

(iv) Daughter-in-law;

(v) Son-in-law;

1.2.146. "**Relevant Proportion**" means, in the case of each Shareholder, such percentage as equates to the total number of Shares (on a fully diluted basis) held by such Shareholder as a percentage of the total number of Shares then issued on a fully diluted basis), save that if the expression "**Relevant Proportion**" is used in the context of some (but not all) of the Shareholders, it will mean such percentage as equates to the total number of Shares held by such Shareholder (on a fully diluted basis) as a percentage of the total number of Shares held by the Shareholders to whom the context refers on a fully diluted basis;

1.2.147. "**Relevant Shareholders**" has the meaning given in Article 7.2.1;

1.2.148. "**Reserved Matters"** has the meaning given in Articles 10.1.2;

1.2.149. "**Restricted Activities**" means with respect to Argan or TA or any of its Affiliates:

(a) establishing another entity, vehicle or joint venture or entering into any business that, in each case, is directly competing with the Business;

(b) investing, directly or indirectly, in any Company Competitor;

(c) soliciting, canvassing, enticing away or inducing or persuading or attempting in any manner to solicit, canvass, entice away, induce or persuade any Person dealing or engaged with the Company or the Group Companies, to (i) cease dealing or doing business with the Company or the Group Companies or to (ii) reduce the amount of dealings or business which any such Person has been doing with the Company or the Group Companies;

(d) offering employment to, entering into a contract for the services of, or to entice away from any of the Company or the Group Companies, any individual who is (at the time of the offer), or has been at any time within the 6 (six) months period prior to the offer, an employee of the Company or a Group Company, or procuring or facilitating the making of any such offer by any other Person; or

(e) causing or permitting any Person under its control to do any of the foregoing acts or things;

1.2.150. "**Restricted Period**" means:

(a) in relation to Argan and TA, the period from and including the Effective Date until such Person or any of its Affiliates cease to hold any Shares;

(b) in relation to Sunder means, the period from and including the Effective Date until Sunder ceases to hold any Shares;

1.2.151. “**ROFO Acceptance Notice**” has the meaning given in Article 12.5.2 and Article 12.5.6 (b) (iii);

1.2.152. “**ROFO Notice”** has the meaning given in Article 12.5.6(a);

1.2.153. “**ROFO Acceptance Period**” has the meaning given in Article 12.5.3;

1.2.154. “**ROFO Decision Notice**” has the meaning given in Article 12.5.3;

1.2.155. “**ROFO Offer Notice”** has the meaning given in Article 12.5.6(b)(i);

1.2.156. **“ROFO Offer Terms”** has the meaning given in Article 12.5.6(b)(i);

1.2.157. “**ROFO Period**” has the meaning given in Article 12.5.2 and Article 12.5.6 (b);

1.2.158. “**ROFO Shares”** has the meaning given in Article 12.5.6(a);

1.2.159. “**ROFO**” has the meaning given in Article 12.5;

1.2.160. “**Rules”** has the meaning given in Article 25.2;

1.2.161. “**Sale Shares**” means Equity Shares purchased by TA and Argan pursuant to the Share Purchase Agreement;

1.2.162. “**Share Purchase Agreement**” means the agreement dated May 10, 2015 entered into by and among TA, Argan, IVF Trustee Company Private Limited, Mr CS Sunder Raju, CS Affiliates Sellers (as defined in the Share Purchase Agreement), Management Shareholders and the Company for the purposes of the purchase of Sale Shares by the Investors;

1.2.163. “**Shareholder Distributions**” has the meaning given in Article 15.1;

1.2.164. **“Shareholder”** means any person in whose name any Share is duly registered in the Company’s register of members in accordance with the provisions of the Act;

1.2.165. “**Shareholders’ Agreement**” means the shareholders’ agreement dated May 10, 2015 entered into between TA, Argan and the Company;

1.2.166. **“Shares”** means Equity Shares, preference shares, any equity linked securities, securities or other instruments issued by the Company (including those convertible into or exercisable or exchangeable for Equity Shares) issued by the Company, including, where applicable only the beneficial or economic interest in such Shares, and “**Share**” will be construed accordingly;

1.2.167. “**Strategic Investor**” means any Person who holds Control over a Company Competitor, including Investment Vehicles having Control over a Company Competitor. Such Investment Vehicles shall be as set out in the Shareholders’ Agreement . The foregoing list of Investment Vehicles will be updated on the Effective Date and not later than 15 (fifteen) days from the expiry of every 6 (six) months from the Effective Date, as per mutual agreement between Argan and TA, based on recent investments in Company Competitors in India;

1.2.168. “**Subscribing Shareholder**” has the meaning given in Article 7.2.3;

1.2.169. “**Subsidiary**” or “**Subsidiaries**” will have the same meaning as is ascribed to the term ‘subsidiary’ in the Act;

1.2.170. “**Suggested Candidates**” has the meaning given in Article 11.3;

1.2.171. "**Suggested MB**" has the meaning given in Article 12.10;

1.2.172. **"Sunder**" will mean Mr. Chinnaswamy Sunder Raju, an Indian resident, aged 58 years and presently residing at No. 294, Upper Palace Orchards, Bangalore 560 080;

1.2.173. "**TA Change of Control Event**" has the meaning given in Article 6.3.5;

1.2.174. "**TA Claim**" has the meaning given in Article 6.8.1;

1.2.175. "**TA Co-Investment Vehicle**" has the meaning ascribed to it under the Shareholders' Agreement;

1.2.176. "**TA Control Event Date**" has the meaning given in Article 16.1;

1.2.177. "**TA Control Event**" has the meaning given in Article 16.1;

1.2.178. "**TA Director**" has the meaning given in Article 8.2.1;

1.2.179. "**TA Entry Valuation**" has the meaning as defined in the Shareholders' Agreement;

1.2.180. "**TA Free Transfer**" has the meaning given in Article 12.3.2 (c);

1.2.181. "**TA Initiated Exit**" has the meaning given in Article 12.9;

1.2.182. "**TA Rights Transferee**" has the meaning given in Article 12.3.1;

1.2.183. "**TA Shares**" means all the Equity Shares held by TA;

1.2.184. "**Tag Along Notice**" has the meaning given in Article 12.6.2;

1.2.185. "**Tag Along Offer Period**" has the meaning given in Article 12.6.2 and Article 12.7.4;

1.2.186. "**Tag Along Shares**" has the meaning given in Article 12.6.2 and Articles 12.7.4;

1.2.187. "**Tag Along**" has the meaning given in Article 12.5;

1.2.188. **"Tag Offer Notice**" has the meaning given in Article 12.6.2;

1.2.189. "**Tag Offered Shares**" has the meaning given in Article 12.6.2;

1.2.190. "**Tag Price**" has the meaning given in Article 12.6.2 and Article 12.7.1;

1.2.191. "**Tagging Party**" has the meaning given in Article 12.6.3;

1.2.192. "**Tax**" or "**Taxes**" or "**Taxation**" means:

(a) any income-tax (including minimum alternative tax under the provisions of the Tax Act), advance tax, self-assessment tax, tax deducted and / or deductible at source, withholding tax, or any income-tax payable in the capacity of a representative assesse, together with interest, penalties and shall include any cess and surcharge thereto in respect of the aforementioned taxes computed as per the provisions of the Tax Act and the rules thereunder; and

(b) all charges, interest, penalties and fines incidental or relating to any tax falling within (a) above or which arise as a result of the failure to pay any tax on the due date or to comply with any obligation relating to tax;

provided that, in the context of the Seller Warranties (as defined under the Share Purchase

Agreement) or the Purchase Consideration Taxation Event (as defined under the Share Purchase Agreement), Taxes shall also include all amounts which are levied upon or recoverable from relevant Investor as payer and/or in its capacity as an alleged agent, representative assesse or assesse in default under the Tax Act or proxy for the Seller(s) or Affiliates of the Seller(s) under the Share Purchase Agreement;

1.2.193. **"Tax Act"** means the (Indian) Income Tax Act, 1961;

1.2.194. "**Third Party Sale Period**" has the meaning given in Article 12.5.4;

1.2.195. "**Third Party**" means any Person other than the Shareholders, their Affiliates and the Group Companies;

1.2.196. **"Third Party Acquirer"** has the meaning given in Article 12.12.1;

1.2.197. **"Third Party Purchaser"** has the meaning given in Article 12.5.6 (b)(vii)(a);

1.2.198. "**Third Party Offer Terms"** has the meaning given in Article 12.5.6 (b)(vii)(a);

1.2.199. **"Third Party Offer Terms Notice"** has the meaning given in Article 12.5.6 (b)(vii)(b);

1.2.200. **"Third Party Offer Terms Acceptance Notice"** has the meaning given in Article 12.5.6 (b)(vii)(b);

1.2.201. **"Third Party Offer Period"** has the meaning given in Article 12.5.6 (b)(vii)(d);

1.2.202. **"Third Party Costs"** has the meaning given in Article 12.5.6 (b)(vii)(c);

1.2.203. "**Threshold Return**" means in relation to TA, an amount which is computed as follows: 2.5* Investment Amount, where the "**Investment Amount**" is the aggregate amount invested by TA in the Company for acquisition of Shares (including pursuant to a secondary purchase as well as a primary investment, if applicable);

1.2.204. "**Trade Sale**" means (i) Change of Control of the Company in favour of any Third Party (including to a Company Competitor), or (ii) an acquisition of the Company (including by means of a merger or other form of corporate reorganization) by a Third Party including by a Company Competitor pursuant to which all or a majority of the Shares of the Company are acquired by a Third Party including to a Company Competitor, or (iii) sale of all or substantially all of the business and assets of the Company and/or Group Companies (including by means of a merger or other form of corporate reorganization) followed by a distribution in cash of the proceeds of such acquisition to the Shareholders. For the avoidance of doubt, a transaction shall be considered to be a Trade Sale, if the binding agreement(s) in relation to the relevant transaction contemplates the Third Party participating in a future transaction (or series of transactions), including by way of an exercise of an option: (A) in a manner which will provide the Third Party or its Affiliates with the ability to exercise Control over the Company, or (B) in a manner which will result in the Third Party or its Affiliates having the ability to be the buyer or transferee in any of the transactions contemplated by (i), (ii) or (iii) above;

1.2.205. "**Transaction Documents**" shall have the meaning ascribed to it under the Share Purchase Agreement;

1.2.206. "**Transfer**" means to, whether directly or indirectly, transfer, sell, convey, assign, pledge, hypothecate, create a security interest in or Encumbrance on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any encumbrance or dispose of, whether or not voluntarily, and "**Transferring**" and "**Transferred**" have corresponding meanings, provided;

1.2.207. "**Transferring Party**" has the meaning given in Article 12.5;

1.2.208. "**U.S. Investor"** has the meaning given in Schedule 2, Paragraph 1; and

1.2.209. "**US Dollars**" or "**US$**" or "**Dollars**" means the lawful currency of the United States of America.

2. INTERPRETATION

In these Articles, unless the context otherwise requires:

2.1.1. The expression "**agreed form**" means in the form agreed among the Company and the Shareholders and signed for the purposes of identification by or on behalf of the Company or the Shareholders.

2.1.2. References to "**include**" or "**including"** are to be construed without limitation.

2.1.3. References to a "**company**" include any company, corporation or other body corporate wherever and however incorporated or established.

2.1.4. The expression **"body corporate**" will have the meaning given in the Act.

2.1.5. The table of contents and headings are inserted for convenience only and will not affect the construction or interpretation of these Articles.

2.1.6. Words in the singular include the plural and vice versa, and a reference to any gender includes all other genders.

2.1.7. References to Recitals, Clauses and Schedules are to recitals, annexures to, and clauses and schedules to these Articles, all of which form part of these Articles.

2.1.8. References to any statute or statutory provision include a reference to that statute or statutory provision as amended, consolidated or replaced from time to time (whether before or after the date of these Articles) and include any subordinate legislation made under the relevant statute or statutory provision.

2.1.9. References to Shares held by a Shareholder, includes a reference to the aggregate of all Shares then held by (i) the Shareholder; and (ii) each of the Affiliates of the Shareholder.

2.1.10. In calculations of the number of Shares, references to a "**fully diluted basis"** mean that the calculation should be made assuming that all outstanding options, warrants, preference shares and other securities convertible into or exercisable or exchangeable for Equity Shares (whether or not by their term then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged.

2.1.11. All approvals and/or consents to be granted by the Company or the Shareholders under these Articles will be deemed to mean approvals and/or consents in writing.

2.1.12. The terms "**hereof," "herein," "hereby**" and derivative or similar words refer to these Articles and not to any particular clause, article or section of these Articles.

2.1.13. Time is of the essence in the performance of the Company's and the Shareholders' respective obligations; if any time period specified herein is extended, such extended time will also be of the essence.

3. PUBLIC LIMITED COMPANY

3.1. CAPITAL

The Authorised Share Capital of the Company will be as specified in the memorandum of association of the Company.

3.2. The Company is a Limited Company under Section 2(69) of the Companies Act, 2013 and accordingly:

3.2.1. the Company shall maintain a minimum paid-up share capital as may be prescribed under the Companies Act;

3.2.2. There shall be a minimum of seven members of the Company;

3.2.3. The Company may accept deposits in accordance with section 76 of the Companies Act, 2013 and such other applicable laws, rules and regulations.

4. BUSINESS OF THE COMPANY

4.1. The Business of the Company and the Group Companies will be conducted in accordance with the provisions of these Articles to ensure that the Company (and each Group Company) complies in all respects with its respective memorandum of association and articles of association and all Applicable Laws.

5. INFORMATION RIGHTS

5.1. Accounts and MIS Reports

The Company and Group Companies will (and the Company will procure that each Group Company will), prepare and deliver to TA and Argan:

5.1.1. within 15 (fifteen) days of the first day of each month, internal management reports on the business activities and performance of the Company and each Group Company made up to and as at the end of the previous month (which will include such additional information as is reasonably required by an Investor and notified to the Board or the management team of the Company);

5.1.2. within 45 (forty five) days of the first day of each Quarter, unaudited financial statements (including a provisional unaudited balance sheet, income statement and statement of cash flows) of the Company and each Group Company made up to and as at the end of the previous Quarter (which will include such additional information as is reasonably required by an Investor and notified to the Board or the management team in writing, including (i) notes on any significant operational issues; and (ii) a summary of the progress against the relevant Business Plan covering items including (A) actual financial results versus the forecasted financial results; (B) actual capital expenditure versus forecasted capital expenditure; and (C) progress against business development targets and the Company's and each Group Company's compliance with the relevant Business Plan);

5.1.3. promptly after the occurrence of any material acquisition, disposition or restructuring or any key management person changes in Company or the Group Companies, or the commencement of any material suit, claim, action or investigation involving the Company or the Group Companies, a report containing a description of such event; and

5.1.4. within 90 (ninety) days of the end of a Financial Year to which they relate, annual consolidated audited accounts of the Company and each Group Company (including an audited balance sheet, income statement and statement of cash flows).

5.2. Other Information

The Company and each Group Company will furnish or cause to be furnished to TA or Argan, as the case may be (and the Company will procure that the relevant Group Company will furnish or cause to be furnished to TA or Argan), promptly upon request of TA or Argan (as the case may be) such further information about the business, financial conditions, operations, results and prospects of the Company and any of the Group Companies.

5.3. Business Plan

The Company shall prepare a proposed Business Plan, which shall be submitted to TA, Argan and their respective nominee directors not less than 1 (one) month prior to the commencement of each Financial Year. Subject to TA and Argan being satisfied with the Business Plan, the Board shall adopt the Business Plan not later than 7 (seven) days of the commencement of the relevant Financial Year. The Company and each Group Company shall operate and conduct its affairs in accordance with the Business Plan.

5.4. *Inspection*

The Company will procure that upon TA and/or Argan giving the Company and the relevant Group Company prior notice, TA and/or Argan and their representatives may, during normal business days and hours, (a) inspect and examine and take copies of the Books and Records and accounts kept by the Company and each Group Company, (b) access the premises of the Company and the Group Companies, and (c) consult with and interview senior management personnel and other members of the management team of the Company and the Group Companies.

6. COVENANTS

6.1. *Compliance with Law*

6.1.1 The Company will, and will cause the Group Companies to:

(a) comply with all Applicable Laws to which each may be subject; and

(b) comply with the covenants set out in this Article 6 (Covenants) and in Schedule 6 (Company Covenants), Schedule 2 and Schedule 3.

6.1.2 The Company, each of the Group Companies and the Shareholders will comply with and do all that is necessary to maintain in full force and effect, and, upon request, supply certified copies to Argan or TA (as the case may be) of any Authorisation required to:

(a) enable it to perform its obligations under the Transaction Documents; and

(b) ensure the legality, validity, enforceability or admissibility in evidence in any relevant jurisdiction of the Transaction Documents,

6.1.3 During the subsistence of these Articles, the Company hereby covenants (and undertakes to procure for the benefit of the Investors) as provided in Schedule 1 (Regulatory Requirements).

6.2. *Agreements with shareholders of Downstream Subsidiaries*

The Company will not enter into, and will procure that no Group Company will enter into, any written agreements / arrangements with the other shareholders of the Group Companies (other than the Company), in connection with any matter linked with the management of, investments in and/or exits from a Group Company, unless the prior written approval of TA and Argan have been specifically obtained, and they will on an on-going basis, disclose any and all written agreements and/or arrangements, entered into with such shareholder(s).

6.3. *Agreements with Co-Investors*

6.3.1. TA confirms and undertakes that TA Co-investment Vehicle holds an indirect interest in TA.

6.3.2. Argan confirms and undertakes that it is a company Controlled by Indium-V and its Affiliates.

6.3.3. TA will promptly notify Argan of any change in the limited partnership interests in the TA Co-investment Vehicle. Upon request by Argan and in relation to the TA Co-investment Vehicle, TA will also from time to time disclose any and all agreements and/or arrangements entered with the co-investors / limited partners of the TA Co-Investment Vehicle (including any amendments thereto).

6.3.4. Argan will promptly notify TA of any change in beneficial interests in Argan. Upon request by TA, Argan will also from time to time disclose any and all agreements and/or arrangements entered with the shareholders / investors in Argan (including any amendments thereto).

6.3.5. If without the prior Consent of Argan, Affiliates of TA cease to be the general partner of the TA Co-investment Vehicle, it will be regarded as a "TA Change of Control Event" as defined hereunder.

6.3.6. If without the prior Consent of TA, Indium-V and/or its Affiliates cease to have Control over Argan, it will be regarded as an "Argan Change of Control Event" as defined hereunder.

6.2A Other Regulatory Matters

6.2A.1 The Company will use all reasonable endeavours to ensure that all approvals, licenses, clarifications and consents as required for the Business are obtained from any relevant governmental or regulatory authority in India as soon as possible. The Shareholders and the Company will co-operate with each other to ensure that all information necessary or desirable for making (or responding to any requests for further information following) any notification or filing made in respect of these Articles, or the transactions contemplated by it, is supplied to the Company or the Shareholders dealing with such notification and filing and that they are properly, accurately and promptly made.

6.2A.2 If any regulatory action is taken or threatened, the Company and authorized personnel of Argan and TA will promptly meet to discuss the situation and the action to be taken for the same.

6.3A Employee Stock Option Plan

6.3A.1 Within 90 (ninety) days of the Effective Date or such other extended period as may be mutually agreed between TA and Argan, the Company will create and implement a new ESOP in accordance with Article 10.1.2 (l) (the "Additional ESOP"). The Additional ESOP will be subject to the following:

(a) The Additional ESOP will aim to incentivise employees for the past and/or future performances of the employees;

(b) Grants made or Shares issued under the Additional ESOP to employees will not exceed 5% (five percent) of the Share Capital of the Company calculated cumulatively on a fully diluted basis as of the Effective Date;

(c) Any grant of Shares / options pursuant to the Additional ESOP (including the prescribed criteria for such grant) will be done by the Board; and

(d) The Additional ESOP scheme will be tax efficient to the employees and the Company, provided however, the same will be in compliance with the Applicable Laws.

6.3A.2 In the event the Company intends to issue Shares / options exceeding the Additional ESOP, then the Board may, subject to the prior consent of TA, in accordance with Article 10.1.2(l), permit the issuance of fresh Equity Shares / options.

6.4. Business Plan

6.4.1. Argan and TA shall agree on a detailed rolling Business Plan for the Company and the Group Companies for the purposes of the operation, management and budgeting of the Company and the Group Companies. The Business Plan will be reviewed and updated annually, having regard to market practice and developments during the preceding Financial Year. The Company and the Shareholders will review and negotiate in good faith the annual update of the existing Business Plan, subject to the principles contained in the existing Business Plan.

6.4.2. The business of the Company will be, and the Company will ensure that the business of every other Group Company is, conducted in accordance with the terms and general principles of the then current Business

Plan and in accordance with good business practices.

6.5. Dividend Policy

The Company will develop a dividend policy in accordance with the Business Plan, its internal operations, cash flow and funding requirements. The Company will not make Distributions to Shareholders until such time as it achieves the financial parameters that the Company and the Shareholders agree from time to time.

6.6. Tax Matters

6.6.1. The Company will, and will cause its Subsidiaries to, use their reasonable best efforts, consistent with the Company's business objectives to prevent the Company or any of its Group Companies from becoming a "passive foreign investment corporation" within the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended (the "Code"). The Company will not be responsible for any damages arising out of a breach of the Company's obligations under this Articles 6.6 (Tax Matters) if the Investors have approved the transactions undertaken by the Company that give rise to such breach.

6.6.2. The Company will not withhold any tax on amounts payable or distributable to an Investor without providing such Investor with notice of such withholding and an opportunity to obtain reduced rates of withholding or other available exemptions. Subject to applicable law, if the Company reasonably determines that withholding tax applies, the Company may withhold the required amounts from payments to such Investor, and the Company may remit such amount to the applicable taxing authority, unless, prior to the remittance thereof to the applicable taxing authority, such Investor provides to the Company (i) evidence reasonably satisfactory to the Company that a reduced withholding tax rate applies, and (ii) an agreement to indemnify the Company in respect thereof, in form reasonably satisfactory to the Company; in which case, the Company may withhold and remit the withholding tax calculated at the reduced withholding tax rate.

6.6.3. The Company will, and will cause its Subsidiaries to, comply in all respects with the undertakings set forth in Schedule 2 and Schedule 3 hereto.

6.6.4. Upon reasonable notice of an Investor, and subject to a reasonable confidentiality undertaking by an Investor in respect of same, the Company will promptly provide to such Investor all tax, accounting and financial information and calculations reasonably necessary in order for such Investor to fulfil its United States federal, state and local tax reporting requirements and other obligations in connection with owning shares in the Company and will provide to the Investor such additional information and calculations as may be reasonably requested in order for the Investor or its direct or indirect beneficial owners to obtain any applicable United States federal, state or local tax benefits; provided that any such additional information and calculations may be provided by the Company without undue burden or material adverse effect on the Company.

6.6.5. The Company and its Subsidiaries will make such U.S. federal, state and/or local tax elections as may be reasonably requested from time to time by the Investor, provided that such election does not adversely affect the Company, its Subsidiaries or any Shareholder of the Company; provided that any de minimis or routine preparation, filing or other costs of the Company will not be treated as adversely affecting the Company.

6.6.6. Neither the Company nor any of its Subsidiaries will make any U.S. federal, state and/or local tax election that to the knowledge of the Company (after due inquiry, including consultation with the Company's U.S. independent accountants), would have a material adverse effect on an Investor without having obtained the prior Consent (or direction as set forth in Article 6.6.5 above) of such Investor.

6.7. Prior consent of TA and Argan in certain cases

The Company will not, without the prior written consent of TA and Argan, grant any consent to the Co-Sellers under the non-compete provisions specified under the Share Purchase Agreement.

6.8. Obligations for Claims to be made by Argan against Co-Sellers on behalf of TA under these Articles:

6.8.1. In relation to a Warranty or a Specific Indemnity Matter or a Fundamental Warranty (as specified under the Share Purchase Agreement) wherein TA elects that Argan raise a Claim against a Co-Seller for and on behalf of TA (the "**TA Claim**"), Argan covenants with TA that:

(a) Upon receipt of request from TA in writing (such written request being made by TA within a period of 30 (thirty) days after deciding to recover such Loss), Argan will initiate the process for seeking indemnification from the Co-Sellers for Losses actually suffered by TA, and undertake all such actions as requested by TA in furtherance of seeking indemnification of TA Claim at the sole cost and expense of TA (provided that in relation to any TA Claim in which Argan is also a beneficiary of the indemnity raised on a Co-Seller, all costs and expenses will be allocated in the ratio of 60:40 between Argan and TA);

(b) Argan will use all commercially reasonable efforts to seek indemnification for the TA Claim and upon receipt of request from TA in writing in the manner specified in sub-article (a) above, take all acts and omissions reasonably requested by TA in furtherance of the TA Claim;

(c) In relation to the TA Claim (and any process for recovery of a TA Claim), Argan will from time to time consult with TA and provide TA all reasonable information in relation to such TA Claim. Further, Argan will not without the prior written consent of TA enter into or initiate any compromise and/or settlement in relation to a TA Claim, which consent will not be unreasonably withheld by TA; and

(d) On receipt of any amounts from a Co-Seller in respect of any Claim against the Co-Sellers relating to a Warranty or a Specific Indemnity Matter or a Fundamental Warranty, Argan will promptly pay TA (or a Person designated by TA), TA's share of any amounts received from a Co-Seller.

6.8.2. TA will provide and make available to Argan any assistance, information, documents and materials in its possession or control that may be necessary to make and/or seek indemnification of TA Claims to enable Argan to fulfil its obligations under this Article 6.8.

7 FURTHER FUNDING, ANTI-DILUTION

7.1 *Funding in accordance with the Business Plan*

7.1.1 The Company will operate and be funded in accordance with the Business Plan, which currently envisages an aggregate amount of which is the INR Equivalent of the Agreed Business Plan Funding which shall have the meaning as defined in the Shareholders' Agreement, being contributed as further equity capital in the Company.

7.1.2 Subject to the provisions of Article 10.1 (*Majority Approval and TA's Affirmative Rights*), should the Company require any additional equity funding, it will always follow the sequence set out below:

(a) Offer Shares to the Relevant Shareholders in accordance with Article 7.2; or

(b) If none of the Relevant Shareholders wish to provide any further equity financing to the Company, issue Shares to a Third Party via a preferential allotment or other means approved by the Board (including a QIPO).

7.2 *Pre-Emptive Rights / Issuance of New Shares by the Company:*

Any new issuance of Shares by the Company (except an issuance of Shares in connection with (i) the ESOP; or (ii) an IPO, in each case approved pursuant to Article 10.1 (*Majority Approval and TA's Affirmative Rights*) (the "New Issuance") will be offered to TA and Argan in their Relevant Proportion (determined only with respect to each other) and on identical terms and conditions in the following manner:

7.2.1 Within 5 (five) days of the Board passing a resolution approving a New Issuance, the Company will issue a written notice to TA and Argan (the "Relevant Shareholders", and such notice the "Issuance Notice") will set forth in detail (i) the terms of the proposed issuance, including the proposed issuance price ("Issuance Price"), (ii) the date of closing of the proposed issuance, which will not be less than 45 (forty five) days from the date of receipt of the Issuance Notice, and (iii) the number of Shares proposed to be issued ("Issuance Shares");

7.2.2 If the Relevant Shareholders wish to exercise their right to participate in the New Issuance, they will inform the Company of the same by way of a written notice ("Participation Notice") within 30 (thirty) days from the date of receipt of the Issuance Notice ("Participation Period"). The Participation Notice will include (i) the number of Issuance Shares that the Shareholders propose to subscribe to ("Participation Shares") which will not exceed their respective Relevant Proportions, and (ii) subject to receipt of necessary approvals required from the Governmental Authority for the New Issuance, the timeline for payment of the Issuance Price, which will not be later than 15 (fifteen) days from date of the Participation Notice. The Relevant Shareholders will not be entitled to renounce their right under this Article to any Third Party. Within 15 (fifteen) days from the receipt of the Participation Notice ("Issuance Period"), the Company will take all necessary steps for the issuance of the Participation Shares at the Issuance Price and on the terms and conditions set out in the Issuance Notice. Subject to the receipt of the payment of Issuance Price and any required approvals of a Governmental Authority in relation to the issue of the Participation Shares, the Company will issue and allot the Participation Shares to the Relevant Shareholders and/or their Affiliates (as the case may be) on or before the expiry of the Issuance Period. In the event any approval required from the Governmental Authority for the New Issuance, the Issuance Period will be extended accordingly; and

7.2.3 In the event that any of the Relevant Shareholders do not subscribe to all or part of their respective Relevant Proportions of the New Issuance or fail to issue the Participation Notice within the Participation Period ("Declining Shareholders"), the subscribing Shareholders ("Subscribing Shareholders") will have the right (but not the obligation) to subscribe to some or all of the unsubscribed portion of the New Issuance on the terms and conditions specified in Issuance Notice within 45 (forty five) days from the date of expiry of the Issuance Period, subject to receipt of necessary approvals required from the Governmental Authority for the New Issuance. The shareholding of the Declining Shareholder will accordingly be diluted and the Relevant Proportion of the Declining Shareholders will be adjusted to reflect such dilution.

7.3 *Corporate Restructuring*

In the event that the Company changes the number of Shares issued and outstanding as a result of a reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalisation, merger, subdivision, or other similar transaction, the number of Shares held by the Shareholders will be equitably adjusted to enable the Shareholders to maintain their Relevant Proportion in the Company.

7.4 *Anti-Dilution Rights*

Subject to Article 7.2 (*Pre-Emptive Rights / Issuance of New Shares by the Company*), in the event the Company proposes to issue any Shares to any Person at any time prior to an IPO at a price lower than the per Share price paid by the Investors for acquisition of the Shares under these Articles, each of the Investors will be entitled to subscribe to such number of additional Shares, at the lowest price per security permissible, such that the original acquisition price of the relevant Investor is reduced to the price at which the securities are proposed to be issued to such Person. Nothing in this Article 7.4 (*Anti-Dilution Rights*) will apply to any issuance or proposed issuance of Shares pursuant to (i) the ESOP and (ii) Agreed Business Plan Funding.

8 BOARD OF DIRECTORS

8.1 *Management*

Subject to Article 10 (*Board and shareholder's voting*), the Board and the board of directors of each of the Group

Companies will have responsibility for the supervision and management of the Company and the Group Companies respectively, save in respect of those matters which are specifically reserved for Shareholders under Applicable Law, under the Articles of Association or under the terms of these Articles.

8.2 *Number of Investors Nominee Directors*

8.2.1 TA will at all times be entitled to nominate for appointment 2 (two) Directors (each such director a "TA Director") and Argan will at all times be entitled to nominate for appointment majority of the Directors on the Board (each such director an "Argan Director"). The Company will, within 5 (five) Business Days of the appointment of any TA Director and Argan Director (as defined above), execute a director indemnification agreement with such TA Director and Argan Director in agreed form. The Controlling Shareholder will at all times be entitled to nominate for appointment the majority of the Directors on the Board (for the purpose of calculating the majority, the Independent Directors and the directors appointed by the Non-Controlling Shareholder will be counted as on the Board). As of the Effective Date, Argan is the Controlling Shareholder and has the right to nominate for appointment, majority of the Directors on the Board.

8.2.2 The Board has been reconstituted in accordance with the provisions of this Article 8.2. None of the Directors of the Company appointed pursuant to Article 8.2.1 will be liable to retire by rotation.

8.3 *Appointment of Independent Directors*

The Shareholders shall make commercially reasonable efforts to ensure that the Board at all times will include 2 (two) Directors who qualify as Independent Directors. Such Independent Directors will be persons of high integrity and possess relevant expertise in the Business, and will be appointed after mutual consultation and agreement between Argan and TA (subject to Article 11 (*Deadlock Resolution in Relation to the Business Plan and Appointment of Key Officers*)).

8.4 *Remuneration of Directors*

8.4.1 The Directors will not be entitled to any remuneration in their capacity as directors of the Company (except any remuneration payable under his / her employment or service contract, if any, with the Company).

8.4.2 All reasonable travel and hotel expenses incurred by the TA Directors and the Argan Directors in relation to attending meetings of the Board and its committees will be reimbursed by the Company to the relevant TA Directors and Argan Directors, subject to limits, if any, as decided by the Board.

8.5 *Alternate Directors*

8.5.1 TA and Argan will be entitled to nominate, through each of the Directors which it has nominated, an alternate Director to act in accordance with the Act for that Director. Prior to such nomination, the TA Director and the Argan Directors must give at least 14 (fourteen) days' notice to the Company.

8.5.2 An alternate director appointed pursuant to Article 8.5.1 will be entitled to receive notice of all meetings of the Board and attend and vote at any meeting at which the Director for whom he or she is the alternate is not personally present, and generally in the absence of such Director to do all the things which such Director is authorised or empowered to do. An alternate Director will be entitled, in the absence of the Director for whom he or she is the alternate:

(a) to a separate vote on behalf of the Director for whom he or she is the alternate; and

(b) to be counted as part of the quorum of the Board on behalf of the Director for whom he or she is the alternate.

8.6 *Removal and Replacement of Directors*

8.6.1 The Directors nominated by the relevant Investor will be promptly appointed to the relevant board of directors.

8.6.2 Each of the Investors may, at any time and as often as it may require, by written notice to the Company (i) require the removal of any of the Director nominated by such Investor/ his or her alternate Director and will be entitled to nominate another person in place of the Director nominated by such Investor / the alternate Director so removed, and (ii) in the event of the resignation, retirement or vacation of office by any Director nominated by such Investor / the alternate Director, nominate another person in place of such Director / the alternate Director. To give effect to the removal or appointment of such Director, all the Shareholders will exercise to the fullest extent, all rights and powers available to them (including by convening a general meeting of Shareholders and exercising their voting rights at meetings of the relevant board of directors and at general meetings of Shareholders) to remove or appoint such Director.

8.7 *Governance of Group Companies*

8.7.1 In respect of Group Companies, except as specified in Article 8.7.2, the right to appoint and replace directors, quorum and voting arrangements and other rights and procedures with respect to the boards of directors of each Group Company, as well as other management and corporate governance matters of each Group Company, will mirror those set forth herein in respect of the Company.

8.7.2 In respect of Group Companies, if required by (i) TA, the Company will appoint 1 (one) Person nominated for appointment by TA on the board of directors of each Group Company; and (ii) Argan, the Company will appoint 1 (one) Person nominated for appointment by Argan on the board of directors of each Group Company.

8.7.3 None of the directors of the Group Companies appointed pursuant to Article 8.7.2 will be liable to retire by rotation. Each of the Investors and the Company will vote on the Shares held by them so as to cause the articles of association of the Group Companies, to be amended to reflect the provisions of this Article 8.7, to the fullest extent permitted by Applicable Law to resolve any such conflict in favour of the provisions of this Article 8.7.

8.7.4 The Company will not (i) amend any Group Company Shareholding Agreement without the prior Consent of TA and Argan; and (ii) exercise or waive any rights under the Group Company Shareholding Agreement without the prior Consent of TA and Argan. The Company will promptly provide TA and Argan with copies of any notices under any Group Company Shareholding Agreements, which may be sent and/or received by the Company or the Group Company, to/from the relevant counterparties to the Group Company Shareholding Agreement.

8.7.5 All obligations of a Group Company under these Articles will imply a corresponding obligation on the Company to cause the relevant Group Company to comply with its obligations hereunder.

8.8 *Board Meetings*

8.8.1 Meetings of the Board will be properly convened and held in accordance with the provisions of the Act and at such times and places as may be determined by the Board from time to time. Any Director may request that a meeting of the Board be convened.

8.8.2 A meeting of the Board will be convened by giving not less than 15 (fifteen) days’ notice in writing to every Director or such shorter period of notice in respect of any particular meeting as may be agreed by majority of the Directors, which will include at least 1 (one) TA Director and 1 (one) Argan Director.

8.8.3 Each notice of meeting of the Board must contain a detailed agenda of items (and all other relevant documentation) proposed to be considered at the meeting of the Board. The business conducted at any meeting of the Board will only comprise those matters expressly stated in the notice convening such meeting unless otherwise agreed by at least 1 (one) TA Director and 1 (one) Argan Director.

8.8.4 Subject to the provisions of Article 8.8.5, the valid quorum for any meeting of the Board will be at least 2 (two) Directors or one-third of the then total strength of the Board, whichever is higher, comprising at least 1 (one) TA Director and 1 (one) Argan Director, unless specifically waived in writing by a TA Director and Argan Director, respectively. Such quorum would have to be maintained continually throughout such meeting of the Board.

8.8.5 If at least 1 (one) TA Director and 1 (one) Argan Director is not present within 1 (one) hour of the time appointed for a meeting, the meeting will stand adjourned to the same place and time 7 (seven) days after the original date set for such meeting of the Board. If at such adjourned meeting, at least 1 (one) TA Director and 1 (one) Argan Director is not present within 1 (one) hour of the time appointed for the meeting, the Directors present will constitute a quorum and all matters may be resolved during such further adjourned meeting, provided the notice of such meeting was issued in accordance with Article 8.8.2 and 8.8.3. The agenda of the adjourned meeting will remain unchanged and will be limited to only those matters expressly stated in the notice convening the original meeting unless otherwise agreed by at least 1 (one) TA Director and 1 (one) Argan Director.

8.8.6 In the event that it is so permitted by Applicable Law, any Director may participate in a Board meeting by means of a telephone or video conference through which all persons participating in the meeting can hear each other throughout the duration of the meeting, and participation in such Board meeting by such audio visual means will constitute attendance for the purposes of quorum and presence in person at the meeting of the Director so participating.

8.9 *Role of the Investor Directors/ Non-Executive Directors*

Unless otherwise required by the Act,

8.9.1 The TA Directors and the Argan Directors will be non-executive Directors.

8.9.2 Other than any Managing Director appointed by TA or Argan, no other TA Directors, or Argan Directors or any other non-executive Directors (including, Directors who are not in the whole time or part time employment of the Group Companies) (together, the "Non-Executive Directors") will be in charge of, or responsible for the day to day management of the Company and will not be deemed to be or considered or identified as the "responsible officer", the "authorised officer", the "compliance officer", the "officer having knowledge", the "officer in charge", "officer in default" or "an employer of the employees" for the purposes of various statutory and regulatory compliances and Applicable Laws, including any compliances under labour law, environmental laws and the Act, and will accordingly not be liable for any default or failure of the Company in complying with the provisions of any Applicable Laws. To the extent required by Applicable Law, the Controlling Shareholder will be required to nominate for appointment to the Board, a whole-time resident Indian Director.

8.9.3 On the Effective Date, the Company shall have nominated and/or identify suitable persons as the "responsible officer", the "authorised officer", the "compliance officer", the "officer having knowledge", the "officer in charge", "officer in default" or "an employer of the employees" for the purposes of various statutory and regulatory compliances and Applicable Laws, including any compliances under labour law, environmental laws and the Act.

8.10 *Chairman*

The Chairman will be elected by the Board from one of the Directors nominated for appointment by the Controlling Shareholders. The Chairman will not have a second or casting vote.

8.11 *Committees of the Board*

8.11.1 The Board will have the power to constitute, if necessary, committees or sub committees of the Board and delegate such of the Board's powers to such committees as the Board may deem fit.

8.11.2 TA and Argan have the right to appoint at least 1 (one) TA Director and 1 (one) Argan Director, respectively as a member of each committee or sub-committee constituted by the Board.

8.11.3 Unless agreed in writing by the Investors or otherwise permitted under these Articles, all provisions of the Articles relating to the Board and its meetings as specified in Article 8.8 will be applicable to the committees mentioned in this Article 8.11 and the meetings thereof.

8.12 *Observer*

Each of Argan and TA will appoint 1 (one) observer each, on the Board of the Company ("Observers"), which Observers will be liable to retire by rotation at the end of every 12 (twelve) months (unless re-nominated by Argan or TA, as the case may be). Such Observers will be entitled to receive all notices and information that a Director is entitled to receive and attend meetings of the Board of the Company. The Observers will not have the right to vote at such Board meetings and the Observers will be subject to all the confidentiality obligations which are applicable to a Director on the Board (including those set out in Article 23 (Confidentiality). The Observer will comply with the foregoing confidentiality obligations.

9 MEETINGS AND RESOLUTIONS OF SHAREHOLDERS

9.1 *Meetings*

9.1.1 Meetings of the Shareholders will be held in accordance with the Act and the Articles and will be held at the registered office of the Company during normal business hours. The Board will provide the Company's previous Financial Year's audited financial statements to all Shareholders sufficiently in advance before the annual general meeting is held to approve and adopt the audited financial statements.

9.1.2 Meeting of the Shareholders will be called by giving not less than 21 (twenty one) days' notice, provided that meetings of the Shareholders may be convened at shorter notice in accordance with the provisions of the Act and the Articles.

9.1.3 Each notice of meeting of the Shareholders must contain a detailed agenda of items (and all other relevant documentation) proposed to be considered at the meeting of the Shareholders. The business conducted at any meeting of the Shareholders will only comprise those matters expressly stated in the notice convening such meeting unless otherwise agreed in writing by TA and Argan.

9.1.4 In order to constitute a valid quorum at any meeting of the Shareholders, a duly authorised representative of TA and Argan will be required to be present.

9.1.5 If at least 1 (one) duly authorised representative of TA and Argan are not present within 1 (one) hour of the time appointed for a meeting, the meeting will stand adjourned to the same place and time 7 (seven) days after the original date set for such meeting of the Shareholders. If at the adjourned meeting, at least 1 (one) duly authorised representative of TA and Argan are not present within 1 (one) hour of the time appointed for the meeting, (i) the Shareholders present will constitute a quorum; (ii) if any of the matters set out in the agenda for such a meeting are Reserved Matters, such Reserved Matters will stand rejected, unless such Reserved Matters have been Consented to in writing by TA; and (iii) all matters, may be resolved during such further adjourned meeting (except Reserved Matters, unless already Consented to in writing by TA), provided the notice of such meeting was issued in accordance with Article 9.1.2 and 9.1.3. The agenda of the adjourned meeting will remain unchanged and will be limited to only those matters expressly stated in the notice convening the original meeting unless otherwise agreed by a duly authorised representative of TA and Argan.

9.1.6 Chairman

The Chairman of the Board will be the chairman of meetings of the Shareholders. In the event the Chairman is absent or fails to serve as a presiding officer at any meeting of the Shareholders, the members personally present at the meeting will elect one of them to be the chairman to preside in his or her place. The Chairman will not have a casting vote.

10 BOARD AND SHAREHOLDERS' VOTING

10.1 *Majority Approval and TA's Affirmative Rights*

10.1.1 Majority Approval: Subject to the provisions of Article 10.1.2 and the Applicable Law, (i) at a meeting of the Board, matters will be approved by a simple majority of the Directors present and entitled to vote on such matter; and (ii) at a meeting of the Shareholders of the Company, matters will be approved by Shareholders holding a simple majority of Shares represented, or by such other majority approval level required by Applicable Law.

10.1.2 Affirmative Rights of TA: Notwithstanding anything to the contrary contained in the Articles, the Company and Group Companies will not directly or indirectly, take any action or decision in relation to any of the following matters (and which restrictions will apply to any successor entity of the Company or a Group Company), (the "Reserved Matters") without the approval of (i) a representative of TA at a duly convened meeting of the Shareholders or (ii) the written Consent of TA ("Affirmative Rights"):

(a) any alteration of the rights or terms of any securities of the Company or Group Companies, or repurchasing / redeeming any securities of the Company or Group Companies (other than buy-back of securities as permitted under employee equity incentive plans);

(b) causing Company or any Group Company to (i) undertake any acquisition of any Person or investment in any Person (including acquisition of shares), or (ii) form any joint-ventures with any Person, which in either case involves investment and/or expenditure in excess of INR 100,000,000 (Indian Rupees One hundred million);

(c) any issuance of securities by the Company or any Group Company, other than (i) in accordance with the Business Plan; (ii) pursuant to Article 7.1 (Funding in Accordance with the Business Plan); (iii) IPO after the Extended Exit Deadline Date; and (iv) a QIPO;

(d) agreeing or amending the Business Plan from time to time;

(e) any entry into any new business or such other undertaking, or expansion of Business into any geographical region (save to the extent permitted by the Business Plan);

(f) effecting any public offering of any securities of Company or any Group Company any time prior to the Exit Deadline Date, other than a QIPO;

(g) effecting a Trade Sale any time prior to the Exit Deadline Date, other than a Trade Sale which does not require TA's Consent in terms of Article 12.9;

(h) incurring any capital expenditure in excess of 105% (one hundred and five percent) of the aggregate annual capital expenditure contemplated in the Business Plan;

(i) borrowing money or incurring any indebtedness (including the provision of guarantees) in excess of 105% (one hundred and five percent) of the aggregate annual amount contemplated in the Business Plan;

(j) creation of any Encumbrances on any part of the Company's or Group's properties or assets, except to the extent required to secure any indebtedness of the Company or the Group (which indebtedness has been incurred in accordance with this Article 10.1.2;

(k) disposing or creating any Encumbrances on any shares or other beneficial interests of a Group Company or Other Group Company, except to the extent required to secure any indebtedness of the Company or the Group (which indebtedness has been incurred in accordance with this Article 10.1.2);

(l) the issuance of stock options by the Company or any Group Company (unless such options, or Shares pursuant to exercise of such options, have been issued pursuant to an ESOP plan including Additional ESOP approved by TA under Article 6.3A.1);

(m) transferring any material assets of the Company and/or Group Company (for purposes of this Article 10.1.2(m), "material asset" will include (i) assets, individually or in the aggregate, having a book value or market value of INR 100,000,000 (Indian Rupees One hundred million); or (ii) any Intellectual Property belonging to or used by the Company and/or Group Company;

(n) Company or any Group Company entering into or effecting any amalgamation, demerger, merger, consolidation, re-organisation or corporate restructuring, or Company or any Group Company changing its legal entity type (including its status from a private company to a public company);

(o) causing or permitting Company or any Group Company to enter into, amend or terminate any arrangements or transactions (including payments) with any Related Party;

(p) appointing of any person who (A) is a whole-time director of Company or any Group Company; or (B) performs substantially the roles and responsibilities associated with the following designations in Company or any Group Company: (i) chief executive officer; (ii) chief operating officer; and/or (iii) chief financial officer;

(q) amendment to the Articles or the articles of association or bye-laws of the Group Companies or the Memorandum of Association or the memorandum of association of the Group Companies, which is contrary to the terms of these Articles or required by the Applicable Law;

(r) effecting any change in Company's or a Group Company's Tax policies and/or accounting policies, including change in Financial Year of Company or any Group Company for preparation of audited accounts, unless such change is required by Applicable Law;

(s) appointing or removing the statutory or internal auditors of the Company or a Group Company;

(t) instituting or settling any legal or arbitration proceedings or claims by the Company or a Group Company other than in the ordinary course of business and which involves an amount of more than INR 10,000,000 (Indian Rupees Ten million) on an individual basis and INR 50,000,000 (Indian Rupees Fifty million) on an aggregate basis;

(u) any proposal to wind up Company or a Group Company or other voluntary proceeding seeking liquidation, administration (whether out of court or otherwise), reorganisation, readjustment or other relief under any bankruptcy, insolvency or similar law or the appointment of a trustee, receiver, administrator (whether out of court or otherwise) or liquidator or similar officer;

(v) (save as specified in the Business Plan) the Company or any Group Company entering into any contract, liability or commitment which is not envisaged by the Business Plan and which could result in liability or expenditure in excess of INR 100,000,000 (Indian Rupees One hundred million); and

(w) entering into any arrangement, agreement or commitment in relation to any of the matters listed in (a) to (v) above, except as specifically permitted by the Business Plan.

10.1.3 Manner of Approving Reserved Matters: Subject to Article 9.1.5, any resolution to be passed in relation to a Reserved Matter will be deemed to have been passed or approved only if (i) at a meeting of the Shareholders, the TA representative has voted in favour of such resolution, or (ii) TA has given its written Consent in favour of such matter within 15 (fifteen) days of receipt of the notice requesting its approval for the relevant Reserved Matter, failing which it would be deemed to have been rejected. TA will be entitled to grant or refuse its Consent (whether in a meeting of the Shareholders or otherwise) in respect of any Reserved Matter, at its sole and absolute discretion. Any such Consent or refusal by TA will be final and the Company and Group Companies will carry out its business and operations in accordance with such decision(s) and to the extent permitted pursuant to such decision(s). In case of any rejection or deemed rejection of the Reserved Matter in respect of (i) any aspect of the Business Plan and its application to the Company or the relevant Group Company; and/or (ii) appointment of Independent Directors, chief executive officer, chief operating officer or chief financial officer of the Company, TA and Argan will be entitled to serve a Deadlock Notice (as defined below).

10.1.4 The provisions of Article 10.1.2 will also apply to any successor entity of the Company or a Group Company.

11 DEADLOCK RESOLUTION IN RELATION TO THE BUSINESS PLAN AND APPOINTMENT OF KEY OFFICERS

11.1 *Deadlock Notice*

In the event that, there is a deadlock in respect of (i) any aspect of the Business Plan and its application to the Company or the relevant Group Company and/or (ii) appointment of Independent Directors, chief executive officer, chief operating officer or chief financial officer of the Company:

11.1.1 Until the deadlock is resolved, the Board and officers of the Company and the Group Companies will conduct their business activities in the ordinary course of business and/or in such a manner necessary to safeguard and maintain its goodwill, position and rights. The Company and the Group Companies will as an interim measure continue their business in compliance with the then existing Business Plan.

11.1.2 Each of TA and Argan will be entitled, at their discretion, to serve written notice ("Deadlock Notice") on the other and the Company that a deadlock has arisen in relation to (i) the Business Plan or (ii) appointment of Independent Directors, chief executive officer, chief operating officer or chief financial officer of the Company ("Deadlock Matter").

11.1.3 For a period of 7 (seven) Business Days from the date on which the Deadlock Notice is received by TA or Argan (as the case may be), the representatives of TA and Argan will use all reasonable efforts to resolve the Deadlock Matter on an amicable basis and in the best interest of the Company.

11.2 *Deadlock in relation to the Business Plan*

11.2.1 If the relevant representatives are unable to resolve the Deadlock Matter in relation to Business Plan by amicable negotiation within the time period referred to in Article 11.1.3, the Controlling Shareholder will propose the names of any 2 (two) Management Consulting Firms to evaluate the Deadlock Matter and propose a solution for the Deadlock Matter (the "Deadlock Resolution Firms"). The Non-Controlling Shareholder will choose and appoint 1 (one) of the Deadlock Resolution Firms within 15 (fifteen) days from the date of receipt of proposal ("Firm Choice Period"). If the Non-Controlling Shareholder fails to select from 1 (one) of the Deadlock Resolution Firms within the Firm Choice Period, the Controlling Shareholder will have the right to select and appoint 1 (one) of the Deadlock Resolution Firms. The proposal provided by such appointed Deadlock Resolution Firm in relation to the resolution of the Deadlock Matter will be final and binding on the Company and the Shareholders and the same will be implemented thereafter by the Company and the Group Companies. The Deadlock Resolution Firm will act as an expert and not as an arbitrator.

11.2.2 The Company and Shareholders will co-operate with and provide all information to the Deadlock Resolution Firm necessary to arrive at a resolution of the Deadlock Matter.

11.3 *Deadlock in relation to the appointment of Key Officers*

In the event that, a Deadlock Notice in respect of appointment of Independent Directors, chief executive officer, chief operating officer or chief financial officer of the Company is issued, and the relevant representatives are unable to resolve the Deadlock Matter by amicable negotiation within the time period referred to in Article 11.1.3, the Controlling Shareholder will within 21 (twenty one) days propose 2 (two) names to the Non-Controlling Shareholder, (such proposal to be based on a recommendation of a reputed search firm and to follow the principle of "the person best qualified for the job", and with such identified persons being referred to as the "**Suggested Candidates**"). The Non-Controlling Shareholder will thereafter within 21 (twenty one) days from the date of receipt of proposal (and delivered to the Non-Controlling Shareholder) ("**Candidate Choice Period**") choose from 1 (one) of the Suggested Candidates. If the Non-Controlling Shareholder fails to choose from 1 (one) of the Suggested Candidates within the Candidate Choice Period, the Controlling Shareholder will have the right to select 1 (one) of the Suggested Candidates. Such selected person will thereafter be appointed to the relevant post by the Company and its Shareholders (as applicable).

12 TRANSFER OF SHARES

12.1 *Transfer by the Shareholders; General Restrictions*

12.1.1 Deed of Adherence: If TA or Argan wishes to Transfer any Shares (which Transfer will also be subject to the other applicable provisions of the Articles, including Article 12.2.1), it will, as a condition of the Transfer, cause the transferee to execute a Deed of Adherence confirming that the transferee will be bound by the Articles to the same extent as the transferring Shareholder in respect of the Shares transferred to that transferee.

12.1.2 Nullification of Contravening Share Transfers: Any attempted Transfer of Shares made by any of the Investors in violation of the Articles will be null and void *ab initio*. Neither the Board nor the Shareholders will approve or ratify any Transfer made in contravention of the restrictions contained in Article 12 (*Transfer of Shares*) or elsewhere in these Articles and the Company will (i) not record any such erroneous Transfer in the statutory registers of the Company maintained for the Shares, (ii) reject such erroneous Transfer made or attempted without necessity of a Board decision, and (iii) may institute proceedings for this purpose. Subject to the foregoing, the Company will not have the power to refuse registration of a Transfer which is in compliance with the provisions of the Articles. Only for the purposes of Article 12.5 (*Right of First Offer*) and Article 12.6 (*Tag Along Rights*) and Article 12.11 (*Drag Right*), creation of any Encumbrance, pledge, hypothecation or other security interests over Shares by a Shareholder (with the prior written Consent of TA or Argan, as the case may be) will not amount to a 'Transfer' and will accordingly not trigger any of the restrictions set out in Article 12.5 (*Right of First Offer*) and Article 12.6 (*Tag Along Rights*) and Article 12.11 (*Drag Right*).

12.1.3 Share Transfer in Group Companies (other than the Company): Subject to Article 10.1.2 (j) and (v), the Company will not, and will procure that none of its Subsidiaries Transfer any shares of Group Companies without the prior written Consent of TA and Argan.

12.1.4 Notification of Transfers by the Company: Within 30 (thirty) days of registering any transfer of Shares / shares in its appropriate registers/records of the Company and Group Companies, respectively, the Company will send a notice to each Investor stating that such Transfer has been completed and setting forth the name of the Transferor, the name of the transferee and the number of Shares / shares

Transferred.

12.1.5 No indirect Transfers by Shareholders: The Shareholders or any of its Affiliates, holding any shares or voting interests in the Company, will not directly or indirectly Transfer any of the shares or voting interests owned by it to any Person (save and except Encumbrance over the shares as may be required for raising funds for the relevant Group Companies) or voting rights owned by it, except as expressly required or permitted under the Articles. The Transfer restrictions, on the Shareholders, in these Articles will not be avoided by the holding of Shares / shares in any Person that can itself be sold in order to dispose of an interest in Shares free of such restrictions.

Argan will not permit any Transfer of shares / beneficial interests in Argan other than a Transfer by a shareholder of Argan to an Affiliate of such shareholder. TA will not permit any Transfer of the limited partnership interests in the TA Co-Investment Vehicle other than a Transfer by a limited partner of the TA Co-Investment Vehicle to an Affiliate of such limited partner. Notwithstanding the foregoing, the Company and the Shareholders acknowledge that (i) certain Affiliates of TA (excluding the TA Co-investment Vehicle) are private equity limited partnerships or investment vehicles, and that from time to time there may be issuances or Transfers of interests in such limited partnerships or investment vehicles, and (ii) the limited partners of the TA Co-investment Vehicle may Transfer their interests in the TA Co-investment Vehicle to their respective Affiliates. Accordingly, no such issuances or Transfers will (a) be restricted or affected by these Articles or (b) constitute a TA Change of Control Event or Event of Default or otherwise give rise to any rights or obligations to either Argan or the Company.

12.1.6 Transfer Restriction on other Shareholders: Without the prior written Consent of TA and Argan, Shareholders other than Investors and their Affiliates will not directly or indirectly, Transfer any of their Shares. Sunder and the Management Shareholders shall not Transfer any Shares held by them to any Person, including to any of their respective Affiliates, other than in accordance with and subject to the terms of these Articles.

12.2 *Transfers by Argan*

12.2.1 Argan Lock-in: Save as permitted by Article 12.2.2, without the prior written Consent of TA, Argan will not, Transfer any of their Shares until the second anniversary of the Effective Date (“Argan Lock-in Period”). After the expiry of the Argan Lock-in Period, subject to Article 12.5 (*Right of First Offer*) and Article 12.6 (*Tag Along Rights*) and Article 12.11 (*Drag Right*). Argan is free to sell all or any of the Shares held by it at any point in time to any Financial Investor in a single or series of transactions, so long as no Change of Control of the Company results from any such sale. Where such sale to a Third Party constitutes more than 10% (ten percent) of the total paid up share capital of the Company (on a Fully Diluted basis), Argan will be entitled to, subject to execution of a Deed of Adherence, Transfer all or any of its rights available to Argan to the Transferee (except its Drag Right) under these Articles (such transferee, the “Argan Rights Transferee”).

At any point of time, all rights available to Argan together with the Argan Rights Transferee, if any, will not be in excess or in addition to all the rights available to Argan under these Articles

12.2.2 Exempted Share Transfers: Argan is entitled to freely sell its Shares without the prior Consent of TA including during the Argan Lock-in Period:

(a) to an Affiliate, provided that, if any such Person ceases to be an Affiliate, Argan will forthwith acquire full and unconditional title in and to all of the Shares then held by such Person;

(b) (i) in an IPO and (ii) pursuant to the exercise of the Drag Right; and

(c) to a Third Party after an Event of Default has occurred in relation to TA in accordance with Article 14 (*Event of Default*).

Each such permitted Transfer of Shares described in Article 12.2.2 above is referred to as an

"**Argan Exempted Transfer**".

12.2.3 Argan Liability to Continue: Notwithstanding any Transfer to an Affiliate, Argan will continue to remain liable to perform all of their duties and obligations under these Articles and will ensure that the Affiliate transferee of Shares complies with the terms of these Articles.

12.2.4 Evidence of Control: Argan will from time to time, at the request of TA, provide reasonable written evidence demonstrating that the Affiliate, to whom it has transferred any Shares pursuant to this Article, continues to remain an Affiliate.

12.2.5 ROFO and Tag Along do not apply to an Argan Exempted Transfer: Notwithstanding any other provision of the Articles, the provisions of Article 12.5 (*Right of First Offer*) and Article 12.6 (*Tag Along Rights*) will not apply to any Argan Exempted Transfer. All other sale of Shares by Argan will be subject Article 12.5 (*Right of First Offer*) and Article 12.6 (*Tag Along Rights*).

12.2.6 Assistance with sale of Shares by Argan: In the event of any proposed sale of Shares held by Argan and its Affiliates in accordance with the provisions of these Articles, the Company and the Shareholders will provide all reasonable co-operation and assistance to the prospective Third Party purchaser to conduct legal, financial, technical, environmental and tax due diligence on the Company and the Group Companies and to interact with the directors, the management team and the senior employees of the Company and the Group Companies for the purpose of evaluating the proposed Transfer of Shares and the business and affairs of the Company and the Group Companies. Subject to the execution of the confidentiality and non-disclosure agreement in the agreed form with the Third Party, Argan will be entitled to divulge Confidential Information in respect of the Company and the Group Companies to such prospective Third Party purchaser for the sole purpose of enabling such prospective Third Party purchaser to evaluate the proposed sale of Shares, which will not be deemed to be a breach of the confidentiality obligations of Argan under these Articles.

12.2.7 Company Warranties: The Company will provide such representations, warranties and undertake such covenants as may be reasonably required by the prospective Third Party purchaser in the event of any proposed sale of Shares held by Argan pursuant to any of the provisions of these Articles.

12.3 *Transfers by TA*

12.3.1 ROFO to Apply: Notwithstanding anything contained in the Articles but subject to the provisions of Articles 12.5 (*Right of First Offer*), TA will be permitted to freely Transfer all or some of the Shares owned by it at any point in time to any Financial Investor. Where such sale to a Third Party constitutes more that 10% (ten percent) of the total paid up share capital of the Company (on a Fully Diluted basis), TA will be entitled to, subject to execution of a Deed of Adherence, Transfer all rights available to TA under these Articles to the transferee (except its Drag Right) (such transferee, the "TA Rights Transferee"). At any point of time all right available to TA together with the TA Rights Transferee, if any will be not in excess or in addition to all the rights available to TA under these Articles.

12.3.2 Exempted Transfers: The provisions of Articles 12.5 (*Right of First Offer*) will not apply to any Transfer of Shares by TA:

(a) to an Affiliate, including to the Person permitted under Article 12.1.5, provided that, if any such Person ceases to be an Affiliate, TA will forthwith acquire full and unconditional title in and to all of the Shares then held by such Person;

(b) (i) pursuant to an IPO; or (ii) pursuant to the exercise of the Drag Right; and

(c) to a Third Party after an Event of Default has occurred in relation to Argan in accordance with Article 14 (*Event of Default*).

Each such permitted Transfer of Shares described in Article 12.3.2 above is referred to as a "TA Free Transfer".

12.3.3 TA Liability to Continue: Notwithstanding any Transfer to an Affiliate, TA will continue to remain liable to perform all of their duties and obligations under these Articles and will ensure that the Affiliate transferee of Shares complies with the terms of under these Articles.

12.3.4 Evidence of Control: TA will from time to time, at the request of Argan, provide reasonable written evidence demonstrating that an Affiliate, to whom it has transferred any Shares, continues to remain an Affiliate.

12.3.5 ROFO and Tag Along does not apply to a TA Free Transfer: Notwithstanding any other provision of the Articles, (i) the provisions of Article 12.5 (*Right of First Offer*) and Article 12.6 (*Tag Along Rights*) will not apply to any TA Free Transfer; and (ii) the provisions of Article 12.6 (*Tag Along Rights*) will not apply to any Transfer of Shares by TA to a Financial Investor.

12.3.6 Assistance with a sale of Shares by TA: In the event of any proposed sale of Shares held by TA and its Affiliates in accordance with the provisions of these Articles, the Company and the Shareholders will provide all reasonable co-operation and assistance to the prospective Third Party purchaser to conduct legal, financial, technical, environmental and tax due diligence on the Company and the Group Companies and to interact with the directors, the management team and the senior employees of the Company and Group Companies for the purpose of evaluating the proposed Transfer of Shares and the business and affairs of the Company and Group Companies. Subject to the execution of the confidentiality and non-disclosure agreement in the agreed form with the Third Party, TA will be entitled to divulge Confidential Information in respect of the Company and the Group Companies to such prospective Third Party purchaser for the sole purpose of enabling such prospective Third Party purchaser to evaluate the proposed sale of Shares, which will not be deemed to be a breach of the confidentiality obligations of TA under these Articles.

12.3.7 Company Warranties: The Company will provide such representations, warranties and indemnities and undertake such covenants as may be reasonably required by the prospective Third Party purchaser in the event of any proposed sale of Shares held by TA pursuant to any of the provisions of these Articles.

12.4 *Approval of Sale Transactions; Extension of Time Limits*

If any approval of a Governmental Authority is, required for a sale of Shares under these Articles, the Company and the Shareholders will provide reasonable assistance for making an application thereof and will take in good faith such reasonable actions as may be necessary or desirable for such transferring Shareholder to obtain such approval and the Company, the Shareholders will act in good faith and provide reasonable cooperation to obtain such approval in an expeditious manner. The time taken for obtaining such approvals will be excluded from the time limits or periods set out for the Transfer of the Shares under the Articles.

12.5 ***RIGHT OF FIRST OFFER***

Other than as provided in Article 12.2.2 (*Argan Exempted Transfer*) and 12.3.2 (*TA Free Transfer*), in the event any of the Investors (or their Affiliates) propose to sell any of its Shares (such Shareholder, the "**Transferring Party**"), to any Person, the other Investor (and their Affiliates) (all such Shareholders, the "**Non-Transferring Parties**" and each such Shareholder, a "**Non-Transferring Party**") will have a (i) right of first offer with respect to such sale in the manner set out in this Article 12.5 (the "**ROFO**") or (ii) tag along right in the manner set out in Article 12.6 ("**Tag Along**").

12.5.1 Issuance of an Offer Notice: The Transferring Party will give notice (the "Offer Notice") to the Non-Transferring Parties specifying the number of Shares that are proposed to be transferred by it (the "Offered Shares").

12.5.2 ROFO Exercise Notice: Each of the Non-Transferring Parties will have the right to exercise the ROFO by delivering a written notice (a "ROFO Acceptance Notice") to the Transferring Party (with a copy to the other Non-Transferring Parties) within a period of 30 (thirty) days from date of receipt of the Offer Notice (the "ROFO Period"). The failure of a Non-Transferring Party to issue a ROFO Acceptance Notice to the Transferring Party within the ROFO Period will be deemed to be a waiver of its ROFO. Each ROFO Acceptance Notice will include: (i) a statement that the Non-Transferring Party is willing to acquire all the Offered Shares; (ii) the amount of cash consideration which the Non-Transferring Party is willing to pay for the Offered Shares proposed to be Transferred by Transferring Party ("Offer Price"); and (iii) the other terms and conditions on which the Non-Transferring Party proposes to acquire the Offered Shares (collectively "Offer Terms").

12.5.3 Acceptance or Rejection of the ROFO: Within 15 (fifteen) days of receipt by the Transferring Party of the ROFO Acceptance Notice ("ROFO Acceptance Period"), the Transferring Party will address a written notice to the Non-Transferring Party, either accepting or rejecting the terms and conditions set forth in the ROFO Acceptance Notice (a "ROFO Decision Notice"). The failure of the Transferring Party to give a ROFO Decision Notice within the ROFO Acceptance Period to the Non-Transferring Party will be deemed to be a rejection by the Transferring Party of the offer to purchase the Offered Shares on the terms set out in the ROFO Acceptance Notice and the Transferring Party will be deemed to have issued the ROFO Decision Notice. If the ROFO Acceptance Notice of the Non-Transferring Party ("Accepted Offeror") is accepted by the Transferring Party by sending the ROFO Decision Notice, the Transferring Party and the Accepted Offeror will be bound to consummate the sale and purchase of the Offered Shares in accordance with Article 12.5.5.

12.5.4 Third Party Sale: In the event the Non-Transferring Party does not accept the ROFO Acceptance Notice within the ROFO Acceptance Period to purchase the Offered Shares in accordance with Article 12.5.3, subject to Article 12.6, the Transferring Party will be free to offer the Offered Shares to any other Person(s) ("Prospective Purchaser"), provided however, that (i) the Transferring Party will only Transfer the Offered Shares to such Prospective Purchaser for cash consideration, on terms and conditions which are not less favourable to the Offer Terms of the Accepted Offeror, and in accordance with the terms of the Articles; and (ii) the Transfer is made within 120 (one hundred and twenty) days after the expiry of the ROFO Acceptance Period ("Third Party Sale Period"). If such a Transfer does not occur within the Third Party Sale Period for any reason, the restrictions provided in this Article 12.5 (*Right of First Offer*) will again become effective, and no Transfer of Shares may be made by the Transferring Party thereafter without again making an offer to the Non Transferring Party in accordance with this Article 12.5 (*Right of First Offer*).

12.5.5 ROFO Closing: At the closing, subject to the receipt of the Offer Price, the Transferring Party will deliver certificates representing the Offered Shares (indicated in the Offer Notice), accompanied by duly executed instruments of Transfer or duly executed Transfer instructions to the Accepted Offeror. At such closing, all of the parties to the transaction will also execute such additional documents as may be necessary to effect the sale of the Offered Shares to the Accepted Offeror. Such Offered Shares will be free and clear of any Encumbrance, and the Transferring Party will so represent and warrant that it is (i) the beneficial and record owner of such Offered Shares; and (ii) duly organized and has all requisite authority to enter into such Transfer, and that such Transfer will not violate any organizational documents or these Articles. The Accepted Offeror will deliver at such closing payment in full of the Offer Price in accordance with the terms set forth in the Offer Notice.

12.5.6 **Investors right of first offer**

(a) In the event Sunder desires to sell all (and not less than all) of the Shares held by him in the Company ("**ROFO Shares**"), then he will by way of a written notice (the "**ROFO Notice**") inform the Investors of his intention to sell the ROFO Shares.

(b) Within 30 (thirty) calendar days of receipt of the ROFO Notice (the "**ROFO Period**"):

(i) the Investors may jointly make an offer (the "**ROFO Offer Notice**") for purchase of all the ROFO Shares either by themselves and/ or through one or more of their

Affiliates (the "**Investor Buyer**"), in accordance with their Relevant Proportion, by sending a written notice to Sunder. The ROFO Offer Notice will also specify the price per ROFO Share that the Investor Buyers are willing to pay and the other terms and conditions for purchase of the ROFO Shares (the "**ROFO Offer Terms**"); or

(ii) either or both Investor may individually make an offer for purchase of all the ROFO Shares either by itself and/ or through one or more its Affiliates ("**Investor Buyer**") by sending a written notice (also a "**ROFO Offer Notice**") to Sunder with a copy to the other Investor. The ROFO Offer Notice will also specify the price per ROFO Share that the Investor Buyer is willing to pay and the other terms and conditions for purchase of the ROFO Shares (also the "**ROFO Offer Terms**").

(iii) In the event an offer has been made by the Investor Buyers in accordance with Article 12.5.6 (b) (i), Sunder may, within 15 (fifteen) days of receipt of the ROFO Offer Notice, accept the offer made under the ROFO Offer Notice by addressing a written notice of acceptance to the Investor Buyers ("**ROFO Acceptance Notice**"). In such a case, the Investor Buyers and Sunder will be under an obligation to complete the purchase of the ROFO Shares within a period of 45 (forty five) calendar days from the date of the ROFO Acceptance Notice, provided that, such time period will be automatically extended by the time taken to obtain any approvals (if required) from any Governmental Authorities for such transfer of the ROFO Shares to the Investor Buyers.

(iv) In the event an offer has been made by an Investor Buyer in accordance with Article 12.5.6 (b)(ii), and each Investor Buyer offers the same price per Share for the ROFO Shares, Sunder may, within 15 (fifteen) days of receipt of the ROFO Offer Notice, accept the offer made under the ROFO Offer Notices by addressing a written notice of acceptance to each of the Investor Buyer ("**ROFO Acceptance Notices**"). In such a case, the Investor Buyers will purchase the ROFO Shares in the Relevant Proportion and the parties to the transaction will be under an obligation to complete the purchase of the ROFO Shares within a period of 45 (forty five) calendar days from the date of the ROFO Acceptance Notices, provided that, such time period will be automatically extended by the time taken to obtain any approvals (if required) from any Governmental Authorities for such transfer of the ROFO Shares to the Investor Buyers.

(v) In the event an offer has been made by both the Investors Buyers in accordance with Article 12.5.6 (b)(ii), and each Investor Buyer offers a different price for the ROFO Shares, the higher price offered by an Investor Buyer will be deemed to be the offered price per Share for the ROFO Shares for both the Investor Buyers. Sunder may, within 15 (fifteen) days of receipt of the ROFO Offer Notice, accept the offer made under the ROFO Offer Notice providing the higher price per Share, by addressing a written notice of acceptance to each of the Investor Buyers ("**ROFO Acceptance Notices**"). In such a case, both the Investor Buyers will purchase the ROFO Shares in the Relevant Proportion and the Parties to the transaction will be under an obligation to complete the sale and purchase of the ROFO Shares at the stated higher price within a period of 45 (forty five) calendar days from the date of the ROFO Acceptance Notices, provided that, such time period will be automatically extended by the time taken to obtain any approvals (if required) from any Governmental Authorities for such transfer of the ROFO Shares to the Investor Buyers.

(vi) In the event only one of the Investor Buyers makes an offer in accordance with Article 12.5.6 (b)(ii), within the ROFO Period, Sunder may, within 15 (fifteen) days of receipt of the ROFO Offer Notice, accept the offer made under the ROFO Offer Notice by addressing a written notice of acceptance to the Investor Buyer. In such a case, such

Investor Buyer and Sunder will be under an obligation to complete the sale and purchase of all the ROFO Shares within a period of 45 (forty five) calendar days from the date of the ROFO Acceptance Notice, provided that, such time period will be automatically extended by the time taken to obtain any approvals (if required) from any Governmental Authorities for such transfer of the ROFO Shares to such Investor Buyers.

(vii) In the event no offer is made by any Investor Buyer, or if Sunder has failed to accept or has rejected all or any of the offers made in respect of the ROFO Shares, Sunder may, within 60 (sixty) calendar days of the expiry of the ROFO Period (where no offer is made or the offer has been rejected or there has been a failure to accept), proceed in the following sequence:

a) offer all the ROFO Shares, to any third party purchaser ("**Third Party Purchaser**") provided that: (A) the Third Party Purchaser is not a Company Competitor (or an Affiliate of a Company Competitor); (B) the Third Party Purchaser has executed the Deed of Adherence**;** and (C) the sale of such ROFO Shares is: (i) at a price per Share higher than the price offered by the Investor Buyer, as specified in the ROFO Offer Notice issued in accordance with Article 12.5.6 (b)(i) or Article 12.5.6 (b)(ii) (where both Investor Buyers have offered the same price per Share); or (ii) at a price per Share higher than the higher price offered by the Investor Buyer, as specified in the ROFO Offer Notice issued in accordance with Article 12.5.6 (b)(ii) (where both Investor Buyers have offered to purchase the ROFO Shares at a different price), and on terms which are superior to the terms offered by the Investor Buyer (collectively "**Third Party Offer Terms**"); and

b) within 15 (fifteen) days of receipt of the Third Party Offer Terms, Sunder will, in writing, communicate the Third Party Offer Terms to the Investors ("**Third Party Offer Terms Notice**"), who will, at their sole discretion, be entitled to purchase all the ROFO Shares on such Third Party Offer Terms. On receipt of the Third Party Offer Terms Notice, the Investors may either individually or jointly communicate their willingness to purchase all the ROFO Shares either by themselves and/ or through one or more of their Affiliates, by sending a written notice to Sunder within 15 (fifteen) days of receipt of the Third Party Offer Terms Notice ("**Third Party Offer Terms Acceptance Notice**"). Upon receipt of the Third Party Offer Terms Acceptance Notice, Sunder will sell the ROFO Shares to the Investors at the Third Party Offer Terms and the Parties to the transaction will be under an obligation to complete the purchase and sale of all the ROFO Shares within a period of 30 (thirty) days from the date of receipt of the Third Party Offer Terms Acceptance Notice.

   Any Investor willing to purchase the ROFO Shares at the Third Party Offer Terms in accordance with this sub-article (b) will issue the Third Party Offer Terms Acceptance Notice for purchase of all (and not less than all) the ROFO Shares. In the event both the Investors have issued the Third Party Offer Terms Acceptance Notice to Sunder, both the Investors will purchase the ROFO Shares in the Relevant Proportion on the Third Party Offer Terms (the Investor(s) proposing to purchase the ROFO Shares on the Third Party Offer Terms being referred to as "**Purchasing Investors**"); and

c) The Purchasing Investor(s) will reimburse Sunder, the amount actually paid by Sunder to the Third Party Purchaser, as reimbursement of reasonable legal and financial due diligence costs incurred by the Third Party Purchaser, in relation to proposed sale of the ROFO Shares to such Third Party Purchaser

("**Third Party Costs**"). In case both the Investors propose to purchase the ROFO Shares in the Relevant Proportion on the Third Party Offer Terms in the manner specified in sub-article (b) above, the Third Party Costs will be allocated between the Investors in their Relevant Proportion. Sunder will provide the Investors all the necessary documents evidencing the payment and incurrence of Third Party Costs, to enable the Investors to fulfil their respective obligations under this sub-article (c);

d) in the event both the Investors have communicated their unwillingness to purchase the ROFO Shares on the Third Party Offer Terms or failed to respond to the Third Party Offer Terms Notice within a period of 15 (fifteen) days of receipt of the Third Party Offer Terms Notice ("**Third Party Offer Period**"), Sunder will be entitled to sell the ROFO Shares to the Third Party Purchaser at the Third Party Offer Terms and Sunder will be under an obligation to complete the purchase and sale of all the ROFO Shares to the Third Party Purchaser within a period of 45 (forty five) calendar days from the expiry of the Third Party Offer Period; and

e) in the event the purchase and sale of the ROFO Shares to a Third Party by Sunder has not been completed on or before the expiry of 6 (six) months or such other mutually extended time period, from the date of completion of the ROFO Period, then the process set out in this Article 12.5.6 will be repeated *mutatis mutandis*.

(viii) Simultaneously with payment of the consideration for the ROFO Shares by the Investor Buyer, in the manner specified in this Article 12.5.6, Sunder will deliver original share certificates representing the ROFO Shares (indicated in the ROFO Offer Notice), accompanied by duly executed instruments of transfer or duly executed transfer instructions to the Investor Buyer(s). At such closing, all of the Parties to the transaction will also execute such additional documents as may be necessary to effect the sale of the ROFO Shares to the Investor Buyer(s). Such ROFO Shares will be free and clear of any Encumbrance, and Sunder will so represent and warrant that he is (i) the beneficial and sole record owner of such ROFO Shares; and (ii) that such transfer will not violate these Articles.

12.6 ***TAG ALONG RIGHT***

12.6.1 Applicability of Tag Along Right:

(a) Tag Along Right of TA: TA will be entitled to exercise the Tag Along Right, in case of any sale of Shares by Argan other than an Argan Exempted Transfer.

(b) Tag Along Right of Argan: Argan will be entitled to exercise the Tag Along Right in case of any sale of Shares by TA to a Strategic Investor post the Exit Deadline Date.

12.6.2 Tag Along Notice: If the Transferring Party proposes to Transfer its Offer Shares to the Prospective Purchaser within the Third Party Sale Period, the Transferring Party will at least 30 (thirty) days prior to expiry of the Third Party Sale Period give notice ("Tag Offer Notice") to the Non-Transferring Parties specifying (i) the identity of the Prospective Purchaser (ii) the number of Shares that are proposed to be transferred ("Tag Offered Shares") (iii) the terms and price at which the Tag Offer Shares are proposed to be transferred ("Tag Price"). Upon receipt of the Tag Offer Notice, each of the Non-Transferring Party will have the right to sell up to such number of Shares which is equal to: (i) its Relevant Proportion of the Tag Offered Shares (e.g. if (A) the Non-Transferring Party's shareholding percentage on a Fully Diluted basis is 30% and that of the Transferring Party's is 70%, and (B) the number of Tag Offered Shares is 40 Equity Shares, then the Relevant Proportion would be 30/100 and the number of Equity Shares the Non-Transferring Party would be entitled to Transfer is (30/100) * 40 = 12 Equity Shares), or (ii) if the proposed Transfer of Shares would result in a Trade Sale, all of the Shares then held by Non Transferring Party, by delivering a written notice to the Transferring Party (the "Tag Along Notice"), which notice will specify the number of Shares proposed to be Transferred by the Non Transferring Party (the "Tag Along Shares") within a period of 15 (fifteen) days from date of receipt of the Tag Offer Notice ("Tag Along Offer Period").

12.6.3 Sale of Tag Along Shares: In the event that the Non Transferring Party delivers a Tag Along Notice to the Transferring Party ("Tagging Party") within the Tag Along Offer Period, the Transferring Party will ensure that the Prospective Purchaser also will acquire, together with the relevant Tag Offered Shares, the Tag Along Shares for the same per share consideration and upon the same terms and conditions it is purchasing the Tag Offered Shares as specified in the Tag Offer Notice. In case if the aggregate number of Tag Offered Shares and the Tag Along Shares exceeds the maximum number of Shares the Prospective Purchaser is willing to acquire, the number of Tag Offered Shares and the Tag Along Shares will be proportionately reduced to the number of Shares the Prospective Purchaser is willing to purchase (the Tagging Party and Transferring Party will only tender such number of Shares which the Prospective Purchase is willing to purchase, in their Relevant Proportion, as determined with respect to each other). Provided however, if the proposed Transfer will result in a Trade Sale, the Transferring Party will ensure that all the Tag Along Shares are transferred to the Prospective Purchaser.

12.6.4 Simultaneous Sale of Offered Shares and Tag Along Shares: The Transferring Party will not be entitled to Transfer any Tag Offered Shares to the Prospective Purchaser unless the Prospective Purchaser simultaneously purchases and pays for all the Tag Along Shares in accordance with the provisions of this Article 12.6.

12.6.5 Representations and Warranties: The Company will provide such representations, warranties and undertake such covenants as may be reasonably required by the Prospective Purchaser in the event of any proposed sale of Shares held by Transferring Party and the Tagging Party pursuant to the provisions of this Article 12.6. The Tagging Party and the Transferring Party will not be required to make any representation or warranty to the Prospective Purchaser, other than as to good title to the Tag Along Shares and Offered Shares, respectively, the absence of Encumbrances with respect to such Tag Along Shares and Offered Shares, respectively, customary representations and warranties concerning Tagging Party's and Transferring Party's power, respectively, and authority to undertake the proposed Transfer, and the validity and enforceability of Tagging Party's and Transferring Party's obligations in connection with the proposed Transfer. If any representations and/or indemnities with regard to business and operation of the Company are required to be provided by the Tagging Party and the Transferring Party to the Prospective Purchaser, (i) each of the Tagging Party and the Transferring Party will provide the same on several basis and in no event whatsoever, on a joint basis and (ii) will not be liable to the Prospective Purchaser for any amounts in excess of the relevant purchase price received by the relevant Tagging Party and Transferring Party.

12.6.6 Delivery of Equity Shares: On the date of the closing of the Transfer of Shares by the Transferring Party, subject to the receipt of the Tag Price, Tagging Party will tender the original share certificates for the Tag Along Shares together with duly executed 1 (one) or more share Transfer forms for Transfer of the Tag Along Shares to the Prospective Purchaser, representing, the number of Tag Along Shares. At such closing, all of the parties to the transaction including Tagging Party will also execute such additional documents as may be necessary to effect the sale of the Tag Offered Shares and the Tag Along Shares to the Prospective Purchaser.

12.6.7 No Other Restrictions on the Investors: In connection with a Transfer of Shares pursuant to this Article 12 (*Transfer of Shares*), the Investors will not be required to give any covenant with regard to non-compete or non-solicitation of customers, employees or suppliers of the Company and any of the Group

Companies unless otherwise agreed in writing between the parties.

12.7 *Sunder's tag along right*

12.7.1 Tag Along Notice: Subject to the Investors not having exercised their respective rights under the provisions of Article 12.11 below, in the event Argan has a binding offer from TA or a Prospective Purchaser (both TA and the Prospective Purchaser being referred to as "Proposed Transferee") to purchase the Shares held by Argan in the Company, in accordance with the terms and subject to the conditions specified under the Existing SHA ("Proposed Transfer"), Argan will notify Sunder of such Proposed Transfer ("Proposed Transfer Notice") specifying the identity of the Proposed Transferee; (ii) the number of shares that are proposed to be transferred by Argan ("Argan Offered Shares"); and (iii) the terms and price at which Argan proposes to transfer the Shares to the Proposed Transferee ("Tag Price").

12.7.2 Upon receipt of the Proposed Transfer Notice, Sunder will be entitled to sell such number of Shares which is pro rata to either (i) the Argan Offered Shares against the total issued Shares in the Company, where Argan is the only selling Shareholder or (ii) the total of the Argan Offered Shares and any other Shareholder selling Shares of the Company along with Argan, against the total issued Shares in the Company.

12.7.3 Notwithstanding Article 12.7.2 above, Sunder will be entitled to sell all his Shares, if the Proposed Transfer results in a Trade Sale.

12.7.4 Sunder will exercise his right under Article 12.7.2 or Article 12.7.3 above by delivering a written notice to Argan within a period of 7 (seven) days from the date of the Proposed Transfer Notice ("Tag Along Offer Period"), which notice will specify the number of Shares proposed to be transferred by Sunder ("Tag Along Shares").

12.7.5 In the event Sunder fails to deliver a Tag Along Notice to Argan within the Tag Along Offer Period, he will be deemed to have waived his Tag Along Right under this Article 12.7, and Argan will be entitled to offer its Shares to the Proposed Transferee in accordance with the provisions of the Existing SHA.

12.7.6 In the event Sunder delivers a Tag Along Notice to Argan within the Tag Along Offer Period, Argan will ensure that the Proposed Transferee acquires, together with the relevant Argan Offered Shares and the Shares being sold by any other Shareholders, the Tag Along Shares at the same price per Share and upon the same terms and conditions as the Argan Offered Shares, specified in the Proposed Transfer Notice. If the aggregate number of Argan Offered Shares, the Shares offered by any other Shareholders and the Tag Along Shares exceeds the maximum number of Shares that the Proposed Transferee is willing to acquire, the number of Argan Offered Shares, the Shares being offered by any other Shareholders and the Tag Along Shares will be proportionately reduced to the number of Shares that the Proposed Transferee is willing to purchase.

12.8 ***EXIT***

12.8.1 **Argan Initiated Exit**

(a) Majority Sale:

Notwithstanding anything contained in the Articles, any time prior to the Exit Deadline Date but subject to Article 12.5 (*Right of First Offer*) and Article 12.2.1 (*Argan Lock-in*), Argan will be entitled to undertake a Trade Sale, without the prior consent of TA if:

(i) the Trade Sale, would result in TA receiving an amount not less than the Threshold Return for all the TA Shares, in cash at the closing of such Trade Sale. In such Trade Sale (A) if the Third Party acquirer wishes to acquire such number of Shares that is greater than the number of Shares held by Argan and its Affiliates, then Argan will be entitled to exercise its Drag Right in accordance with Article 12.11; and (B) If Argan does not exercise its Drag Right then TA will be entitled to exercise its Tag Along Right in accordance with the provision of Article 12.6, provided that unless the Third Party acquirer purchases all of the TA Shares tendered by TA, Argan will not be entitled to sell any Shares hereunder. However, if TA does not exercise its Tag Along Right in accordance with the provisions of Article 12.6, TA will cease to have any and all rights under or pursuant to these Articles except the rights available to it as a Shareholder under the Act; or

(ii) the Third Party acquirer in such Trade Sale grants TA with an unqualified option to sell all of its Shares to such Third Party acquirer for the Put Consideration, which option can be exercised at least till the expiry of the 5th (fifth) anniversary of the Closing Date (the "Put Option"), provided that, TA may exercise the Put Option 1 (one) time only and not in multiple tranches. The terms of the Put Option will be agreed in writing, documented in a form acceptable to TA (acting reasonably) and the Third Party acquirer. Upon TA accepting the terms of the Put Option, TA will cease to have all rights in these Articles except rights under Article 7 (*Further Funding, Anti-Dilution*), Articles 5 (*Information Rights*), Article 12.8.1.(a)(ii) (*Put Option*), and the rights available to it as a Shareholder under the Act.

Notwithstanding anything contained herein, TA will not be entitled to undertake a Trade Sale at any time prior to the Exit Deadline Date.

(b) Minority Strategic Sale (which does not constitute a Trade Sale):

Subject to Article 12.2.1 (*Argan Lock-in*), at any time prior to the Exit Deadline Date, Argan will be entitled to undertake a Minority Strategic Sale (which does not constitute a Trade Sale), provided it has obtained the prior written Consent of TA. However, the foregoing restriction will not apply if an Event of Default has occurred in relation to TA in accordance with Article 14 (*Event of Default*).

Notwithstanding anything contained herein, TA will not be entitled to undertake a Minority Strategic Sale at any time prior to the Exit Deadline Date, provided that, the foregoing restriction will not apply if an Event of Default has occurred in relation to Argan in accordance with Article 14 (*Event of Default*).

12.9 **TA Initiated Exit**

Any time after the Exit Deadline Date but prior to the Extended Exit Deadline Date, TA will have the right to undertake a Trade Sale without prior written Consent of Argan ("**TA Initiated Exit**"), provided that such Trade Sale would result in Argan receiving in cash at the closing of such Trade Sale consideration for sale of its Shares based on a price per Argan Share which is not less than the price per Share offered by a Third Party acquirer in the latest Argan Initiated Exit (if any) (the "**Argan Floor Price**"). In such a Trade Sale, (A) if the Third Party acquirer wishes to acquire such number of Shares that is greater than the number of Shares held by TA and its Affiliates, TA will be entitled to exercise the Drag Right in accordance with Article 12.11 and (B) if TA does not exercise its Drag Right on all or any of the Argan Shares, then Argan will be entitled to exercise the Tag Along Right in accordance with the provision of Article 12.6, provided that unless the Third Party acquirer purchases all of the Argan Shares tendered by Argan, TA will not be entitled to sell any Shares hereunder. The Company, Group Companies (to the extent applicable) and the Shareholders will provide all reasonable co-operation and assistance to the prospective Third Party purchaser to conduct legal, financial, technical, environmental and tax due diligence on the Company and the Group Companies and to interact with the directors, the management team and the senior employees of the Company and Group Companies for the purpose of evaluating the proposed Transfer of Shares and the business and affairs of the Company and the Group Companies.

12.10 *Joint Exit*

If the TA Initiated Exit has not been completed before the Extended Exit Deadline Date then within 30 (thirty) Business Days from the Extended Exit Deadline Date ("Appointment Period"), both the Investors will jointly appoint a merchant banker for sale of all the Shares held by Argan, TA and their Affiliates. If the Investors fail to appoint a merchant banker within the Appointment Period, the Controlling Shareholder will propose names of 2 (two) internationally reputed merchant banks (such identified Persons being referred to as the "Suggested MB"). The Non-Controlling Shareholder will thereafter within 15 (fifteen) days from the date of receipt of proposal ("MB Choice Period"), choose from 1 (one) of the Suggested MB. If the Non-Controlling Shareholder fails to choose from 1 (one) of the Suggested MB within the MG Choice Period, the Controlling Shareholder will have the right to choose from the Suggested MB. The selected person will thereafter be appointed as the merchant banker by the Company and its Shareholders to conduct the process of sale of all the Shares held by Argan and TA ("Merchant Banker"). The consideration at which the Shares will be sold will be determined during the sale process conducted by the Merchant Banker (the "Exit Sale Consideration"). The Investors will be bound to sell the Shares held by them to the Third Party acquirer identified by the Merchant Banker for the Exit Sale Consideration, and on the terms and conditions mutually agreed between the Investors provided that unless the Third Party acquirer purchases all of the Shares held by the Investors, the Investors will not be required to sell any Shares hereunder.

12.10.1 The following will apply in each of the above mentioned exits and/or Transfer of Shares by the Investors pursuant to these Articles:

(a) The Company and the Group Companies (to the extent applicable) and the Shareholders will provide all reasonable co-operation and assistance to the prospective Third Party acquirer to conduct legal, financial, technical, environmental and tax due diligence on the Company and the Group Companies and to interact with the directors, the management team and the senior employees of the Company and the Group Companies for the purpose of evaluating the proposed Transfer of Shares and the business and affairs of the Company and the Group Companies. The Company will provide such representations, warranties and undertake such covenants as may be reasonably required by the Third Party acquirer.

(b) Notwithstanding anything contained in these Articles, the Investors will not be required to make any representations or warranties to the Third Party acquirer, other than as to good title to the Shares, the absence of Encumbrances with respect to such Shares, customary representations and warranties concerning Investors' power and authority to undertake the proposed Transfer, and the validity and enforceability of Investors' obligations in connection with the proposed Transfer. In case of any exit, if any representations and/or indemnities with regard to business and operation of the Company are required to be provided by the Investors to any Third Party acquirer, (i) each of the Investors will provide the same on several basis and in no event whatsoever, on a joint basis and (ii) will not be liable to the Third Party acquirer for any amounts in excess of the relevant purchase price received by the relevant Investor.

12.11 ***Drag Along Right***

12.11.1 (a) <u>Drag Right to TA:</u> TA will be entitled to exercise the Drag Right, in case of:

(i) a TA Initiated Exit as set out in Article 12.9; or

(ii) an Event of Default having occurred in relation to Argan and a Disenfranchisement Notice having been issued by TA in accordance with Article 14 (*Event of Default*).

(b) <u>Drag Right to Argan</u>: Argan will be entitled to exercise the Drag Right in case of:

(i) an Argan Initiated Exit as set out in Argan 12.8.1; or

(ii) an Event of Default having occurred in relation to TA and a Disenfranchisement Notice having been issued by Argan in accordance with Article 14 (*Event of Default*).

12.11.2 Drag Right: Upon the relevant Investor ("Dragging Investor") exercising the Drag Right under Article 12.11.1, the other Investor ("Dragged Investor") will be obliged to sell such number of Shares as may be specified by the Dragging Investor and on the terms as mentioned in the Drag Notice (defined below), to a Third Party acquirer as identified by the Dragging Investor together with Shares held by the Dragging Investor (on the same terms and price as offered/granted to the Dragging Investor by the Third Party acquirer) (the "Drag Right").

12.11.3 Drag Notice: In order to exercise the Drag Right, the Dragging Investor will send a written notice ("Drag Notice") to the Dragged Investor specifying (i) the identity of the Third Party acquirer; (ii) the number of Shares required to be sold by the Dragged Investor to the Third Party acquirer ("Drag Shares"); and (iii) the terms and price at which the Shares held by the Dragged Investor and the Drag Shares are to be acquired by the Third Party acquirer ("Drag Sale Price"). (i) if Argan exercises its Drag Right pursuant to 12.11.1(b)(i) and TA is the Dragged Investor then the Drag Sale Price will be such that it would result in TA receiving at least the Threshold Return in relation to the Drag Shares; and (ii) if TA exercises its Drag Right pursuant to 12.11.1 (a)(i) and Argan is the Dragged Investor then the Drag Sale Price will be such that it would result in Argan receiving at least the Argan Floor Price per Drag Share. Upon the issuance of a Drag Notice, the Dragged Investor will be obligated to sell the Drag Shares in the manner set out in this Article 12.11.

12.11.4 The Shareholders will do all acts, deeds and things necessary to give effect to the sale of the Drag Shares to the Third Party. The Company will provide such representations, warranties and undertake such covenants as may be reasonably required by the Third Party acquirer in the event of any proposed sale of Shares held by the Dragging Investor and the Dragged Investor pursuant to the provisions of this Article 12.11 The Dragging Investor and the Dragged Investor will not be required to make any representation or warranty to the Third Party acquirer, other than as to good title to the Shares to be sold by the Dragging Investor and Drag Shares, respectively the absence of Encumbrances with respect to such Shares to be sold by the Dragging Investor and Drag Shares, respectively, customary representations and warranties concerning Dragging Investor's and Dragged Investor's power and, respectively, and authority to undertake the proposed Transfer, and the validity and enforceability of Dragging Investor's and Dragged Investor's obligations in connection with the proposed Transfer. If any representations and/or indemnities with regard to business and operation of the Company are required to be provided by the Dragging Investor and Dragged Investor to the Third Party acquirer, (i) each of the Dragging Investor and Dragged Investor will provide the same on several basis and in no event whatsoever, on a joint basis and (ii) will not be liable to the Third Party acquirer for any amounts in excess of the relevant purchase price received by the relevant Dragging Investor and Dragged Investor.

12.11.5 Drag Closing Actions:

On the date of closing of the purchase of the Drag Shares (which will be as specified in the Drag Notice):

(a) The Dragging Investor and the Dragged Investor will, to the extent their Shares are in physical form, execute share Transfer forms and hand over share certificates in respect of their Shares to the Third Party acquirer, and to the extent its Shares are in dematerialised form, duly execute the delivery instruction slip and Transfer their Shares to the depository participant of the Third Party acquirer;

(b) Each of the Dragging Investor and the Dragged Investor will represent and warrant to the Third Party acquirer that it is the sole beneficial and legal owner of Shares being Transferred to the Third Party acquirer, that such Shares are free and clear from all Encumbrances, is duly organized and has all requisite authority to enter into such

Transfer, that such Transfer will not violate any organizational documents, Applicable Law or these Articles binding on the relevant Dragging Investor and the Dragged Investor;

(c) the Third Party acquirer will, simultaneously, deliver at such closing to each of the Dragging Investor and the Dragged Investor, payment in full of the consideration per the Drag Price; and

(d) all of the parties to the transaction will execute such additional documents as may be necessary or appropriate to effect the acquisition of the Shares held by the Dragging Investor and the Drag Shares by the Third Party acquirer (as may be reasonably requested by the Third Party acquirer).

12.11.6 Delegated Authority to Dragging Investor: If Dragged Investor fails to Transfer the Drag Shares to the Third Party acquirer on the Drag Date:

(a) Dragging Investor will become the duly appointed agent of the Dragged Investor with full power to execute, complete and deliver in the name and on behalf of the Dragged Investor all documents necessary to give effect to the Transfer of the Drag Shares to the Third Party acquirer;

(b) the Company will register such Third Party acquirer as the holder of the Drag Shares in the books of the Company; and

(c) the Dragging Investor may receive and give a good discharge for the purchase money on behalf of the Dragged Investor and will forthwith pay the purchase money into a separate bank account, and if and when the Dragged Investor will undertake the actions set out in Article 12.11.5(a), it will thereupon be paid the purchase money, without interest and less any expenses incurred for the sale of the Drag Shares including sums owed to the Dragging Investor by the Dragged Investor in respect of the separate bank account or otherwise.

12.11.7 Dragged Investor appoints the Dragging Investor as its agent and attorney in fact as referred to in Article 12.11.6 above and agrees that such appointment will be irrevocable and is (i) coupled with interest; and (ii) given by way of Security for performance of the obligations of the Dragged Investor. Dragging Investor hereby accepts that it is irrevocably appointed as agent and attorney in fact for the Dragged Investor, in terms of this Article 12.11 (*Drag Right*) to undertake all that is contemplated for the purpose of this Article 12.11 (*Drag Right*).

12.11.8 Notwithstanding any other provisions of this Article 12.11.8

(a) when the Dragged Investor is TA and the Third Party acquirer is a Strategic Investor, the Dragged Shares will constitute all TA Shares as on the date of issuance of the Drag Notice; and

(b) when the Dragged Investor is Argan and the Third Party acquirer is a Strategic Investor, the Dragged Shares will constitute all Argan Shares as on the date of issuance of the Drag Notice.

12.12 ***Drag Right of the Investors with respect to shares of the Company held by Sunder***

12.12.1 In the event TA or Argan or any of their respective Affiliates ("Dragging Investor") propose to sell their Shares in the Company, (i) constituting more than 50% of the paid up equity share capital of the Company and/or (ii) such sale of Shares by TA or Argan results in a Change of Control of the Company, to a Third Party, in accordance with the Existing SHA, TA or Argan or any of their Affiliates (as the case may be) will be entitled to call upon Sunder to transfer all his Shares and Sunder will be obliged to sell all his Shares, on the terms as mentioned in the

Drag Notice (defined below), to a Third Party identified by the Dragging Investor ("Third Party Acquirer") together with Shares held by the Dragging Investor (the "Drag Right") in accordance with the provisions of this Article 12.12. The Dragging Investor will exercise the Drag Right by sending a written notice ("Drag Notice") to Sunder specifying (i) the identity of the Third Party Acquirer; (ii) the number of Shares required to be sold by Sunder to the Third Party Acquirer ("Drag Shares"); and (iii) the terms and price at which the Shares held by Sunder and the Drag Shares are to be acquired by the Third Party Acquirer ("Drag Sale Price").

12.12.2 Sunder will do all acts, deeds and things that may be necessary to give effect to the sale of the Drag Shares to the Third Party.

12.12.3 Drag Closing Actions:
On the date of closing of the purchase of the Drag Shares (which will be as specified in the Drag Notice):

(a) The Dragging Investor and Sunder will, simultaneously against payment of the entire consideration as per the Drag Price, to the extent their Shares are in physical form, execute share transfer forms and hand over original share certificates in respect of their Shares to the Third Party Acquirer, and to the extent its Shares are in dematerialised form, duly execute the delivery instruction slip and transfer their Shares to the depository participant of the Third Party acquirer;

(b) Sunder will represent and warrant to the Third Party Acquirer that he is the sole beneficial and legal owner of the Shares being Transferred to the Third Party Acquirer, that such Shares are free and clear from all Encumbrances, and that such Transfer will not violate any organizational documents, Applicable Law or any these Articles binding on the relevant Dragging Investor and Sunder; and

(c) Sunder will execute such additional documents as may be necessary or appropriate to give effect to the sale and transfer of the Drag Shares to the Third Party Acquirer (as may be reasonably requested by the Third Party Acquirer).

12.12.4 **Delegated Authority to Dragging Investor:** If Sunder fails to Transfer the Drag Shares to the Third Party Acquirer in terms of this Article 12.12:

(a) The Dragging Investor will become the duly appointed agent of Sunder with full power to execute, complete and deliver in the name and on behalf of Sunder all documents necessary to give effect to the transfer of the Drag Shares to the Third Party Acquirer;

(b) the Company will register such Third Party Acquirer as the holder of the Drag Shares in the books of the Company; and

(c) the Dragging Investor may receive and give a good discharge for the purchase money on behalf of Sunder and will forthwith pay the purchase money into a separate bank account, and if and when Sunder will undertake the actions set out in Article 12.12.1, he will thereupon be paid the purchase money, without interest and less any expenses incurred for the sale of the Drag Shares including sums owed to the Dragging Investor by Sunder in respect of the separate bank account or otherwise.

12.12.5 Sunder appoints the Dragging Investor as its agent and attorney in fact as referred to in Article 12.12.3 above and agrees that such appointment will be irrevocable and is (i) coupled with interest; and (ii) given by way of security for performance of the obligations of Sunder.

12.13 The provisions of Clause 12.7 and Clause 12.12 shall mutatis mutandis apply to Management Shareholders with respect to the Management Shares held by them.

13 INITIAL PUBLIC OFFERING

13.1 *The provisions of this Article 13 (Initial Public Offering) will apply to any IPO (including QIPO) proposed by the Company.*

13.1.1 In the event TA does not approve a proposed IPO in accordance with Article 10.1.2(f) the Company and the Shareholders will not proceed with the IPO. However, the Company will be free to undertake a QIPO any time without requiring Consent of TA.

13.1.2 **Conduct of IPO:**

All material terms of the IPO including the following matters will be determined by the Company and the Controlling Shareholders in consultation with the Merchant Banker and will be discussed with TA:

(i) the price / price band at which the Shares will be issued / offered to the public;

(ii) the type of Shares and quantum of Shares to be offered in the IPO;

(iii) appointment of merchant banker / book running lead manager;

(iv) appointment of registrars, financial advisors, issue managers and other intermediaries;

(v) terms of the prospectus; and

(vi) the stock exchange(s) on which the Shares are to be listed, which will be on a Recognized Stock Exchange.

13.1.3 **Offer for Sale:**

(a) In the event the IPO includes an offer for sale component (the "OFS Component"), each of TA and Argan that wish to tender shares in the IPO as part of the OFS Component will have the right to tender their Shares in accordance with their Relevant Proportion.

(b) In the event the Company undertakes an IPO, each of the Shareholders will cooperate to facilitate said IPO, including without limitation (A) the exercise of its voting rights at relevant Shareholder meetings, and (B) causing its nominated Directors to execute all documents as required by the Company from time to time in connection with the IPO. The Company and the Shareholders will cooperate in optimising the size of the IPO, which will be determined by the investment bank.

13.1.4 **Costs; Lock in:**

(a) The Company will be responsible and liable for (i) all costs and expenses incurred in connection with the IPO (including without limitation underwriting, distribution and selling costs), and (ii) any breach of the Company's representation, warranties, covenants, obligations and undertakings set forth in these Articles, instrument or other document in relation to the IPO, provided that if any Shareholder offers Shares for sale as a part of the IPO, the selling and distribution costs specifically relating to any offer for sale of Shares by such Shareholder will be borne by that Shareholder only to the extent required by Applicable Law or a Governmental Authority.

(b) The IPO will be structured in a way such that none of the Investors will be considered as, or deemed to be, a "promoter", and none of the Shares held by the Investor will be considered as, or deemed to be, "promoter shares" under Applicable Law with respect to public offerings (including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009), and subject to Applicable Law, the IPO will be undertaken in a manner that does not result in the imposition of any lock-in/ moratorium in respect of any dealing in Shares of the Company by any of the Investors. If such structuring is not possible and the Shares held by the Investors are subject to a "lock in" as "promoter shares" after the IPO then the Shares held by (i) Argan; and (ii) TA will be offered for "lock in" in their Relevant Proportion. None of the Investors are "promoter" of the Company and will not be represented as a "promoter " in any regulatory or other filing by the Company with any Governmental Authority. However, if required under the Applicable Law, both TA and Argan will be considered as a "promoter". To the extent that any representations and warranties are required to be provided in the prospectus by any Director nominated and appointed by the Investor ("Investor Director Undertaking"), the Company will indemnify such Director for any Loss that he or she may suffer arising out of, in relation to or resulting from the Investor Director Undertaking.

13.1.5 The Company, Group Companies (to the extent applicable) and the Shareholders will provide all reasonable co-operation and assistance to the merchant banker and other advisors to conduct the IPO including any legal, financial, technical, environmental and tax due diligence on the Company and the Group Companies and to interact with the directors, the management team and the senior employees of the Company and the Group Companies for the purpose of evaluating the price of the Shares and the business and affairs of the Company and the Group Companies.

13.1.6 **<u>Failed IPO:</u>**

In the event of a Failed IPO of the Company, if the Investors so determine, the Company and the Shareholders will, subject to Applicable Laws, take all necessary steps and cooperate to ensure that, to the extent any changes were made pursuant to the IPO, all the original terms and conditions as under these Articles in existence prior to the attempted IPO are reinstated and made effective, including with respect to amending the Articles of Association, etc. For the purpose of this Article, a "Failed IPO" will be deemed to have occurred in the event of a failure to list the Company's Shares on a Recognized Stock Exchange within a period of 6 (six) months from the filing of the draft offer document with Securities and Exchange Board of India for any reason whatsoever.

13.1.7 **<u>Registration Rights:</u>**

Argan and TA will receive typical and customary registration rights, where available, in all global markets where the Company lists the Shares or any instruments deriving benefit from underlying Shares of the Company. Without prejudice to the generality of the foregoing, the rights of TA and Argan under this Article 13 (*Initial Public Offer*) in relation to an IPO will, wherever the context permits, extends to any registration or listing undertaken by the Company in all global markets. The expenses of preparation and filing of all registration statements, including the fees / commission payable to the underwriters appointed for the purposes of this Article 13.1.7 will be borne by the Company.

14 EVENT OF DEFAULT:

14.1 If any of the matters set out in Article 14.2 ("**Event of Default**") occur in relation to Argan or TA or any of their respective Affiliates, or if any of the matters set out in Article 14.2.2 occurs in relation to any holding company or ultimate parent entity of Argan or TA, then the relevant Shareholder will be deemed to be a "**Defaulting Shareholder**" and will notify the other Shareholders as soon as reasonably practicable.

14.2 *An Event of Default will mean any of the following:*

14.2.1 committing any material breach or persistent breaches of the following provisions of the Transaction Documents, which in either case, if capable of remedy, has not been so remedied within 20 (twenty) Business Days of the Other Shareholder serving written notice on the Defaulting Shareholder requiring such remedy (whether or not such breach or breaches amount to a repudiatory breach or breaches) **("EOD Notice"):**

(a) Article 18.1 (Restrictions on Investors) and 18.2 (Exceptions to Non-Compete);

(b) Article 10.1.2 (Affirmative Rights of TA);

(c) Article 6.3 (Agreements with Co-Investors);

(d) Article 12 (Transfer of Shares); and

(e) Article 12.8 (Exit).

14.2.2 being subject to an Insolvency Event; or

14.2.3 a Change of Control of a Shareholder, which in the case of Argan includes an Argan Change of Control Event, and in the case of TA, includes a TA Change of Control Event, other than a Change of Control previously approved in writing by the Other Shareholder.

"Other Shareholder" will mean TA if the Defaulting Shareholder is Argan, and Argan if the Defaulting Shareholder is TA.

14.3 Upon the earlier of (a) receipt of an EOD Notice; or (b) occurrence of any of the events in Articles 14.2 coming to its notice, the Other Shareholder may, serve on the Defaulting Shareholder a notice ("**Disenfranchisement Notice**") in respect of the Shares held by the Defaulting Shareholder and its Affiliates ("**Disenfranchised Shares**") which will automatically;

14.3.1 entitle the Other Shareholder to exercise all the rights of the Defaulting Shareholder in relation to the Disenfranchised Shares, including:

(a) the right to attend and vote at general meetings of the Company (whether on a show of hands or on a poll) as if it were the holder of the Disenfranchised Shares; and

(b) the right to remove Directors appointed by the Defaulting Shareholder and appoint its own nominated Directors as if it were the holder of the Disenfranchised Shares.

14.3.2 result in the suspension of all rights of the Defaulting Shareholder and its Affiliates under the Articles (including suspending any right to (i) Transfer its Shares under Article 12 (*Transfer of Shares*) or otherwise; and (ii) vote on its Shares, and the Defaulting Shareholder and its Affiliates will immediately procure the removal of any Directors of the Company nominated by it.

14.4 The recipient of the Disenfranchisement Notice and its Affiliates appoints the Other Shareholder as its lawful attorney for the purpose of receiving notices of and attending and voting at all meetings of the members of the Company from the date of service of the Disenfranchisement Notice and authorises:

14.4.1 the Company to send any notices in respect of the Disenfranchised Shares to the Other Shareholder; and

14.4.2 the Other Shareholder to complete in such manner as it thinks fit and to return proxy cards, forms of appointment of a representative to attend a general meeting of the Company, Consents to shorter notice and any other document required to be signed by it in its capacity as a member.

14.5 The rights of the Investors under this Article 14 (Event of Default), will be without prejudice to any claim that either of them may have against any other for damages for breach of contract.

14.6 Notwithstanding to the contrary in this Article 14 (Event of Default), if an Event of Default relates to a breach of Article 10.1.2 (Affirmative Rights of TA) and such breach has not been remedied (if it is capable of being remedied), to the extent alternative remedies are available to TA (e.g. indemnification or specific performance), TA will first exhaust such alternative remedies before invoking its remedies under Article 14.3.

15 Dividend

15.1 TA and Argan will be entitled to receive such proportionate dividends and other Distributions, in their Relevant Proportion, as distributed to the other holders of issued and outstanding Equity Shares, determined on a fully diluted basis ("**Shareholder Distributions**").

15.2 For the avoidance of doubt:

15.2.1 the Shareholder Distributions will not exceed the maximum percentage permitted by Applicable Law; and

15.2.2 the rate of dividends on the Equity Shares held by the Shareholders (other than TA and Argan) will not, at any time, exceed the rate of dividend on the TA Shares and the Argan Shares.

16 Acquisition of control by TA

16.1 In the event TA becomes the Controlling Shareholder under these Articles (the "**TA Control Event**", and the date of such event, the "**TA Control Event Date**"):

16.1.1 all rights available to Argan and/or the Controlling Shareholder under these Articles (including without limitation, the right to appoint the majority of the Directors on the Board in accordance with Article 8.2.1 and rights under Article 12.8 (*Exit*) and Article 13 (*Initial Public Offering*) will transfer and be available to, vest with and be exercised by TA and the obligations and restrictions imposed on the Controlling Shareholders will be assumed and discharged by TA;

16.1.2 all rights available to TA and/or the Non-Controlling Shareholders under these Articles (including without limitation, the veto rights of TA under Article 10.1.2 (*Affirmative Rights of TA*), under Article 12.8 (*Exit*) and Article 14.6 will transfer and be available to, vest with and be exercised by Argan and the obligations and restrictions imposed on the Non-Controlling Shareholders will be assumed and discharged by Argan.

16.1.3 The Company and the Shareholders will act expeditiously and in good faith to amend these Articles to give effect to the provisions of this Article 16(*Acquisition of Control by TA*).

17 Termination

17.1 In the event any of the Investors and their respective Affiliates or Sunder cease to hold any Shares in accordance with their concerned Agreement, these Articles shall cease to operate in respect of such Investor or Sunder (as applicable).

17.2 ***De-minimis Threshold***

Subject to such rights as may be transferred pursuant to Article 12.2.1 (Argan Lock-In) and 11.3.1 (ROFO to Apply), a Shareholder will cease to have any and all rights under the Articles, if at any time such Shareholder's shareholding in the Share Capital of the Company constitutes less than 5% (five percent) on a Fully Diluted basis.

18 NON-COMPETE AND OTHER COVENANTS

18.1 *Restrictions on Investors*

18.1.1 An Investor will not, during the Restricted Period, engage in any Restricted Activities in India without the prior written Consent of the other Investor. In addition, Argan covenants that Indium-V and its Affiliates (including any funds, schemes, or Persons under common management, trusteeship or Control with Indium-V) will also be bound by, and comply with, the provisions of this Article 18.1.

18.1.2 The covenants contained in this Article 18.1 are reasonable covenants under the circumstances;

18.1.3 If any of the restrictions contained in this Article 18.1 is found to be unenforceable, but would be valid if any part of it were deleted or the period or area of application amended, the restriction will apply with such minimal modifications as may be necessary to make it valid and effective

18.2 *Exceptions to the Non-Compete*

18.2.1 The restrictions contained in Article 18.1 will not apply if (i) the Investor and/or its Affiliates directly or indirectly own, control or is a beneficiary of not more than 10% (ten percent) (in aggregate) of the shareholding of a Company Competitor, and/or (ii) any investment which is not an Active Investment (collectively referred to as the "Exempted Criteria"). For the purposes of this Article 18.2, an investment will be considered an "Active Investment" if it confers any right to have representation on the board of directors (including any advisory board).

18.2.2 Without prejudice to Article 18.1, in the event any owner of beneficial interests in the TA Co-investment Vehicle or Argan (as the case may be) or such Person's respective Affiliates have any direct or indirect ownership in any Competing Entity, which is an Active Investment (such owner of beneficial interests in the TA Co-investment Vehicle or Argan is referred to as the "Non-compliant Investor"), so long as such Person is a Non-compliant Investor, TA or Argan (as the case may be) will use their reasonable judgment in good faith, to: (i) withhold certain commercially sensitive information (including relating to forecasts or business plans), with the prior consultation of the Non-compliant Investor; and (ii) request the Observer (nominated by the relevant Non-compliant Investor) and appointed by TA or Argan, as the case may be, to abstain from discussions in relation to such commercially sensitive matters at the meetings of the Board attended by such Observer.

Provided that, Argan and/or TA (as the case maybe) will have the discretion (using its reasonable judgment in good faith) to decide on the nature of information to be withheld under the above provisions of Article 18.2.2, and notwithstanding the prior consultation of the Non-compliant Investor, the decision of Argan and/or TA (as the case maybe) in this regard will be final and binding on such Non-compliant Investor. Provided further that for the purpose of this Article 18.2.2, (i) the term "**Affiliates**" will have the meaning ascribed to it under Article 1.2.5, read with Clause 3.3.2 of the Shareholders' Agreement.

For the purpose of this Article 18.2.2, the term "Competing Entity" will have the meaning ascribed to it under Clause 3.3.2 read with Schedule 7 of the Shareholders' Agreement, such list of Competing Entities being updated by TA and Argan on the Effective Date, if so required, and not later than 15 (fifteen) days from 6 (six) month intervals from the Effective Date or such other date as TA and Argan may deem fit.

18.3 *Restrictions on Sunder*

(a) Notwithstanding anything to the contrary contained in the Share Purchase Agreement, neither Sunder nor his Relatives, will, during the Restricted Period, engage in any Restricted Activities in India without the prior written consent of the Investors.

(b) Sunder agrees that the covenants contained in this Article 18.3 are reasonable covenants under the circumstances.

(c) If any of the restrictions contained in this Article 18.3 is found to be unenforceable, but would be valid if any part of it were deleted or the period or area of application amended, the restriction will apply with such minimal modifications as may be necessary to make it valid and effective.

For the purposes of this Article 18.3 term "**Restricted Activities**" means with respect to Sunder or any of his Affiliates:

(a) establishing another entity, vehicle or joint venture or entering into any business that, in each case, is directly or indirectly competing with the Business;

(b) investing, directly or indirectly, in any entity carrying on the Competing Business or any part thereof;

(c) soliciting, canvassing, enticing away or inducing or persuading or attempting in any manner to solicit, canvass, entice away, induce or persuade any Person dealing or engaged with the Company or the Group Companies, to (i) cease dealing or doing business with the Company or the Group Companies; or (ii) reduce the amount of dealings or business which any such Person has been doing with the Company or the Group Companies;

(d) offering employment to, entering into a contract for the services of, or to entice away from any of the Company or the Group Companies, any individual who is (at the time of the offer), or has been at any time within the 6 (six) months period prior to the offer, an employee or director of the Company or a Group Company, or procuring or facilitating the making of any such offer by any other Person; or

(e) causing or permitting or assisting any Person in any capacity whatsoever including as a joint venture, partner, collaborator, contractor, shareholder, principal, agent, director, distributor, secondee, employee or consultant or nominee to do any of the foregoing acts or things.

19 INDEMNITY

19.1 Each of the Investors (the "**Indemnifying Party**") indemnifies and hold the other Investor, its directors, officers and employees (together, the "**Indemnified Parties**") harmless, from and against any and all Losses suffered or incurred by the Indemnified Parties as a result of any misrepresentation or breach of any representation or warranty made by the Indemnifying Party in the Articles or non-fulfilment of or failure to perform any covenant or agreement contained in the Articles by the Indemnifying Party.

19.2 The rights of indemnification of the Company and Shareholders hereunder will be in addition to all other rights available to it in law, equity or otherwise, including without limitation rights of specific performance, rescission and restitution.

19.3 The Company will and will cause each Group Company to indemnify its directors to the fullest extent permissible under law, including against any and all Losses and expenses which such directors suffer or incur arising out of or in connection with (i) any proceeding that any such director becomes a party to or is involved in as a result of being a director of the Company or the Group Company, (ii) any breach of these Articles, wilful omission or misconduct of or by the Company or the Group Company or their employees or agents, or (iii) any action, suit, claim or proceeding arising out of or relating to any such conduct, or any action or failure to act undertaken by such director at the request of the Company or the Group Company, or contravention of any law in respect of the business of the Company or the Group Company, and any action or proceedings taken against a director in connection with any such contravention or alleged contravention, except where such liabilities arise solely due to gross negligence of such director or any criminal offence committed by such director (for which such director has been convicted).

Every officer/employee, including Managing Director and CEO, of the Company shall be indemnified by the Company against any liability, loss, damage incurred/suffered by him/her on account of performing his/her duties and obligations. Every such act carried out by him/her with the intent to conduct the business of the company and /or such other acts required to be performed in furtherance to the business of the company, as per industry standards, shall be deemed to be performed in the ordinary course of the business provided such act was in compliance with Applicable Law, made with due care and diligence.

Every officer/employee, including Managing Director and CEO, of the Company shall be indemnified by the Company against any liability incurred by him/her in defending any proceedings, whether civil or criminal, initiated against him/her on account of performing his/her duties and obligations in the ordinary course of business provided such act is in compliance with Applicable Law, made with due care and diligence. The Indemnified Parties will have the right to nominate any Person for the purpose of receiving the amounts payable by the Indemnifying Party (ies) pursuant to this Article 19 (Indemnification).

20 GENERAL

20.1 *Variation to be in Writing*

No variation of these Articles will be effective unless in writing and signed by or on behalf of the Company and the Shareholders.

20.2 *No Waiver*

20.2.1 No waiver of any right under these Articles will be effective unless in writing and may be given subject to any conditions thought fit by the respective Shareholder. Unless expressly stated otherwise, a waiver will be effective only in the circumstances for which it is given.

20.2.2 No delay or omission by any Shareholder in exercising any right or remedy provided by law or under these Articles will constitute a waiver of such right or remedy.

20.2.3 The single or partial exercise of a right or remedy under these Articles will not preclude any other nor restrict any further exercise of any such right or remedy.

20.2.4 The rights and remedies provided in these Articles are cumulative and do not exclude any rights or remedies provided by law.

20.2.5 Without prejudice to any other rights or remedies that the Company and the Shareholders may have, the Company and the Shareholders acknowledge and agree that damages would not be an adequate remedy for any breach of Article 23 (*Confidentiality*) and that the remedies of injunction, specific performance and other equitable remedies are appropriate for any threatened or actual breach of such Articles.

20.3 *Severance and Validity*

If any part or provision of these Articles or the application thereof to any Person or circumstance is declared invalid or unenforceable to any extent for any reason including by reason of any Applicable Laws, the remainder of these Articles and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable will not be affected thereby, and each provision of these Articles will be valid and enforceable to the fullest extent permitted by the Applicable Laws. Any invalid or unenforceable provision of these Articles will be replaced with a provision, which is valid and enforceable and the Company and the Shareholders will, in good faith, consult with each other and adopt new provisions that are valid and enforceable and will to the greatest extent permitted by Law, place the Company and the Shareholders in the same economic position that they would have been in and that most nearly reflects the original intent of the invalid and unenforceable provision.

21 Assignment

Except for such rights as may be transferred pursuant to Article 12.2.1 (*Argan Lock-In*) and 12.3.1 (*ROFO to Apply*), these Articles, or any right or interest herein, will not be assignable or transferable by either Company and the Shareholders except with the prior written consent of the other, as the case maybe.

22 Remedies, Waivers, Amendments And Consents

22.1 No failure on the part of any shareholder to exercise, and no delay on its part in exercising, any right or remedy under these Articles will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in these Articles are cumulative and not exclusive of any rights or remedies provided by law.

Any waiver, and any Consent by the Investors or any Investors under any provision of these Articles, must be in writing and may be given subject to any conditions thought fit by the person giving that waiver or Consent. Any waiver or Consent shall be effective only in the instance and for the purpose for which it is given

23 Confidentiality

23.1 No Disclosure by the Company or the Shareholders

The Company and the Shareholders on behalf of themselves and their respective Affiliates, advisors and officers (collectively, "**Recipient**"), will ensure that (i) all information received or accessed by it or disclosed to it in relation to either the Company or the Shareholders and the business of the Company or the Group Companies including information relating to present and future products, services, business plans and strategies, marketing ideas and concepts, bids to be submitted, present and future product plans, pricing, volume estimates, financial data, marketing plans, sales strategies, customer information, customer requirements, designs, plans, apparatus, data or other technical and business information, and (ii) the contents of the Transaction Documents, which in each case is confidential, proprietary and/or not otherwise generally available in the public domain (such information collectively, "**Confidential Information**") will be kept confidential and will not be revealed (except in accordance with Article 23.2). Further, each Recipient will employ such care as Recipient employs with respect to its own proprietary and confidential information and will not use and will cause its Affiliates, advisors and officers not to use such Confidential Information for any purpose other than the performance of its obligations under the Transaction Documents.

23.2 **Permitted Disclosure**

The Company or the Shareholders will not, without the prior written Consent of the other, disclose any Confidential Information except:

23.2.1 to the extent necessary to comply with any laws or regulations binding on it, in which case the Company or the Shareholders will give at least 1 (one) day written notice of such disclosure of Confidential Information;

23.2.2 to the extent necessary to comply with any requirements of any stock exchange or other regulatory body, in which case the Company or the Shareholders will give at least 1 (one) day written notice of such disclosure of Confidential Information;

23.2.3 any Shareholder may disclose any information in relation to the Company and/or the Group Company to a potential purchaser of the assets and/or Shares of the Company (whether direct or indirect), provided that the Shareholder will obtain appropriate undertakings of confidentiality from any such potential purchaser;

23.2.4 to the extent related to the tax treatment and tax structure of the transactions contemplated by these Articles (including all materials of any kind, such as opinions or other tax analyses that the Company, its Affiliates or its representatives have provided to such shareholder relating to such tax treatment and tax structure); provided that the foregoing does not constitute an authorization to disclose the identity of any existing or future party to the transactions contemplated by these Articles or their Affiliates or representatives, or, except to the extent relating to such tax structure or tax treatment, any specific pricing terms or commercial or financial information;

23.2.5 to the extent any disclosure is required to be made to an upstream direct or indirect stakeholder of TA and/or Argan and/or their Affiliates under Applicable Laws, or to the limited partners of any Affiliates of TA and/or Argan, provided that the disclosing Company or disclosing Shareholder will notify such Persons of the confidential nature of such information;

23.2.6 in relation to a joint press announcement, the contents of which have previously been agreed by the Shareholders; or

23.2.7 to the professional advisers and key employees of the Company or the Shareholders who need to know such details.

23.3 *Period of Non-Disclosure*

This Article 23 (*Confidentiality*) will survive the termination of these Articles without limit in time, provided that this Article will no longer apply to Confidential Information that comes into the public domain other than as a result of a breach by the Company or the Shareholders of this Article 23 (*Confidentiality*).

24 Governing Law

These Articles and the relationship between the Company and the Shareholders hereto will be governed by, and interpreted in accordance with Indian law. Subject to the provisions of Article 25 (*Dispute Resolution*), the courts at Mumbai will have exclusive jurisdiction in relation to all matters arising out of these Articles.

25 Dispute Resolution

25.1 If any dispute, controversy or claim between the Company or the Shareholders arises out of or in connection with these Articles, or any other documents executed in connection with this Transaction, including any question regarding its existence, validity or termination arising out of or in connection with these Articles ("**Dispute**"), the Company and the Shareholders will use all reasonable endeavours to negotiate with a view to resolving the Dispute amicably. If either of the gives the other, a notice that a Dispute has arisen ("**Dispute Notice**") and they are unable to resolve the Dispute amicably within 30 (thirty) days of service of the Dispute Notice (or such longer period as the disputing parties may mutually agree), then the Dispute will be referred to arbitration in accordance with the terms of Article 25 (Dispute Resolution).

25.2 Subject to Article 25.1, any Dispute arising from these Articles will be referred upon the application of either the Company, any of the Shareholders and finally settled through arbitration under the Rules laid down by the London Court of International Arbitration, India ("**Rules**") in force at the date of these Articles, which Rules are deemed to be incorporated by reference to this Article.

25.2.1 The arbitration will be conducted by a sole arbitrator appointed in accordance with the Rules. No officer, director, shareholder, employee, representative or Relative of any of the Shareholders may be nominated or appointed as an arbitrator. The seat of the arbitration will be Mumbai. The language of this arbitration will be English and any document not in English submitted by any of the disputing parties will be accompanied by an English translation. A written transcript of the proceedings will be made and furnished to them.

25.2.2 The arbitrator will have the power to grant any legal or equitable remedy or relief available under law, including injunctive relief (whether interim and / or final) and specific performance.

25.2.3 The arbitrator will also have the power to decide on any dispute regarding the validity of this Article 25 (*Dispute Resolution*).

25.2.4 The disputing parties will participate in good faith to reasonably expedite (to the extent practicable) the conduct of any arbitral proceedings commenced under these Articles. Subject to Article 25.2.5 below, the disputing parties will equally share the fees of the arbitrator, but will bear the costs of their own legal counsel engaged for the purposes of the arbitration.

25.2.5 The arbitrator will render a written and reasoned award in writing at the earliest and in its award, also, decide on and apportion the costs and reasonable expenses (including reasonable fees of counsel retained by the disputing parties) incurred in the arbitration. Any arbitral award or measures ordered by the arbitration tribunal (i) may be specifically enforced by any court of competent jurisdiction; and (ii) will be final and binding on the disputing parties.

25.2.6 Notwithstanding anything contained in the Rules, in order to facilitate the comprehensive resolution of related disputes, and upon request of any disputing parties to the arbitration proceeding, the arbitration tribunal may, within 90 (ninety) days of its appointment, consolidate the arbitration proceeding with any other arbitration proceeding involving any of the disputing parties relating to these Articles and the

Transaction Documents. The arbitration tribunal will not consolidate such arbitrations unless it determines that (a) there are issues of fact or law common to the proceedings, so that a consolidated proceeding would be more efficient than separate proceedings; and (b) Neither the Company nor the Shareholders would be prejudiced as a result of such consolidation through undue delay or otherwise.

26 COMMON SEAL:

26.1 The Board shall provide for the safe custody of the Seal.

26.2 The Seal of the Company shall be affixed in any instrument, only in the presence of any one director and the secretary or such other person as the Board may appoint for the purpose.

Schedule 1 - REGULATORY REQUIREMENTS

1. Company Funding

The Company covenants to TA and Argan that:

1.1 So long as TA and/or Argan hold Shares, the Company will (and will procure that each Group Company will) comply with the Anti-Money Laundering Laws, and the Anti-Corruption Laws.

1.2 The Company will cooperate with TA and Argan, and to cause each of the Group Companies to cooperate, in providing such additional information and documentation on the Group Companies' legal or beneficial ownership, policies, procedures and sources of funds as may be required by TA and/or Argan to enable TA and/or Argan, as the case may be the Company and/or its Subsidiaries to comply with Anti-Money Laundering Laws as now in existence or hereafter amended.

1.3 The Company will and will cause its Subsidiaries and the officers, directors, employees and agents of the Company and its Subsidiaries to conduct the business of the Company and/or the Subsidiaries in compliance with all Applicable Laws.

1.4 If the Company or any Group Company breaches any of the representations, warranties or covenants set forth in this Schedule, TA and/or Argan will have the right to take such action as such Governmental Authority may direct to TA and/or Argan, as the case may be.

1.5 If the Company or any Group Company violates or cause TA and/or Argan or any Group Company to violate any applicable Anti-Money Laundering Laws, upon notice from TA and/or Argan of such violation, the Company and the relevant Group Company will immediately desist from taking such actions and take steps to remedy the effects of any such violations.

2. Background Checks

The Company and the Group Companies will, if so directed by TA and/or Argan, perform background checks on Third Parties transacting business of a material nature with the Company and/or the Group Companies and will not knowingly allow the Group Companies to transact business with any Third Party in breach of the Anti-Money Laundering Laws, and Anti-Corruption Laws.

3. Prohibited Actions

Anti-Corruption.

3.1 Neither the Company nor the Group Companies nor any of their Subsidiaries, nor their respective agents, employees, and other persons acting on their behalf, will cause the Company, the Group Companies, their Subsidiaries as of the date hereof, TA and /or Argan to be in violation of the India Prevention of Corruption Act, 1988, as amended, or any other anti-corruption or anti-bribery laws or regulations applicable to the Company, the Group Companies or their Subsidiaries (collectively, the "Anti-Corruption Laws").

3.2 The Company and each of its Subsidiaries will maintain reasonable internal controls and procedures intended to ensure compliance with the Anti-Corruption Laws.

3.3 The Company and each of its Subsidiaries will maintain its Books and Records in accordance with the Applicable Law.

3.4 No director or officer of the Company, the Group Companies or any of their Subsidiaries will make or cause to be made false or misleading statements to, or will attempt to coerce or fraudulently influence, an accountant in connection with any audit, review or examination of the financial statements of the Company or any of its Subsidiaries.

Schedule 2 - UNDERTAKINGS

The Company and its Subsidiaries will comply with the undertakings set forth below for each year (or portion thereof) in which the Company or any of its Subsidiaries is a "controlled foreign corporation" within the meaning of Section 957 of the Internal Revenue Code of 1986, as amended (the "**Code**"). The Company or any of its Subsidiaries, as applicable, will retain such independent advisors as may be necessary to assist with the following undertakings and will bear the expenses associated with such independent advisors.

1. Within 30 business days following March 31, June 30, September 30 and December 31 of each year (each, a "**Calendar Quarter**"), the Company will determine the current and accumulated "earnings and profits" of the Company and each of its Subsidiaries, calculated in accordance with Section 964 of the Code, and provide such information to any Investor that is a "United States person" as defined in Section 7701(a)(30) the Code (a "**U.S. Investor**").

2. The Company and each of its Subsidiaries will use commercially reasonable efforts, consistent with the Company's business objectives, to avoid (a) realizing "subpart F income," as defined in Section 952 of the Code, and (b) causing the Investors to include amounts in gross income pursuant to Sections 951(a)(1)(B) and 956 ("**Investment of earnings in United States property**") of the Code.

3. The Company will review the financial position of the Company and each of its Subsidiaries each Calendar Quarter to determine the amount, if any, of its subpart F income and earnings invested in U.S. property. If, notwithstanding the undertakings in paragraph 2 above, the Company determines that it is likely that in any Calendar Quarter the Company has realized or will realize subpart F income or has increased or will increase its earnings invested in U.S. property, the Company shall immediately so inform the U.S. Investors and consider what steps, if any, should be taken by the Company to reduce the amount of its subpart F income or earnings invested in U.S. property, as the case may be, for the current quarter and for future periods.

Schedule 3 - PFIC UNDERTAKINGS

The Company and its Subsidiaries will follow the guidelines set forth below in order to determine whether it is properly classified as a passive foreign investment company (a "**PFIC**") as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended (the "**Code**").

The Company or any of its non-U.S. Subsidiaries will be a PFIC for any taxable year in which either (i) 75% or more of its gross income is "passive income" within the meaning of Section 1297(b) of the Code or (ii) on average for the taxable year, 50% or more of its assets (by value), produce or are held for the production of passive income ("**passive assets**"). Assets which do not produce passive income are hereinafter referred to as "**nonpassive assets**".

1. Within 30 business days following the end of each of the first three quarters of each taxable year of the Company and its Subsidiaries, the principal financial or accounting officer of the Company (the "**CFO**") will review the financial position of the Company and its Subsidiaries to determine the extent of their passive and nonpassive income for the quarter. For purposes of this determination, the CFO will apply the guidelines contained in IRS Notice 88-22, 1988-1 CB 489, or such other applicable regulatory or administrative pronouncements as may have been issued by the Internal Revenue Service or such judicial interpretations as may have been rendered prior to the date of such review.

2. If, based upon such review, the CFO determines that it is likely that, as of the end of such quarter, the Company or any of its Subsidiaries may have had passive income which exceeds 70% of its total gross income or passive assets which exceed 45% of its total assets, then the CFO will immediately so inform the Investor and consider what steps, if any, should be taken by the Company or its Subsidiaries to reduce the amount of passive income and/or the amount of passive assets, as the case may be, for future periods.

3. Promptly following the end of each taxable year, the CFO will again review the financial position of the Company and its Subsidiaries and make a final determination of the extent of their passive and nonpassive income for such taxable year and their passive and nonpassive assets as of the end of such taxable year, applying the same guidelines as are referenced in paragraph 1 above. In the event that the CFO determines that the Company may have had passive income which exceeds 70% of its total gross income or passive assets which exceed 45% of its total assets, then the CFO will immediately so inform the Investor and consider what steps, if any, should be taken by the Company or its Subsidiaries to reduce the amount of passive income and/or the amount of passive assets, as the case may be, during the next following taxable year.

4. If, despite the Company's best efforts, the Company would be treated as a PFIC, the Company shall comply with the information and other reporting requirements set forth in Subtitle A, Chapter 1, Subchapter P, Part VI of the Code.

5. If, despite the Company's and its Subsidiaries' best efforts, the Company or any of its Subsidiaries would be treated as a PFIC, the Company or its Subsidiaries, as applicable, will, for the year of such determination and each subsequent year, timely provide the Investor with a properly completed and duly executed "PFIC Annual Information Statement" that meets the requirements of U.S. Treasury Regulations Section 1.1295-1(g) and any other information or assistance required by such regulations or otherwise necessary for the Investor or its direct or indirect owners to (i) make a timely election to treat such entity that is a PFIC as a "qualified electing fund" under Section 1295 of the Code and (ii) timely fulfill their annual election requirements (as described in U.S. Treasury Regulations Section 1.1295-1(f)) in each subsequent year in which any of the Investor owns an interest (directly or indirectly) in such entity. Each PFIC Annual Information Statement provided to the Investor pursuant to the preceding sentence shall be prepared by a qualified U.S. tax advisor experienced in such matters. Furthermore, if the Company or any of its Subsidiaries is a PFIC, such entity shall use reasonable best efforts, consistent with the Company's or its Subsidiaries' business objectives, as applicable, not to generate any income, gains or other earnings and profits, as determined for U.S. federal income tax purposes, from transactions entered into outside of the ordinary course of its business during any period in which any of the Investor holds an interest (directly or indirectly) in such entity. For purposes of the previous sentence, transactions entered into outside of the ordinary course of business shall include, but shall not be limited to, transfers of assets between and among the Company and its Subsidiaries and transfers of the Company or its Subsidiaries or interests in such entities.

Schedule 6 - COMPANY COVENANTS

Company and each Group Company will:

1. CORPORATE COMPLIANCE

1.1. Keep properly all statutory Books and Records including the register of members of the Company and the Group Companies in accordance with the Applicable Laws.

1.2. Correctly make up, duly file and/or deliver all returns and particulars, resolutions and other documents that the Company and any Group Company is required by law to file with or deliver to any Governmental Authority.

1.3. Not undertake any action or omit to do any action that would result in jeopardising any Shareholder’s investment in the Company pursuant to the provisions of the Applicable ISP Laws, the Foreign Direct Investment Policy of the Government of India, the Foreign Exchange Management Act, 1999 and any rules and regulations or circulars issued thereunder.

2. TAXES

2.1. Duly pay all undisputed Taxation of any nature whatsoever for which the Company and any Group Company is liable and which has fallen due for payment or if disputed, properly contested before the appropriate Governmental Authorities.

2.2. Ensure that all notices, computations and returns are properly and duly submitted by the Company and each Group Company to the relevant Taxation authorities and all information, notices, computations and returns submitted to such authorities are true, accurate and complete and that all records which the Company or any Group Company is required to keep for Taxation purposes or which would be needed to substantiate any claim made or position taken in relation to Taxation by the Company and the relevant Group Company are duly kept and are available for inspection at the premises of the Company and the relevant Group Company.

3. ACCOUNTS AND FINANCIALS

3.1. Prepare its accounts in accordance with the generally accepted accounting principles in India and that all relevant documents in connection therewith are maintained.

3.2. Prepare its accounts to correctly state its assets and liabilities and give a true and fair view of its state of affairs and of its profit and loss.

3.3. Accounts prepared by it shall contain provision adequate to cover, or provide full particulars in notes of, all Taxation (including deferred taxation) and other liabilities whether quantified, contingent or otherwise of the Company and the Group Company.

4. AUDITOR

Appoint one of the Big 4 Accounting Firms or any other reputed firm acceptable to TA and Argan as the Auditor, for conducting Company and each Group Company’s statutory audit.

5. APPOINTMENT OF A COMPLIANCE OFFICER

Employ a suitably qualified company secretary or other person qualified under Applicable Law to act as a compliance officer and assist with Company and each Group Company’s compliance with Applicable Law, including but not limited to: (i) maintaining accurate and up to date statutory records; (ii) ensuring that Company and each Group Company is in full compliance with applicable employment regulations in India; and (iii) ensuring that the establishments from which Company and each Group Company conducts its business is in full compliance with licensing, safety and other applicable work place requirements in India.

6. INSURANCE

6.1. Maintain insurance policies in a sufficient amount and with such coverage as are (i) generally maintained by companies in the same industry; and (ii) where applicable, Company and each Group Company shall maintain insurance which is in accordance with any insurance coverage requirements set out in a contract to which it is a party (or by which it is bound).

6.2. Procure suitable directors and officers insurance for all the Directors and senior officers of the Company, which insurance shall be in a sufficient amount and with such coverage as is reasonably required by Argan or TA (as the case may be).

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated March 24, 2018 between our Company, the Selling Shareholders and the Managers
2. Escrow Agreement dated [●] amongst our Company, the Selling Shareholders, the Registrar to the Offer, the Managers, the Syndicate Members, the Escrow Collection Bank(s) and the Refund Bank(s)
3. Share Escrow Agreement dated [●] amongst our Company, the Selling Shareholders, the Registrar to the Offer, the Managers, the Syndicate Members, the Escrow Collection Bank(s) and the Refund Bank(s)
4. Syndicate Agreement dated [●] amonst our Company, the Selling Shareholders, the Managers, the Syndicate Members and the Registrar to the Offer
5. Underwriting Agreement dated [●] amongst our Company, the Selling Shareholders and the Underwriters
6. Registrar Agreement dated March 23, 2018 amongst our Company, the Selling Shareholders and the Registrar to the Offer

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time
2. Certificate of incorporation dated June 16, 2000
3. Fresh certificate of incorporation dated March 5, 2018 issued by RoC at the time of conversion from a private limited company into a public limited company
4. Resolutions of the Board of Directors dated March 16, 2018 in relation to the Offer and other related matters
5. Shareholders' resolution dated March 17, 2018 in relation to this Offer and other related matters
6. Resolution dated March 20, 2018 passed by the board of directors of TA approving the Offer for Sale
7. Resolution dated March 16, 2018 passed by the board of directors of Argan approving the Offer for Sale
8. Copies of the annual reports of the Company for the Fiscal Years ended March 31, 2013, 2014, 2015, 2016 and 2017
9. Shareholders' agreement dated May 10, 2015 entered into amongst our Company, Argan and TA
10. Termination Agreement dated January 29, 2018 entered into amongst our Company, Argan and TA
11. Shareholders' agreement dated September 30, 2015 entered into amongst our Company, Argan, TA and Chinnaswamy Sunder Raju
12. Termination Agreement dated January 29, 2018 entered into amongst our Company, Argan, TA and Chinnaswamy Sunder Raju
13. Share Purchase Agreement dated May 10, 2015 entered into amongst our Company, Argan, TA, True North Truteeship Private Limited (previously known as IVF Trustee Company Private Limited), Chinnaswamy

Sunder Raju and certain other shareholders, as amended on September 30, 2015, December 31, 2015 and May 3, 2016

14. Share Purchase Agreement dated January 20, 2017 entered into amongst our Company, Argan, TA, Bala Subrahmanyam Malladi, Saurabh Mukherjee, Shefali Mohapatra, Hosabettu Venkatesh Bhat, as amended on May 5, 2017

15. Share Subscription and Shareholders' Agreement dated July 17, 2008 entered into amongst our Company, ACT Digital, V. Janaki Rama Raju and V. Srinivasa Raju read with the addendum dated July 22, 2009, supplemental agreement dated August 25, 2015 and first letter amendment to the supplemental agreement dated September 2, 2016

16. Share Purchase agreement dated March 20, 2018 entered into amongst our Company, ACT Digital, ACT Digital Shareholders and V.V. Digital Communications LLP

17. Share Purchase Agreement dated November 10, 2010 entered into amongst our Company, CEPL and D. Mallikarjuna

18. Share Subscription and Shareholders Agreement dated July 28, 2009 amongst HCV Digital, Helapuri Cable Vision Private Limited, ACT Digital and certain individuals

19. Share Purchase Agreement dated May 27, 2008 entered into amongst our Company, Kable First, P. Kailasam, Sandhya Rao and Mythili Swaminathan

20. Shareholders Agreement/ Joint Venture Agreement dated January 18, 2008 entered into amongst Kable First and Cablenet

21. Share Subscription and Shareholders Agreement dated August 28, 2010 entered into amongst ACT Digital, Mandapeta Digital and certain individuals read with the deed of adherence dated September 26, 2014 executed by Nine International Securities Private Limited

22. Share Subscription and Shareholders Agreement dated April 11, 2010 entered into amongst ACT Digital, Sree Digital and certain individuals

23. Share Subscription and Shareholders Agreement dated December 9, 2010 entered into amongst ACT Digital, SVDHEPL and certain individuals

24. Share Purchase Agreement dated June 4, 2008 entered into amongst our Company, Rohit Sethi, Sanju Maahore, Vijay Maahore and S.R. Cable

25. Share Subscription and Shareholders Agreement dated August 28, 2010 entered into amongst ACT Digital, IBCNPL and certain individuals

26. Call Option Agreement dated December 21, 2012 entered into amongst our Company, V.V. Digital Communications LLP and ACT Digital

27. The examination reports of the Statutory Auditor, on our Company's restated standalone financial statements dated March 17, 2018 and restated consolidated financial statements dated March 17, 2018 included in this Draft Red Herring Prospectus

28. The Statement of Special Tax Benefits dated March 24, 2018 from the Statutory Auditors

29. Consent of the Selling Shareholders, the Directors, the Managers, the Syndicate Members, Indian Legal Counsel to our Company, Indian Legal Counsel to the GCBRLMs and BRLM, International Legal Counsel to the GCBRLMs and BRLM, Registrar to the Offer, Statutory Auditors, Escrow Collection Bank(s), Bankers to the Offer, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer as referred to in their specific capacities

30. Due Diligence Certificate dated March 24, 2018 addressed to SEBI from the Managers

31. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively

32. Tripartite agreement dated April 12, 2016 our Company, NSDL and Purva Sharegistry (India) Private Limited

33. Tripartite agreement dated March 31, 2016 amongst our Company, CDSL and Purva Sharegistry (India) Private Limited

34. Tripartite agreement dated [•] amongst our Company, NSDL and the Registrar to the Offer

35. Tripartite agreement dated [•] amongst our Company, CDSL and the Registrar to the Offer

36. Certificate from Manian and Rao in relation to utilisation of loans dated March 24, 2018

37. SEBI final observation letter dated [●]

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

_________________________	**Mahendra Kumar Sharma** *(Chairman and Non-Executive, Independent Director)*
_________________________	**Chinnaswamy Sunder Raju** *(Founder and Non-Executive Director)*
_________________________	**Dhiraj Poddar** *(Non-Executive, Nominee Director)*
_________________________	**Pramod Kabra** *(Non-Executive, Nominee Director)*
_________________________	**Vishal Gangadhar Nevatia** *(Non-Executive, Nominee Director)*
_________________________	**Pangulury Mohan Murty** (*Non-Executive Independent Director)*
_________________________	**Nishi Vasudeva** (*Non-Executive Independent Director)*

SIGNED BY CHIEF FINANCIAL OFFICER

_________________________	**Eashwar Iyer** *(Chief Financial Officer)*

Place: Bengaluru
Date: March 24, 2018

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Red Herring Prospectus solely and specifically in relation to itself and the Equity Shares being sold by it in the Offer for Sale are true and correct, provided however, it is specifically mentioned herein and agreed that the undersigned Selling Shareholder assumes no responsibility for any of the statements made by the Company or any expert or any other person(s) in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

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Resmah Mandary

For **TA FVCI Investors Limited**

Date: March 24, 2018

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Red Herring Prospectus solely and specifically in relation to itself and the Equity Shares being sold by it in the Offer for Sale are true and correct, provided however, it is specifically mentioned herein and agreed that the undersigned Selling Shareholder assumes no responsibility for any of the statements made by the Company or any expert or any other person(s) in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

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Sahjahan Ally Nauthoo

For **Argan (Mauritius) Limited**

Date: March 24, 2018

DECLARATION

The undersigned Selling Shareholders hereby certify that all statements and undertakings made by them in this Draft Red Herring Prospectus solely and specifically in relation to themselves and the Equity Shares being sold by them in the Offer for Sale are true and correct, provided however, it is specifically mentioned herein and agreed that the undersigned Selling Shareholders assume no responsibility for any of the statements made by the Company or any expert or any other person(s) in this Draft Red Herring Prospectus.

Signed by Bala Subrahmanyam Malladi on behalf of himself and Saurabh Mukherjee, Hosabettu Venkatesh Bhat and Shefali Mohapatra

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Bala Subrahmanyam Malladi

Place: Bengaluru
Date: March 24, 2018