

DRAFT RED HERRING PROSPECTUS

Dated March 24, 2015

Please read Section 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

Book Built Offer

AGS TRANSACT TECHNOLOGIES LIMITED

Our Company was incorporated in Mumbai, Maharashtra on December 11, 2002 as AGS Infotech Private Limited, a private limited company under the Companies Act, 1956. The name of our Company was subsequently changed to AGS Transact Technologies Private Limited and the Registrar of Companies, Maharashtra issued a fresh certificate of incorporation dated June 3, 2010. Our Company was then converted into a public limited company and consequently, its name was changed to AGS Transact Technologies Limited and the Registrar of Companies, Maharashtra issued a fresh certificate of incorporation dated July 20, 2010. For further details in relation to changes in the name of our Company, please see the section “*History and Certain Corporate Matters*” on page 158.

Registered Office: 601- 602 Trade World, B Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India

Tel: +91 22 6781 2000; **Fax:** +91 22 2493 5384

Corporate Office: 14th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400 013, Maharashtra, India; **Tel:** +91 22 7181 8181

Contact Person: Mr. Ajit Petha, Company Secretary and Compliance Officer

Email: ipo@agsindia.com; **Website:** www.agsindia.com

Corporate Identity Number: U72200MH2002PLC138213

OUR PROMOTER: MR. RAVI B. GOYAL

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE “EQUITY SHARES”) OF AGS TRANSACT TECHNOLOGIES LIMITED (THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “OFFER PRICE”) AGGREGATING UP TO ₹ 13,500 MILLION CONSISTING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 4,000 MILLION (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 9,500 MILLION COMPRISING UP TO [●] EQUITY SHARES (“TPG OFFERED SHARES”) BY TPG STAR SF PTE. LTD. (“TPG”) AGGREGATING UP TO ₹ 5,510 MILLION, UP TO [●] EQUITY SHARES (“ORIOLE OFFERED SHARES”) AND TOGETHER WITH THE TPG OFFERED SHARES, THE “INVESTOR OFFERED SHARES”) BY ORIOLE LIMITED (“ORIOLE”) AND TOGETHER WITH TPG, THE “INVESTOR SELLING SHAREHOLDERS”) AGGREGATING UP TO ₹ 3,490 MILLION AND UP TO [●] EQUITY SHARES BY MR. RAVI B. GOYAL (“PROMOTER SELLING SHAREHOLDER” AND TOGETHER WITH THE INVESTOR SELLING SHAREHOLDERS, THE “SELLING SHAREHOLDERS”) AGGREGATING UP TO ₹ 500 MILLION (SUCH OFFER OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE “OFFER FOR SALE”). THE FRESH ISSUE AND THE OFFER FOR SALE ARE TOGETHER REFERRED TO AS THE “OFFER”. THE OFFER WILL CONSTITUTE [●]% OF THE FULLY DILUTED POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may consider a pre-*Offer* placement of up to 6,000,000 Equity Shares for an aggregate amount not exceeding ₹ 2,000 million at their discretion (the “*Pre-IPO Placement*”). Our Company and the Selling Shareholders will complete the issuance and allotment and transfer of Equity Shares pursuant to the *Pre-IPO Placement* prior to filing of the Red Herring Prospectus with the RoC. If the *Pre-IPO Placement* is completed, the number of Equity Shares issued and transferred pursuant to the *Pre-IPO Placement* will be reduced from the *Fresh Issue* and the *Offer for Sale*, as applicable, subject to a minimum *Offer* of [●]% of the post-*Offer* paid-up Equity Share capital being offered to the public.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, THE PROMOTER SELLING SHAREHOLDER AND THE INVESTOR SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (“BRLMs”) AND WILL BE ADVERTISED IN [●] EDITION OF THE ENGLISH NATIONAL NEWSPAPER [●], [●] EDITION OF THE HINDI NATIONAL NEWSPAPER [●], AND [●] EDITION OF THE MARATHI NEWSPAPER [●] (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND AT THE CAP PRICE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE LIMITED (“BSE”) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in 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 BSE and the NSE, by issuing a press release, and also by indicating the change on the website of the BRLMs and the terminals of the other members of the Syndicate and by intimation to the Self Certified Syndicate Banks (“SCSBs”) and the Registered Brokers.

The *Offer* is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) and in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”), wherein 50% of the *Offer* shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”), provided that our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations (the “Anchor Investor Portion”), of which one-third 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. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (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 *Offer* shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the *Offer* shall be available for allocation to Retail Individual Investors in accordance with the SEBI Regulations, subject to valid Bids being received at or above the *Offer* Price. Retail Individual Investors may participate in the *Offer* through an Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts in which the corresponding Bid Amounts will be blocked by the SCSBs. QIBs (except Anchor Investors) and Non-Institutional Investors are mandatorily required to utilise the ASBA process to participate in the *Offer*. Anchor Investors are not permitted to participate in the *Offer* through the ASBA process. For details, see the section “*Offer Procedure*” on page 396. A copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies, Maharashtra at Mumbai (“RoC”) in accordance with the Companies Act, 2013. Also, please see the section “*Material Contracts and Documents for Inspection*” on page 485.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the *Offer* Price is [●] times of the face value. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The *Offer* Price (determined and justified by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, as stated in the section “*Basis for Offer Price*” on page 96) 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 offered in the *Offer* have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” on page 13.

COMPANY’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 of which make 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. The Promoter Selling Shareholder accepts responsibility that this Draft Red Herring Prospectus contains all information about him as the Promoter Selling Shareholder in the context of the *Offer* for Sale and the Promoter Selling Shareholder assumes responsibility for statements in relation to him included in this Draft Red Herring Prospectus. Further, each Investor Selling Shareholder, severally and not jointly, accepts responsibility only for statements expressly made by such Investor Selling Shareholder in relation to itself in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received an ‘in-principle’ approval from each of 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 the [●].

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

Axis Capital Limited 1 st Floor, Axis House, C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India Tel: +91 22 4325 2183 Fax: +91 22 4325 3000 Email: ags.ipo@axiscap.in Website: www.axiscapital.co.in Investor grievance ID: complaints@axiscap.in Contact person: Ms. Kanika Goyal SEBI registration number: INM000012029	Citigroup Global Markets India Private Limited 1202, 12 th Floor, First International Financial Centre, G-Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India Tel: +91 22 6175 9999 Fax: +91 22 6175 9961 Email: agsttl.ipo@citigroup.com Website: www.online.citibank.co.in / rhtm/citigroupglobalgreen1.htm Investor grievance ID: investors.cgmib@citigroup.com Contact person: Mr. Siddhartha Singh SEBI registration number: INM000010718	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 8019 Fax: +91 22 3078 8584 Email: ags.ipo@hdfcbank.com Website: www.hdfcbank.com Investor Grievance e-mail: investor.redressal@hdfcbank.com Contact person: Mr. Rishi Tiwari/ Mr. Keyur Desai SEBI registration Number: INM000011252	ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email: agsttl.ipo@icicisecurities.com Website: www.icicisecurities.com Investor grievance ID: customercare@icicisecurities.com Contact person: Mr. Anurag Byas SEBI registration number: INM000011179	Kotak Mahindra Capital Company Limited 1 st Floor, 27 BKC, Plot No. 27, “G” Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India Tel: +91 22 4336 0000 Fax: +91 22 6713 2447 Email: agstransact.ipo@kotak.com Website: www.investmentbank.kotak.com Investor grievance ID: kmcuredressal@kotak.com Contact person: Mr. Ganesh Rane SEBI registration number: INM000008704	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg Bhandup West Mumbai 400 078 Maharashtra, India Tel: +91 22 6171 5400 Fax: +91 22 2596 0329 Email: ags.ipo@linkintime.co.in Website: www.linkintime.co.in Investor grievance ID: ags.ipo@linkintime.co.in Contact person: Mr. Sachin Achar SEBI registration number: INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENS ON: [●] ⁽¹⁾	BID/OFFER CLOSES ON (FOR QIBS)⁽²⁾: [●]
	BID/OFFER CLOSES ON (FOR NON-QIBS): [●]

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

⁽²⁾Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/*Offer* Period for QIBs one Working Day prior to the Bid/*Offer* Closing Date in accordance with the SEBI 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 or regulation will be deemed to include all amendments and modifications notified as of the date of this Draft Red Herring Prospectus.

General Terms

Term	Description
“our Company” or “the Company” or “the Issuer” or “AGSTTL”	AGS Transact Technologies Limited, a company incorporated under the Companies Act, 1956, whose registered office is situated at 601-602 Trade World, B Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India
“we” or “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries

Company Related Terms

Term	Description
Articles or Articles of Association	Articles of Association of our Company, as amended
Audit Committee	The audit committee of the Board of Directors
Auditors or Statutory Auditors	The statutory auditors of our Company, namely, S.R. Batliboi & Associates LLP, Chartered Accountants
Board or Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Compulsorily Convertible Preference Shares or CCPS	Compulsorily and fully convertible preference shares of our Company of face value of ₹10 each
Corporate Office	The corporate office of our Company, located at 14 th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400 013, Maharashtra, India
Corporate Social Responsibility Committee or CSR Committee	The corporate social responsibility committee of the Board of Directors
Director(s)	The director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each
ESOS 2012	The employee stock option scheme instituted by our Company in 2012, namely, the Employee Stock Option Scheme – ESOS 2012, as amended. For details, see the section “ <i>Capital Structure – Notes to Capital Structure - Employee Stock Option Plans</i> ” on page 80
ESOS 2015	The employee stock option scheme instituted by our Company in 2015, namely, the Employee Stock Option Scheme – ESOS 2015. For details, see the section “ <i>Capital Structure – Notes to Capital Structure - Employee Stock Option Plans</i> ” on page 80
Group Entities	Companies, firms and ventures promoted by our Promoter, irrespective of whether such entities are covered under section 370(1)(B) of the Companies Act, 1956 or not and which are disclosed in the section “ <i>Our Promoter, Promoter Group and Group Entities</i> ” on page 188
GTSL	Global Transact Services Pte. Ltd.
IPO Committee	The IPO committee of the Board of Directors
ITSL	India Transact Services Limited
Memorandum or Memorandum of Association	Memorandum of Association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of the Board of Directors
Novus Cambodia	Novus Technologies (Cambodia) Company Limited
Novus Philippines	Novus Transact Philippines Corporation
Novus SGP	Novus Technologies Pte. Ltd.
Novus SPA	Share purchase agreement dated November 25, 2013 among GTSL, Novus SGP and Mr. Balasubramanian Narayan Iyer
Oriole	Oriole Limited

Term	Description
Oriole SPA	Share purchase agreement dated August 6, 2012 among Oriole, our Company and our Promoter
Oriole SSA	Share subscription agreement dated August 6, 2012 among Oriole, our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal
Preference Shares	Preference shares of our Company of face value of ₹10 each
Promoter	Mr. Ravi B. Goyal
Promoter Group	The entities and persons constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and which are disclosed in the section “ <i>Our Promoter, Promoter Group and Group Entities</i> ” on page 187
Registered Office	The registered office of our Company, located at 601-602 Trade World, B Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India
Registrar of Companies or RoC	The Registrar of Companies, Maharashtra at Mumbai
Risk Management Committee	The risk management committee of the Board of Directors
Shareholders	The holders of the Equity Shares
Shareholders’ Agreement	Shareholders’ agreement dated August 6, 2012 among our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal, Ms. Neha R. Goyal, TPG and Oriole, as amended pursuant to an agreement dated March 20, 2015
Stakeholders Relationship Committee	The stakeholders relationship committee of the Board of Directors
Subsidiaries	The subsidiaries of our Company, namely: 1. Securevalue India Limited; 2. India Transact Services Limited; 3. Global Transact Services Pte. Ltd.; 4. Novus Technologies Pte. Ltd.; 5. Novus Technologies (Cambodia) Company Limited; and 6. Novus Transact Philippines Corporation For details, see the section “<i>History and Certain Corporate Matters - Subsidiaries</i>” on page 161
SVIL	Securevalue India Limited
TPG	TPG Star SF Pte. Ltd.
TPG SPA	Share purchase agreement dated May 31, 2011 among TPG, our Company and our Promoter
TPG SSA	Share subscription agreement dated May 31, 2011 among TPG, our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal

Offer Related Terms

Term	Description
Allot or Allotment or Allotted	Allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful 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 Regulations
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus which will be decided by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs
Anchor Investor Bid/Offer Period	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by

Term	Description
	Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which 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, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Category or up to [●] Equity Shares, which may be allocated by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI 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
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account. ASBA is mandatory for QIBs (except Anchor Investors) and Non-Institutional Investors participating in the Offer
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by ASBA Bidders, which may be blocked by such SCSB to the extent of the Bid Amount
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	Bidders (except Anchor Investors) in the Offer who Bid through ASBA
Axis	Axis Capital Limited
Banker(s) to the Offer or Escrow Collection Bank(s)	The banks which are clearing members and registered with the SEBI as bankers to an issue and with whom the Escrow Account will be opened, being [●]
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in the section “Offer Procedure” on page 396
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto in accordance with the SEBI Regulations
Bid Amount	In relation to each Bid shall mean the highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account upon submission of such Bid cum Application Form
Bid cum Application Form	The form in terms of which a Bidder shall make a Bid and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus, whether applying through ASBA or otherwise
Bid Lot	[●]
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids for the Offer, which shall be notified in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], each with wide circulation. Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers will start accepting Bids for the Offer, which shall be notified in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], 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 (including an ASBA Bidder and an Anchor Investor) who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form
Book Building Process or Book	The book building process, as provided in Schedule XI of the SEBI Regulations, in

Term	Description
Building Method	terms of which the Offer is being made
Book Running Lead Managers or BRLMs	The book running lead managers to the Offer, comprising Axis Capital Limited, Citigroup Global Markets India Private Limited, HDFC Bank Limited, ICICI Securities Limited and Kotak Mahindra Capital Company Limited
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the Bid cum Application 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 or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares to be sent to the Anchor Investors, who will be 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
Citi	Citigroup Global Markets India Private Limited
Cut-off Price	The Offer Price finalised by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, which may be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. No other category of Bidders is entitled to Bid at the Cut-off Price
Designated Branches	Such branches of the SCSBs which shall collect the Bid cum Application Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account, or 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, as the case may be
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus issued in accordance with the SEBI Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted
Eligible FPIs	FPIs 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 Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) 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 Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares offered thereby
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	The agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof
First Bidder	Bidder whose name appears first in the Bid cum Application Form or the Revision Form
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
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹4,000 million by our Company
HDFC	HDFC Bank Limited
Investor Selling Shareholders	TPG and Oriole
I-Sec	ICICI Securities Limited
Kotak	Kotak Mahindra Capital Company Limited
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or [●] Equity Shares, which shall be available for allocation only to Mutual Funds on a proportionate basis
Net Proceeds	The gross proceeds of the Fresh Issue less our Company's share of the Offer-related expenses. For further information about use of the Net Proceeds and the Offer expenses,

Term	Description
	see the section “ <i>Objects of the Offer</i> ” on page 90
Non-Institutional Category	The portion of the Offer being not less than 15% of the Offer or [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Institutional Investors or NIIs	All Bidders, including Category III Foreign Portfolio Investors, that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Offer	The initial public offering of up to [●] Equity Shares for cash at a price of ₹[●] each, aggregating up to ₹13,500 million comprising the Fresh Issue and an Offer for Sale of up to [●] Equity Shares for cash aggregating up to ₹9,500 million by the Selling Shareholders of which up to [●] Equity Shares aggregating up to ₹500 million are being offered by the Promoter Selling Shareholder, up to [●] Equity Shares aggregating up to ₹5,510 million are being offered by TPG and up to [●] Equity Shares aggregating up to ₹3,490 million are being offered by Oriole. Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may consider undertaking the Pre-IPO Placement. Our Company and the Selling Shareholders will complete the issuance and allotment and transfer of Equity Shares pursuant to the Pre-IPO Placement prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue and the Offer for Sale, as applicable, subject to a minimum Offer of [●]% of the post-Offer paid-up Equity Share capital being offered to the public
Offer Agreement	The agreement dated March 24, 2015 among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to [●] Equity Shares for cash aggregating up to ₹9,500 million by the Selling Shareholders of which up to [●] Equity Shares aggregating up to ₹500 million are being offered by Mr. Ravi B. Goyal, up to [●] Equity Shares aggregating up to ₹5,510 million are being offered by TPG and up to [●] Equity Shares aggregating up to ₹3,490 million are being offered by Oriole, pursuant to the terms of the Red Herring Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to successful Bidders (except Anchor Investors) in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs on the Pricing Date
Pre-IPO Placement	The proposed pre-Offer private placement by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders of up to 6,000,000 Equity Shares for an aggregate amount not exceeding ₹2,000 million at their discretion. Our Company and the Selling Shareholders will complete the issuance and allotment and transfer of Equity Shares pursuant to the Pre-IPO Placement prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue and the Offer for Sale, as applicable, subject to a minimum Offer of [●]% of the post-Offer paid-up Equity Share capital being offered to the public
Price Band	Price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price), including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs and will be advertised in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and such advertisement shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs finalise the Offer Price
Promoter Selling Shareholder	Mr. Ravi B. Goyal
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the

Term	Description
	Companies Act, 2013, containing, <i>inter-alia</i> , 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 Issue Account	The bank account(s) opened with the Bankers to the Issue under section 40 of the Companies Act, 2013 to receive money from the Escrow Accounts on the Designated Date, and into which the funds shall be transferred by the SCSBs from the ASBA Accounts
QIB Category	The portion of the Offer (including the Anchor Investor Portion) being 50% of the Offer consisting of [●] Equity Shares, which shall be allocated on a proportionate basis to QIBs, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers, QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI Regulations, which does not have complete particulars of the number of and the price at which the Equity Shares will be offered, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Offer Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The account(s) opened with the Refund Bank(s), from which refunds (excluding to the ASBA Bidders), if any, of the whole or part of the Bid Amount shall be made
Refund Bank(s)	[●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate
Registrar to the Offer/Registrar	Registrar to the Offer, being Link Intime India Private Limited
Retail Category	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares, which shall be available for allocation to Retail Individual Investor(s), in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price
Retail Individual Investor(s) or RIIs	Individual Bidders who have Bid for Equity Shares for an amount not more than ₹200,000 (including HUFs applying through their karta and Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any previous Revision Form(s) QIBs and Non-Institutional Investors are not allowed to lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI, offering services in relation to ASBA, and a list of which is available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time
Selling Shareholders	Mr. Ravi B. Goyal, TPG and Oriole
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, being [●]
Share Escrow Agreement	The agreement to be entered into among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Promoter Selling Shareholder and the Investor Selling Shareholders and the credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from ASBA Bidders, a list of which is available at the website of the SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time
Syndicate Agreement	The agreement to be entered into among the BRLMs, the Syndicate Members, our Company and the Selling Shareholders in relation to the collection of Bids in the Offer (other than Bids directly submitted to the SCSBs under the ASBA process and Bids submitted to Registered Brokers at the Broker Centres)
Syndicate Members	Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, being [●]
Syndicate or Members of the	The BRLMs and the Syndicate Members

Term	Description
Syndicate	
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date
Working Day(s)	All days other than a Sunday or a public holiday on which commercial banks in India are open for business, except with reference to announcement of the Price Band and the Bid/Offer Period, where “Working Day(s)” shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

Technical/Industry Related Terms/Abbreviations

Term	Description
ATM	Automated Teller Machine
EFT	Electronic Fund Transfer
EMV	Europay Mastercard Visa
GPS	Global Positioning System
IAD	Independent ATM Deployer
ICD	Intelligent Cash Deposit
LAB	Local Area Bank
MMT	Million metric tonnes
NFS	National Financial Switch
PIN	Personal Identification Number
POS	Point of Sale
PPI	Pre-Paid Instrument
PSB	Public Sector Bank
RRB	Regional Rural Bank
SCB	Scheduled Commercial Bank
UCB	Urban Cooperative Bank
WLA	White Label ATM

Conventional Terms/Abbreviations

Term	Description
AGM	Annual General Meeting
Alternative Investment Funds or AIFs	Alternative Investment Funds as defined and registered under the SEBI AIF Regulations
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category III Foreign Portfolio Investors	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clause 49	Clause 49 of the Listing Agreement, as amended, including by the SEBI Circular CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and the SEBI Circular CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014
Client ID	Client identification number of the Bidder’s beneficiary account
Companies Act	The Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number

Term	Description
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP or Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's identification number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
Effective tax rate	Effective tax rate has been computed by dividing our total tax expenses for the period/year included in our restated summary statement of profit and losses by our restated profit before tax for the period / year
EPS	Earnings per share
FCNR Account	Foreign Currency Non-Resident Account, and has the meaning ascribed to the term "FCNR(B) account" under the Foreign Exchange Management (Deposit) Regulations, 2000
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with the rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FIIIs	Foreign Institutional Investors as defined under the SEBI FPI Regulations
Financial year or Fiscal or Fiscal Year or FY	The period of 12 months ending March 31 of that particular year
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined in and registered with the SEBI, under the SEBI FVCI Regulations
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income Tax Act, 1961
Ind AS	IFRS converged Indian Accounting Standards, notified pursuant to the Companies (Accounting Standards) Rules, 2015 issued by the MCA on February 16, 2015, which will come into effect from April 1, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority of India
IT Act	Information Technology Act, 2000
KYC	Know Your Customer
LIBOR	London Interbank Offered Rate
Listing Agreement	The agreement to be entered into between our Company and each of the Stock Exchanges in relation to listing of the Equity Shares on such Stock Exchanges
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition (nine digit code as appearing on a cheque leaf)
Mutual Fund(s)	Mutual fund(s) registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NBFC	Non-Banking Financial Company
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR or Non-Resident	A person resident outside India, as defined under the FEMA and includes NRIs, FIIs, FPIs and FVCIs registered with the SEBI
NRE Account	Non-Resident External Account, and has the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non-Resident Ordinary Account, and has the meaning ascribed to such term in the

Term	Description
	Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB or 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
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act
PAT	Profit After Tax
PSAR Act	Private Security Agencies (Regulation) Act, 2005
PSS Act	Payment and Settlement Systems Act, 2007
QFIs	Qualified Foreign Investors as defined under the SEBI FPI Regulations
RBI	Reserve Bank of India
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	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, 2012
SEBI ESOP Guidelines	Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
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 Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Sq. Ft. or sq. ft.	Square feet
State Government	The government of a state in India
Stock Exchanges	The BSE and the NSE
Supreme Court	The Supreme Court of India
US GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
WLA Guidelines	The guidelines on WLAs in India issued by the RBI on June 20, 2012

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

Notwithstanding the foregoing, terms in the sections “Statement of Tax Benefits”, “Regulations and Policies”, “History and Certain Corporate Matters”, “Financial Statements”, “Outstanding Litigation and Material Developments” and “Main Provisions of Articles of Association” on pages 99, 153, 158, 197, 323 and 449, respectively, shall have the meanings given to such terms in these respective sections.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India, all references to “Bangladesh” are to the “People’s Republic of Bangladesh”, all references to “Cambodia” are to the “Kingdom of Cambodia”, all references to “Nepal” are to the “Federal Democratic Republic of Nepal”, all references to “Philippines” are to the Republic of Philippines, all references to “Singapore” are to the Republic of Singapore, all reference to “Sri Lanka” are to the “Democratic Socialist Republic of Sri Lanka”, and all references to the “U.S.” are to the “United States of America”.

Financial Data

Unless stated or the context requires otherwise, our financial data included in this Draft Red Herring Prospectus is derived from our Company’s restated consolidated and unconsolidated financial information, as of and for the financial years ended March 31, 2014, 2013, 2012, 2011 and 2010 and as of and for the six months ended September 30, 2014, prepared in accordance with the Companies Act, Indian GAAP and restated in accordance with the SEBI 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 (including percentages) have been rounded off to one or two decimals.

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

There are significant differences between Indian GAAP, US GAAP and IFRS. The reconciliation of the financial information to IFRS or US GAAP financial statements has not been provided. Our Company has not attempted to also 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. Accordingly, the degree to which the restated consolidated and unconsolidated 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 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.

Unless stated or the context requires otherwise, any percentage amounts, as set forth in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 13, 134 and 275, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the restated consolidated and unconsolidated financial information of our Company prepared in accordance with the Companies Act, Indian GAAP and the SEBI Regulations.

Currency of Presentation

All references to “₹”, “Rs.” or “Rupees” are to Indian Rupees, the official currency of the Republic of India.

All references to “US\$” or “USD” are to United States Dollars, the official currency of the United States of America.

All references to “S\$” or “SGD” are to the Singapore Dollar, the official currency of the Republic of Singapore.

All references to “KHR” are to the Cambodian Riel, the official currency of the Kingdom of Cambodia.

All references to “PHP” are to the Philippine Peso, the official currency of the Republic of Philippines.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI 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 dates indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies:

	September 30, 2014 (₹)	March 28, 2014 (₹)	March 28, 2013 (₹)	March 30, 2012 (₹)	March 31, 2011 (₹)	March 31, 2010 (₹)
1 USD	61.6135	60.0998	54.3893	51.1565	44.65	45.14
1 SGD	48.2275	47.4462	43.7195	41.3873	35.8762	32.1646

Source: <http://www.rbi.org.in/home.aspx> for USD; <http://www.oanda.com/currency/converter/> for SGD; if March 31 is a holiday, the closing price of the previous trading day has been considered

	September 30, 2014 (₹)
1 KHR	0.01478
1 PHP	1.36412

Source: <http://www.oanda.com/currency/converter/>

Industry and Market Data

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

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by our Company, the Promoter Selling Shareholder, either of the Investor Selling Shareholders, the BRLMs or any of their respective affiliates or advisors.

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 we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section "Risk Factors" on page 13. Accordingly, investment decisions should not be based on such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely”, “objective”, “plan”, “project”, “seek to”, “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 are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- any adverse development in the growth of the number of ATMs or the usage of ATMs in India;
- our top customers suffering a deterioration of their business, ceasing to do business with us or substantially reducing their dealings with us;
- continuation of our relationship with Wincor Nixdorf AG (together with its affiliates, “**Wincor**”);
- implementation of new regulations or changes to existing laws and regulations impacting our business;
- our ability to implement our business strategies and to sustain and manage our growth;
- our ability to effectively compete against current and future competitors;
- our ability to manage risks arising from our cash management business;
- our reliance on third parties for certain services and any disruption, deficiency in service or increase in cost of such services;
- our ability to meet obligations under our debt financing arrangements and our ability to raise additional capital;
- our ability to attract and retain our key personnel;
- outcome of legal proceedings pending against us;
- risks arising from changes in interest rates, currency fluctuations and inflation; and
- general economic and business conditions in India and other countries.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 13, 134 and 275, 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 gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, our Directors, the Promoter Selling Shareholder, any of the Investor Selling Shareholders, the Syndicate or any of their respective affiliates has 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. Our Company, the Promoter Selling Shareholder, the BRLMs and the Investor Selling Shareholders severally and not jointly, to the statements and undertakings specifically confirmed by each of them in the Draft Red Herring Prospectus, will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the date of Allotment.

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Investor Selling Shareholder(s) in this Draft Red Herring Prospectus shall be severally and not jointly deemed to be “statements and undertakings made by the Investor Selling Shareholders”. All other statements and/or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company and/or the Promoter Selling Shareholder (as the case may be) even if the same relates to the Investor Selling Shareholder(s).

SECTION II: RISK FACTORS

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or India and other regions we operate in. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. To obtain a more detailed understanding of our business and operations, prospective investors should read this section in conjunction with the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 134 and 275, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of our operations and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in the Offer.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ 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 12.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless otherwise stated, the financial information used in this section has been derived from our consolidated financial statements prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations.

Internal Risk Factors

- 1. We derive a significant portion of our revenues from our banking sector operations in India. Consequently, any adverse development in the growth of the number of ATMs or the usage of ATMs in India could have an adverse effect on our business, results of operations, cash flows and financial condition.***

We derive a significant portion of our revenues from our banking sector operations, which we provide to leading banks and financial institutions across India. Our banking sector operations comprise Banking Automation Solutions, which includes the supply and installation of ATMs and other automated banking products, the ATM site development and the provision of services, including maintenance, software and hardware upgrades and spare parts, and Banking Payment Solutions, which includes ATM outsourcing and managed services, cash management services, digital payment services and transaction switching services. For the financial year 2014 and the six months ended September 30, 2014, our aggregate revenue from Banking Automation Solutions and Banking Payment Solutions segments were ₹7,799.57 million and ₹5,030.93 million or 82.3% and 87.1% of our total revenue from operations (net), respectively. The success of our business thus depends on various factors, including the ability of the banks and white-label ATM (“WLA”) operators to grow and maintain their existing ATM network in India, the demand for ATM services, our ability to successfully sell, deploy, operate, maintain and manage ATMs and ATM sites, our relationship and commercial negotiations with banks and financial institutions, consumer spending habits, such as carrying out transactions at ATMs, and macroeconomic conditions in India and globally. In addition, as new banking licences for potential entrants to the banking industry are difficult to obtain in India, our customer pool may be limited, which could also have an adverse effect on our growth.

Further, under our current arrangements with banks, we either derive our fees on a lump sum basis or on the basis of the number of successful financial and, in certain cases, non-financial transactions at an ATM. In cases where we derive our revenues on a per transaction basis, our transaction fees are determined through negotiations between us and our customers and could be reduced over time due to factors such as increased competition and lower demand for cash-based services and availability of other technology solutions. Further, under certain arrangements with banks, such transaction fees are not automatically adjusted for increases in our costs, including due to inflation.

Consequently, any adverse development in the growth of the number of ATMs in India, reduction in transaction fees or a decline in the usage of the ATMs managed, operated and maintained by us could have an adverse effect on our business, results of operations, cash flows and financial condition.

- 2. We derive a substantial portion of our revenue from a limited number of customers. If one or more of our top customers were to suffer a deterioration of their business, cease doing business with us or substantially reduce its***

dealings with us, our revenues could decline, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

For the financial year 2014 and the six months ended September 30, 2014, we derived 42.9% and 42.5% of our total revenues, respectively, from our top two customers – ICICI Bank Limited and Axis Bank Limited. ICICI Bank Limited, which is the single largest customer in our portfolio, accounted for approximately 21.6% and 23.7% of our total revenues for the financial year 2014 and the six months ended September 30, 2014, respectively. Accordingly, a significant percentage of our future revenues will be dependent upon the successful continuation of our relationship with these customers.

The loss of any of our major customers, due to our inability to renew our contracts with them or failure to secure a large order from them, or a decision by any one of them to reduce the number of ATMs supplied, maintained, operated or managed by us in their locations would result in a decline in our revenues. Furthermore, if any of our major customers' financial conditions were to deteriorate in the future, and as a result, one or more of these customers was required to close their ATMs at a significant number of locations or put their expansion plans on hold, our revenues would be significantly affected.

Additionally, our major customers may elect not to renew their contracts upon expiration. Even if such contracts are renewed, the renewal terms may be less favourable to us than the current contracts. If any of our major customers fails to renew its contract upon expiration, or if the renewal terms with any of them are less favourable to us than under our current contracts, it could result in a decline in our revenues and profits, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

3. Any adverse development or discontinuance of our relationship with Wincor, which contributes substantially to our business, could have an adverse effect on our business, results of operations, cash flows and financial condition.

We have a long-standing relationship with Wincor since 2004. We last entered into a distribution agreement with Wincor ("**Distribution Agreement**") in 2013 to source their ATMs, cash deposit machines and other banking hardware products for distribution in India. We procure a substantial number of our banking sector products from Wincor for our business and Wincor's products constituted a significant portion of our costs of raw material and components consumed for the six months ended September 30, 2014 and the financial year 2014, respectively. The Distribution Agreement with Wincor to sell their products in India is on a non-exclusive basis and Wincor is entitled to supply the same products that we distribute, either by itself or through other distributors, partners or companies within India. The Distribution Agreement is automatically renewed for 12 months at a time and can be terminated by either party with a three month notice period. However, the Distribution Agreement provides Wincor with the right to terminate our agreement prematurely under certain circumstances, including if a competitor of Wincor acquires an interest in our Company, if our Company acquires an interest in a competitor of Wincor or if we fail to meet the agreed sales targets for two consecutive years. For further details of our Distribution Agreement, please refer to section "*Our Business*" on page 150. If Wincor terminates or ceases its relationship with us, or supplies its products either directly, or to other parties, or appoints another distributor within India, we may lose some or all of our market share and our business, results of operations, cash flows and financial condition could be adversely affected.

Further, in accordance with the terms of the Co-operation Agreement with Wincor, dated December 18, 2009, we are restricted from marketing, selling or promoting same/similar or competing products of a third party supplier/manufacturer, make or brand and those that compete with the products supplied by Wincor, whether local or imported except after providing Wincor with prior written notice of three months. We may be restricted in our ability to respond to market conditions, customer demands or procure alternate supplies. Further, non-compliance of the provisions under the agreement shall entitle Wincor to revoke or terminate the Co-Operation Agreement and exercise any other rights under the agreement and under applicable laws. The termination of the Co-Operation Agreement with Wincor could have an adverse effect on our business, results of operations, cash flows and financial condition.

Further, the termination of our arrangements with Wincor may cause us to default on our obligations under our various customer contracts. This may make us liable for breach of contract, damages and expose us to various legal proceedings, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

4. *The industries in which we operate are highly regulated by the RBI. Implementation of new regulations or changes to existing laws and regulations regarding our services could have an adverse effect on our business, results of operations, cash flows and financial condition.*

Our business of supply, installation and maintenance of ATMs is highly dependent on the regulatory policies framed by the RBI from time to time. The RBI, pursuant to a circular dated June 12, 2009, permitted banks to open off-site ATMs without RBI approval. Any restrictive change in this policy could adversely impact the industry in which we operate and our operations. Under certain of our contracts, we are responsible for the ATM site identification and deployment, installation, ownership and management services for the ATM on behalf of the customer banks. In the event that the RBI either restricts the banks from utilising the assistance of third parties for the installation and maintenance of ATMs, or restricts the number of ATMs which can be set up by the banks, our business, results of operations, cash flows and financial condition could be adversely affected.

The extensive regulatory structure under which we carry out our operations may constrain our flexibility to respond to market conditions, competition or changes in our cost structure. In the last few years, the RBI permitted non-banking companies to set-up and operate WLAs in India after obtaining authorisation from the RBI. Our Company obtained an authorization from the RBI to set up, own and operate WLAs on June 30, 2014. Pursuant to the terms of such authorization, issued under Scheme A of the WLAs guidelines, our Company is required to deploy 1,000 WLAs in the first year of such authorization, twice the number of WLAs deployed in the first year of operation in our second year and thrice such number in our third year of operation. As of the date of this Draft Red Herring Prospectus, we have set up two WLAs. Failure to comply with the terms of the authorization may result in the RBI revoking the authorization and the RBI imposing penalties for non-compliance in accordance with the Payment and Settlement Systems Act, 2007. For further details, see the sections “*Regulations and Policies*” and “*Government and Other Approvals*” on pages 153 and 360, respectively.

In addition, various other aspects of our business, such as our electronic payments infrastructure and usage of such networks by our banking, retail and petroleum customers, are highly regulated by the RBI. Further, our subsidiary ITSL also obtained an authorization from the RBI on May 30, 2014 to issue and operate semi-closed pre-paid payment instruments as part of its digital payments operations. Under the applicable RBI regulations, the holder of such authorization is required to maintain a minimum positive net worth of ₹10 million at all times. ITSL has a negative net worth as at the date of this Draft Red Herring Prospectus.

We may not be able to comply with the relevant regulatory requirements and the RBI may impose certain penalties including suspension, revocation or termination of the relevant approvals in the event of a default by us in complying with such terms and conditions. Any such penalty, cancellation or termination could have an adverse effect on our reputation and our ability to operate and manage our business and may have an adverse effect on our business, results of operations, cash flows and financial condition.

For further details, please see the sections “*Regulations and Policies*” and “*Government and Other Approvals*” on pages 153 and 360, respectively.

5. *Any changes in interchange fees by the National Payment Corporation of India, or through potential regulatory changes or otherwise, may have an adverse effect on our business, results of operations, cash flows and financial condition.*

Interchange fees, which are the fees charged by one bank for usage of another bank’s ATM card on its ATM machines, are set by the National Payments Corporation of India, a section 25 company which operates for the benefit of its member banks and which has been authorized by the RBI in this respect. Banks that outsource their ATM operations to companies such as ours typically pay on a per transaction basis to ATM operators. Such per transaction fee is dependent on the interchange fee, as the banks would typically consider such amount when they negotiate the fee that they would be required to pay an external ATM operator. Further, various electronic funds transfer networks through which the transactions conducted on our devices are routed may also vary the interchange fee with respect to various payment services offered by us.

If there were any increases in the interchange fee required to be paid by the banks, the transaction fee that banks are willing to pay us may decline as banks may seek to reduce the amount that is paid to ATM operators such as us. Similarly, if some of the networks through which our payment transactions are routed were to reduce the interchange rates paid to us or increase their transaction fees charged to us for routing transactions across their network, our future transaction costs could increase and our revenues could decline.

In addition, any potential future network or legislative actions that affect the amount of interchange fees that can be levied on a transaction may adversely affect our revenues.

Any of the above may have an adverse effect on our business, results of operations, cash flows and financial condition.

6. *Our cash management business exposes us to additional risks beyond those experienced by us in the ownership and operation of ATMs and our insurance coverage may not adequately protect us against these risks.*

As of December 31, 2014, we provided cash management services through our subsidiary SVIL to over 10,000 ATMs. Our subsidiary, SVIL has vaults at 15 locations. The cash management business exposes us to significant risks, including the potential for cash-in-transit losses, employee theft, as well as claims for personal injury, wrongful death, worker's compensation, punitive damages, and general liability. For example, SVIL has filed a FIR against its employees in Gurgaon with respect to an instance of theft and employee misconduct. For details, please see the section “*Outstanding Litigation and Material Developments*” on page 356. While we seek to maintain appropriate levels of insurance to adequately protect us from these risks, we may incur significant future claims or adverse publicity related thereto. Further, our insurance coverage might not be adequate to cover potential liabilities or the cost of insurance coverage might increase significantly. The availability of quality and reliable insurance coverage is an important factor in our ability to successfully operate this aspect of our operations. A loss claim for which insurance coverage is denied or which is in excess of our insurance coverage could have an adverse effect on our business, results of operations, cash flows and financial condition. Pursuant to certain of our ATM outsourcing contracts, we are liable to make good losses of cash to our clients within a fixed period, regardless of whether such claims are settled by the insurance provider within such period. Accordingly, we would be required to bear the loss of any delays by insurance providers in settling claims, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

Further, our operations, which centre around the management and handling of cash, depend substantially on the integrity of our employees and those of our third-party service providers. In the course of our screening and background check process when hiring employees, we may be supplied with false or incomplete background information. Our third-party service providers may also not conduct substantial background checks on their employees. These situations expose us to risk of thefts, robberies, fraud and other forms of malpractice from our employees and those of our third-party service providers. For example, cash is counted and loaded into our ATMs on site by the employees of our third-party service providers in addition to our own employees. Shortfalls in cash or the loading of counterfeit cash can only be detected by an audit of the ATM by the cash management team at a later date. Our employees or the employees of our third-party service providers may introduce counterfeit currency into ATMs owned, operated or managed by us or work together to siphon off cash from such ATMs or currency shipments, which may not be detected immediately. Our internal controls and protocols may be insufficient to adequately protect us from misconduct by our employees and/or third-party service providers. The occurrence of any of the above events could therefore adversely affect our reputation, business, results of operations, cash flows and financial condition.

7. *We may face challenges in operating and maintaining the sites we lease for our ATMs, which may adversely affect our business, results of operations, cash flows and financial conditions.*

Our ATMs are typically located at sites leased from various landlords. As part of our ATM outsourcing and managed services contracts, we are typically responsible for ATM site identification, entering into agreements with landlords for leasing these ATM sites, making payments for lease and other expenses for such sites and any other obligations that may be imposed on us under the agreements with our landlords. In the event that we are unable to carry out our obligations under the ATM site lease agreements, our landlords may terminate our lease agreements and make claims against us, which may adversely affect our business, results of operations, cash flows and financial condition.

For example, we have received several notices from landlords in connection with the payment of arrears of rent, outstanding security deposits and damage to property. Certain landlords have also filed complaints with the police in relation to these demands. Further, certain landlords have in the past obstructed access to ATMs located in properties owned by them and have prevented us from recovering ATMs and related assets (including the cash in the machine) from such premises. For details, please see the section “*Outstanding Litigation and Material Developments*” on page 347.

Further, certain of our lease agreements with the landlords for our ATM sites have not been registered with local authorities. Consequently, we may not be able to enforce these leases. We may also be required to make additional stamp duty payments or otherwise for certain of our lease agreements with landlords which may be insufficiently stamped, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

8. *We maintain a significant amount of cash within our Company-owned devices and at our vault locations, which is subject to potential loss due to theft or other events, including natural disasters.*

For the six months ended December 31, 2014, SVIL replenished a daily average amount of ₹2,959.48 million. Any loss of cash from our ATMs or SVIL's vaults or during cash in transit by SVIL is generally our responsibility. If we engage third parties for cash management services, we typically require that our service providers, who either transport the cash or otherwise have access to the ATM safe, maintain adequate insurance coverage in the event cash losses occur as a result of theft, misconduct, or negligence on the part of such providers. However, we cannot assure you that we will be successful in recovering any losses from such service providers and we are liable to indemnify the concerned customer bank for any losses. Cash losses at the ATM occur in a variety of ways, such as natural disasters, including cyclones and hurricanes, fires, vandalism, physical removal of the entire ATM, defeating the interior safe, compromising the ATM's technology components or incorrect dispensing of cash by the ATM. Our ATMs also face exposure to attempts of theft and vandalism. Thefts of cash or replacement with counterfeit currency may be the result of an individual acting alone or as a part of a crime group. We have in the past suffered losses due to theft aggregating to ₹2.42 million ₹5.87 million and ₹5.55 million in financial years 2013 and 2014 and the six months ended September 30, 2014, respectively. While we maintain insurance policies to cover a significant portion of any losses that may occur that are not covered by the insurance policies maintained by our service providers, such insurance coverage is subject to deductibles, exclusions and limitations that may leave us bearing some or all of those losses.

Any increase in the frequency or amounts of theft and other losses could negatively impact our operating results by causing higher deductible payments and increased insurance premiums. Additionally, ATM-related thefts and damage, if extensive and frequent enough in nature, could adversely affect our reputation and negatively impact our relationships with customers and impair our ability to deploy additional ATMs in those existing or new locations of those customers, which may adversely affect our business, results of operations, cash flows and financial condition.

9. *Our Auditors have included certain qualified statements in relation to matters specified in the Companies (Auditors' Report) Order, 2003, in the annexure to the audit report on our audited financial statements.*

The annexure to the audit report for our financial statements as of and for the financial years 2011 and 2012 include a note that certain loans aggregating to a maximum amount of ₹19.70 million for each year, were granted to parties covered in the register maintained under Section 301 of the Companies Act, 1956, on terms *prima facie* prejudicial to the Company. In addition, the annexures to the audit reports on each of our financial statements as of and for the financial years ended 2010 through 2014 contain certain qualifications with respect to delays in payment of statutory dues. Further, the annexures to the audit reports of our Company for the financial years 2013 and 2014 contain certain qualifications with respect to cases of attempted burglary and thefts of items at various ATMs in relation to material fraud committed against our Company. For further details, see the sections "*Summary Financial Information- Auditor Qualifications and Adverse Remarks*" and "*Outstanding Litigation and Material Developments*" on pages 53 and 354, respectively. If any such qualifications or observations are included in the annexure to the auditor's report for our financial statements in the future, the trading price of our Equity Shares may be adversely affected.

10. *We depend on third parties for certain services. Any disruption, deficiency in service or increase in cost of such services could adversely affect our business, results of operations, cash flows and financial condition.*

We depend on third parties for a number of services, including technology licensors, payment network providers, transaction processors, cash management agencies, and security and housekeeping personnel providers. These third parties enable us to provide card authorization, data capture, cash settlement, cash management and delivery, and maintenance services to our ATMs and our products and services. For example, we have entered into a manufacturing and technology license agreement with Fast & Fluid Management B.V. and IDEX Technology (Suzhou) Company Limited (jointly, the "**FFM Group**") (the "**Technology License Agreement**"). Pursuant to the terms of the Technology License Agreement, we were granted a non-exclusive, non-transferable, royalty-free license to use the FFM Group's technology to manufacture certain automatic and manual paint dispensers and top covers and monitor and keyboard arms of certain models of paint dispensers at our manufacturing facility at Daman. Most of the paint dispensers manufactured at our facility in Daman are pursuant to the Technology License Agreement. The term of the Technology License Agreement is one year from September 23, 2014 and thereafter is expected to be automatically renewed for 12 months at a time. The Technology License Agreement provides for the immediate termination by either party upon the occurrence of certain events. Similarly, we have sourced automatic vehicle identification systems technology and products for our Fastlane initiative from On Track Innovations Limited. For further details, see the section "*Our Business*" on page 150.

We expect we will continue to rely on these third-party service providers as we expand our business. These third parties may experience disruptions, provide lower quality service or increase the prices of their products or services for a number of reasons that are beyond our control. As a result, we cannot be certain that we will continue to receive

satisfactory services or products on acceptable terms or at all. Should we experience a disruption in the supply, or quality, of these services or products, or if such contracts for services expire, we may not be able to find a replacement or renew our contracts, as the case may be, in a timely fashion, on favourable terms or at all, we could suffer a significant disruption in our business, which could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

11. A decrease in the use of cash as a mode of payment could have an adverse effect on our business, results of operations and financial condition.

Our business and results of operations are significantly dependent on the maintenance and growth of the ATM network in India and on the use of cash as a mode of payment. While some of our agreements with our banking customers provide for payment on a lump sum basis, we derive our revenues from our other agreements on the basis of the number of transactions at the ATMs that we manage and operate. Consequently, the proliferation of payment options other than cash, including credit cards, debit cards, stored-value cards, mobile payments and on-line purchase activity, could result in a reduced need for cash in the marketplace and a decline in the need for ATMs in the country. In the event of a decline in the use of cash as a mode of payment, our banking customers may decide not to expand their ATM network or may downsize their current ATM network. Such decline in the use of cash will also adversely affect our proposed WLA operations. Any such decision by our banking customers or impact on our proposed WLA operations could have an adverse effect on our business, results of operations, cash flows and financial condition.

12. Our new service and product developments, including our plan to begin operations as a white-label ATM operator, may not be successful, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

We are constantly looking to develop new services and products that complement or leverage the underlying design or process technology of our current service and product offerings, such as becoming a white-label ATM operator, YouPay, our mobile payment service, or Fastlane, our automatic vehicle identification systems product. We make significant investments in service and product technologies and anticipate expending significant resources for direct consumer-based businesses over the next several years. We have limited experience in developing and implementing direct consumer-based businesses. Thus, we cannot assure you that our service and product development efforts will be successful or that we will be able to successfully market and sell these services and products, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

We recently commenced operations as a WLA operator in India, where we install, own and operate ATMs and engage a sponsor bank or other commercial bank for cash settlement related services. Our business has historically been concentrated on the sale and management of ATMs in India and we cannot assure you that we will be able to effectively execute our plans to operate as a WLA operator or that we will be able to enter into tie-ups with sponsor banks or other commercial banks as required under the existing regulatory framework or that such sponsor banks will continue their association with us.

Further, tie-ups with banks are required in order to process WLA transactions. If any of our future sponsor banks or cash supplier banks decide to no longer provide this service, or are no longer financially capable of providing this service as may be determined by certain networks, it may be difficult to find an adequate replacement at a similar cost. We could also potentially incur a temporary service disruption for certain transactions in the event we lose or do not retain bank sponsorship, which may negatively impact our profitability and in turn may have an adverse effect on our business, results of operations, cash flows and financial condition.

13. There are outstanding legal proceedings involving our Company, our Directors, our Subsidiaries and our Promoter.

There are outstanding legal proceedings involving our Company, our Directors, our Subsidiaries and our Promoter. These proceedings are currently being adjudicated before various courts, tribunals and other authorities. The following table sets out brief details of such outstanding proceedings:

Nature of Cases	Number of Cases	Total Amount Involved (₹ in millions)*
Proceedings against our Company		
Criminal	1	Not applicable
Civil	5	0.70
Tax	12	133.77
Labor	3	1.17

Nature of Cases	Number of Cases	Total Amount Involved (₹ in millions)*
Proceedings by our Company		
Criminal	Nil	Nil
Civil	Nil	Nil
Tax	10	341.30
Proceedings by the Subsidiaries		
Criminal	4	4.92
Civil	Nil	Nil
Tax	Nil	Nil
Proceedings involving our Directors		
Criminal	Nil	Nil
Civil	2	0.07
Tax	3	18.61
Proceedings involving our Promoter		
Criminal	Nil	Nil
Civil	2	0.07
Tax	3	18.61

*The amounts indicated are approximate amounts, wherever quantifiable.

We cannot assure you that any of these matters will be settled in our favour or in favour of our Directors or our Subsidiaries or our Promoter or that no additional liability will arise out of these proceedings. For further details, please see the section “*Outstanding Litigation and Material Developments*” on page 323. An adverse outcome in any of these proceedings could have an adverse effect on our Company, our Directors, our Subsidiaries and our Promoter, as well as on our reputation, business, prospects, financial condition, cash flows and results of operations.

14. Potential new currency designs may require modifications to certain automated banking products in our portfolio that could have an adverse effect on our business, results of operations, cash flows and financial condition.

Any change to the feature of currencies in any of the countries we operate in that may be processed or dispensed from our automated banking products, such as to the size or the addition of tactile features onto notes, could require modifications to our automated banking products. Any such modification costs could be substantial, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

15. Security breaches could harm our business by compromising our merchant and cardholder information and may cause disruptions in the transaction processed on our terminals or ATMs, thus damaging our relationships with our customers and exposing us to liability.

As part of our payment services, we electronically process and transmit cardholder information. In recent years, companies that process and transmit such information have been specifically and increasingly targeted by sophisticated criminal organizations in an effort to obtain the information and utilize it for fraudulent transactions. The encryption software and the other technologies that we and our partners use to provide security for storage, processing and transmission of confidential customer and other information may not be effective to protect against data security breaches.

The risk of unauthorized circumvention of our security measures has been heightened by advances in computer capabilities and the increasing sophistication of hackers. Unauthorized access to our computer systems, or those of our third-party service providers, and misuse of our confidential or proprietary data, by third parties or our own employees, could result in the theft or publication of the information or the deletion or modification of sensitive records, and could cause interruptions in our operations. Any inability to prevent security breaches could damage our relationships with our customers, cause a decrease in transactions by individual cardholders, expose us to liability including claims for unauthorized purchases, and subject us to penalties. These claims also could result in protracted and costly litigation. If unsuccessful in defending that litigation, we might be forced to pay damages or change our business practices.

Further, a significant data security breach could lead to additional regulation, which could impose new and costly compliance obligations. Any material increase in our costs resulting from additional regulatory burdens being imposed upon us or litigation could have an adverse effect on our business, results of operations, cash flows and financial condition.

16. *If there are instances of failures of our IT system, the products and services we provide could be delayed or interrupted, which could have an adverse effect on our reputation, business, results of operation, cash flows and financial condition.*

We are heavily dependent on our information technology (“IT”) infrastructure. To successfully operate our business, we must be able to protect our IT infrastructure from interruption, including from events that may be beyond our control. Events that could cause system interruptions include, but are not limited to, fire, natural disasters, unauthorized entry, power loss, telecommunications failure, computer viruses, terrorist acts and war. Significant problems with our infrastructure, such as telephone or IT system failure, disconnection of VSAT antennae or cyber security breaches, could halt or delay our ability to service our customers, hinder our ability to conduct and expand our business and require significant remediation costs. Any of these events could have an adverse effect on our business, results of operations, cash flows and financial condition.

Our ability to provide reliable service largely depends on the efficient and uninterrupted operations of our transaction processing platform, third-party transaction processors, telecommunications network systems, and other service providers. Accordingly, any significant interruptions could severely harm our business and reputation and result in a loss of revenues. Additionally, if any interruption is caused by us, especially in those situations in which we serve as the primary transaction processor, such interruption could result in the loss of the affected merchants and financial institutions, or damage our relationships with them. We cannot be certain that any measures we and our service providers have taken to prevent system failures will be successful or that we will not experience service interruptions, which may have an adverse effect on our reputation, business, results of operations, cash flows and financial condition.

17. *Any delay or default in client payment could result in the reduction of our profits.*

Our operations involve extending credit for extended periods of time to our customers and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and will continue to have high levels of outstanding trade receivables. For the financial year 2014 and the six months ended September 30, 2014, our total outstanding trade receivables were ₹2,550.22 million and ₹3,618.96 million, respectively, which constituted 26.9% and 62.7% of our total revenues from operations (net) for the same periods. If such delays or default in client payments continue or increase in proportion to our total revenues, our profits margins could be adversely affected.

18. *The industries in which we operate are highly competitive and such competition may increase, which may adversely affect our business.*

Our businesses are and can be expected to remain highly competitive. For our banking sector operations, our principal competition comes from independent ATM companies and national and regional financial institutions. We compete with our competitors for the sale, operations and maintenance of ATMs and they could also prevent us from obtaining or maintaining desirable locations for our ATMs, cause a reduction in the revenue generated by transactions at our ATMs, thereby reducing our profits. In addition to our current competitors, additional competitors may enter the market. We cannot assure you that we will be able to compete effectively against these current and future competitors. Increased competition could result in reduction of transaction fees, reduced gross margins and loss of market share, which may adversely affect our business, results of operations, cash flows and financial condition.

19. *Our ability to adopt new technology to respond to new and enhanced products poses a challenge in our business. The cost of implementing new technologies for our operations could be significant and could adversely affect our business, results of operations, cash flows and financial condition.*

The industries in which we operate are subject to rapid and significant technological changes, with the constant introduction of new and enhanced products and services. As part of our business strategy, we intend to leverage our technological capabilities across various business sectors to develop a payments ecosystem for our customers. Our success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to the technology underpinning our operational platform, keep up with technological improvements in order to meet our customers’ needs or that the technology developed by others will not render our services less competitive or attractive. In addition, rapid and frequent technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures or write-down of assets. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of services we provide. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our business, results of operations, cash flows and financial condition.

20. *We may be held liable for claims from customers on account of any defects in service or manufacturing defects in the products we supply, including penalty for delay in implementation of contracts with customers, which may have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.*

We have entered into contracts with our customers where we are required to provide a variety of products and services. In the event of any loss caused to our customer on account of an act or omission by us and such act or omission being a breach of the customer agreement, we may be held liable for the same and may be required to make good such losses and pay damages, which in turn could have an adverse effect on our reputation, business, results of operations, cash flows and financial condition.

Further, we may be exposed to warranty and other claims for manufacturing defects in the products supplied under certain customer contracts, including warranty for any software provided by us to our customers. In the event of any of our customers claiming that there are defects in the products, we may be subject to damages and other costs, which may adversely affect our reputation, business, results of operations, cash flows and financial conditions.

The contracts for our ATM outsourcing and managed services and petroleum sector-related services with our customers are generally time bound and certain contracts contain provisions which may attract payment of penalty to the customer in the event there is a delay or failure in delivery of services or termination of contract with our customer in event of breach. Failure to adhere to contractually agreed timelines for reasons other than *force majeure* events or failure to maintain specified minimum ATM uptimes could make us liable to pay liquidated damages and/or lead to forfeiture of security deposits. Such contracts also impose penalties in relation to service deposits, including failure to ensure minimum availability of such ATMs, cash-outs and dispensing counterfeit currency.

Further, under our ATM outsourcing contracts, upon the termination of our agreement with the banks, the banks typically have a right to take over and purchase the ATM and its related assets at a price calculated in accordance with the terms of our agreement. However, one of our agreements provides an option to the bank to take over the ATM and its related assets at zero cost upon the expiry of the agreement. We may not be able to recover our investments made in the installation, maintenance and management of such ATMs where the ATM and the ATM site were purchased at a price unfavourable to us. Such instances may adversely affect our business, results of operations, cash flows and financial conditions.

21. *We may be subject to claims arising out of accidents or injuries at the sites of ATMs that are operated or maintained by us. Such claims could subject us to significant disruptions in our business, legal and regulatory actions, costs and liabilities.*

We have in the past been subject to claims arising out of accidents or injuries at the sites of ATMs that are operated or maintained by us. For example, in 2013, a security guard died due to an electric shock while working at an ATM operated and maintained by us. We paid compensation to the heirs of the deceased on a no-fault basis and the matter was settled. We have also received a notice from the Vishrambaugh Police Station, Sangli in relation to the death of an individual from an electric shock allegedly received by touching the antennae of a VSAT installed at one of the ATMs we have deployed. For details, please see the section “*Outstanding Litigation and Material Developments*” on page 347. Any such claims could subject us to significant disruption in our business, legal and regulatory actions, costs and liabilities, which could adversely affect our reputation, business, results of operations, cash flows and financial condition.

22. *We face difficulties and incur additional expenses in operating in certain markets, where infrastructure may be limited.*

As we expand our network, we may enter certain markets that may have limited or unreliable infrastructure, particularly for IT and road transportation. We may face difficulties and increased costs in operating our devices and business at these markets, including implementing adequate security measures or ensuring continuous operations. As we expand our network in such markets, we may have to bear additional costs, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

23. *Our inability to operate our business in international markets successfully will affect our growth which may have an adverse effect on our business, results of operations, cash flows and financial condition.*

Expanding into international markets is important to our long-term success and we have recently begun providing our Banking Automation Solutions in Singapore, Cambodia, the Philippines and Indonesia. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique

aspects of each country. In increasing our headcount and our revenue generated in foreign countries, we face various risks, including:

- challenges caused by distance, language and cultural differences;
- credit risk and higher levels of payment fraud;
- legal and regulatory restrictions;
- differences in legal and regulatory jurisdictions;
- currency exchange rate fluctuations;
- foreign exchange controls that might prevent us from repatriating cash earned in foreign countries;
- political and economic instability and export restrictions;
- potentially adverse tax consequences; and
- higher costs associated with doing business internationally.

These and other risks could adversely affect our international expansion and growth, which could have an adverse effect on our business, financial condition, cash flows or results of operations.

24. *We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service, and limits our ability to operate freely.*

As of September 30, 2014 the outstanding principal amount of our total borrowings (long-term borrowings including current maturities and short-term borrowings) was ₹6,031.31 million. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Increasing level of our indebtedness also has important consequences to us such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- limiting our ability to borrow additional funds; and
- increasing our interest expenditure.

We cannot assure you that we will generate sufficient cash to service existing or proposed borrowings or fund other liquidity needs, which could have an adverse effect on our business, results of operation, cash flows and financial condition.

25. *Our financing agreements entail interest at variable rates and any increases in interest rates may adversely affect our results of operations.*

We are susceptible to changes in interest rates and the risks arising therefrom. Certain of our financing agreements provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further, under certain of our financing agreements, the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread. Certain of our lenders may also become entitled to change the applicable rate of interest in the event of an adverse change in our Company's credit risk rating. See the section "*Financial Indebtedness*" on page 296 for a description of interest payable under our financing agreements. Further, in recent years, the Government of India has taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition.

26. *Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, financial condition, cash flows and results of operations.*

Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain an approval from our lenders for, among other things:

- effecting any change in the capital structure;
- undertaking any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise;
- undertaking any new project or implementing any scheme of expansion or acquiring fixed assets or incurring major capital expenditure or incurring capital expenditure which is not in the ordinary course of business;
- prepaying loans;
- declaring dividends;
- investing, lending, extending advances or placing deposits with any other concern;
- entering into borrowing arrangements;

- creating any charges, lien or encumbrances over its assets;
- selling, assigning, mortgaging or disposing off any fixed assets charged to a lender;
- enter into profit or income sharing arrangements with any other person;
- entering into any contractual obligation of a long-term nature or affecting our Company financially to a significant extent;
- changing the ownership pattern or management structure of our Company or effecting any material changes in the management of the business;
- changing the composition of our Board of Directors; and
- making amendments to the Memorandum and Articles of Association.

Under these agreements, certain of the lenders also have the right to, *inter-alia*, appoint nominee directors to our Board of Directors or review the management set-up or organization of our Company in the event of a default and require us to maintain certain financial ratios such as debt to EBITDA ratio and debt service coverage ratio. Further, any downgrading of the credit rating of our Company by a credit rating agency, any reduction in profits beyond a certain percentage and any adverse comment from the statutory auditors of our Company may qualify as an event of default under the relevant financing agreements. As security for certain loans and credit facilities, certain of our lenders have created a charge on our assets and default of our loan agreements can potentially lead to our lenders disposing of our assets. Certain financing agreements also provide the banks and financial institutions with the right to convert any outstanding amounts into Equity Shares of our Company at a price to be determined in accordance with applicable laws in the case of default. Further, one of our financing agreements also provides that lenders are entitled to exercise their rights under the financing agreements in the event of non-completion of statutory audit within 180 days from the end of each financial year. Our future borrowings may also contain similar or additional restrictive provisions. If we fail to meet our debt service obligations or covenants provided under the financing agreements, the relevant lenders could, *inter-alia*, impose penal and default interests, accelerate the maturity of our obligations and declare all amounts payable in respect of the facility to be due and payable immediately or otherwise on demand. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay the borrowings.

Certain of our financing arrangements contain cross default provisions which could automatically be triggered by defaults under other financing arrangements. We may be forced to sell some or all of our assets if we do not have sufficient funds or credit facilities to make repayments. Additionally, because some of our borrowings are secured against all or a portion of our assets, lenders may be able to sell those assets to enforce their claims for repayment. For further details, see the section “*Financial Indebtedness*” on page 296. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations, cash flows and financial condition.

27. If we are unable to raise additional capital, our business prospects could be adversely affected.

We operate in a capital-intensive industry, which requires substantial levels of funding. We intend to fund these development plans through borrowings, our cash on hand, cash flow from operations and from the net proceeds of the Fresh Issue. We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. We expect our long-term capital requirements to increase significantly to fund our intended growth.

We cannot assure you that we will have sufficient capital resources for the proposed increase in number of ATMs supplied, managed or maintained by us or any future expansion plans that we may have. While we expect our cash on hand, cash flow from operations and available borrowings under our credit facilities to be adequate to fund our existing commitments, our ability to pay these amounts is dependent upon the success of our operations. There may also be certain unsecured loans taken by our Company, our Promoter or our Group Entities which may be recalled by the lenders at any time. Additionally, the inability to obtain sufficient financing or the inability of one or more of our lenders to provide committed funding could adversely affect our ability to complete expansion plans. Moreover, we cannot assure you that market conditions and other factors would permit us to obtain future financing on terms acceptable to us, or at all. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any downgrade in our credit ratings could increase our borrowing costs, lead to additional restrictive covenants and adversely affect our access to capital. Further, if we decide to raise additional funds through the issuance of equity or equity-linked instruments, your interests as our shareholders will be diluted. If we decide to meet our capital requirements through debt financing, our interest obligations will increase and we may be subject to additional restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

28. *We may not be able to implement our business strategies or sustain and manage our growth.*

In recent years, we have experienced significant growth, with our total revenue from operations (net) having increased from ₹2,694.14 million for the financial year 2010 to ₹9,480.09 million for the financial year 2014. Our growth strategy includes focusing on developing an integrated payments platform for our customers, capitalizing on the growing banking and payments industries, focusing on ATM outsourcing and managed services, improving our operational efficiency, focusing on cash management services and expanding and growing our banking sector operations outside India. We cannot assure you that our growth strategy will be successful or that we will be able to continue to expand further or diversify our product and service offerings.

Our ability to sustain and manage our growth depends significantly upon our ability to manage key issues such as selecting, recruiting, training and retaining key managerial personnel, maintaining effective risk management policies, continuing to offer products and services which are relevant to our customers, maintaining and expanding our customer base, developing and maintaining technical infrastructure and systems, ensuring a high standard of customer service and maintaining our current level of profitability. Failure to do any of the preceding may result in slower growth, loss of business, erosion of customer service quality, diversion of management resources, significant costs and increase in employee attrition rates, any of which could adversely affect our business, results of operations, cash flows and financial condition.

29. *Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect our business.*

We require various statutory and regulatory permits, licenses and approvals to carry out our business and operations. For details, see the section “*Government and Other Approvals*” on page 360. A majority of these approvals are granted for a limited duration and require renewal. While we have applied for such licences and other approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. For example, SVIL has applied for but not yet obtained licenses under the PSAR Act in the states of Andhra Pradesh, Haryana, Kerala, Maharashtra and Punjab. For further details, please see the section “*Government and Other Approvals*” on page 360. If we do not receive these licenses and approvals or are not able to renew the approvals in a timely manner, then our business and operations may be adversely affected. Moreover, any revocation of the approvals by the relevant regulatory authority would impair our operations and consequently have an adverse effect on our business.

The approvals mentioned above are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our activities, any of which could adversely affect our business.

30. *Our inability to protect or use our intellectual property rights may adversely affect our business.*

We have applied for, but not yet obtained registration with respect to certain trademarks, including our new “AGS” and “AGS Transact Technologies Limited” logos. We have also applied for, but not yet obtained, certain copyright registrations. We may not be able to prevent infringement of our trademarks and copyrights and a passing off action may not provide sufficient protection until such time that this registration is granted. For details on the copyrights and trademarks used by us, please see section “*Government and Other Approvals*” on page 366.

Moreover, the use of our brand name or logo by third parties could adversely affect our reputation which could in turn adversely affect our financial performance and the market price of the Equity Shares. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. For example, a criminal complaint had been filed against us by Mr. Ameerul Hasan Siddiqui in June 2012 alleging trademark infringement. While the matter was subsequently withdrawn, we cannot assure you that Mr. Siddiqui will not pursue proceedings against us in the future in relation to this matter or that any such proceedings will be decided in our favour. If similar claims are raised in the future, these claims could result in costly litigation, divert management’s attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Furthermore, necessary licenses may not be

available to us on satisfactory terms, if at all. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition.

31. *Our insurance coverage may not adequately protect us against all material hazards.*

Our principal types of insurance coverage include transit/marine policy, cash insurance, ATM site insurance, stock insurance, cash van insurance, comprehensive general liability, directors and officers liability, office package policy, group mediclaim and accident policy, money insurance, erection all risk policy and workmen compensation policy. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. Further, we may not have obtained insurance cover for certain of our operations that do not require us to maintain insurance. In addition, our insurance coverage may expire time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at all.

Notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks and the occurrence of an event that causes losses in excess of limits specified under the relevant policy, losses arising from events not covered by insurance policies or delays in the settlement of claims under such policies could adversely affect our business, results of operations and financial condition. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. If we suffer large uninsured losses or if any insured losses suffered by us significantly exceed our insurance coverage or our insurance claims are rejected, it may adversely affect our business, results of operations, cash flows and financial condition.

To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected. For further details on insurance arrangements, see “*Our Business – Insurance*” on page 152.

32. *We are dependent on a number of key personnel, including our senior management, and the loss of or our inability to attract or retain such persons with specialized technical know-how could adversely affect our business, results of operations, cash flows and financial condition.*

Our performance depends largely on the efforts and abilities of our senior management and other key personnel, including our present officers who have specialized technical know-how. The inputs and experience of our senior management and key managerial personnel are valuable for the development of our business and operations strategy. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining skilled employees that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel could adversely affect our business, results of operations, cash flows and financial condition.

33. *We may be held liable for the payment of wages to the contract labourers engaged indirectly in our operations.*

In order to retain flexibility and control costs, we appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations, including providing security. We have obtained registration as a principal employer under the Contract Labour (Regulation and Abolition) Act, 1970 (“**Contract Labour Act**”) for certain of our establishments where workmen are employed through contractors or agencies licensed under the Contract Labour Act. For further details, please see the section “*Government and Other Approvals*” on page 360. Although we do not engage these labourers directly, in the event of default by any independent contractor, we may be held responsible for any wage payments that must be made to such labourers. Any violation of the provisions of the Contract Labour Act by us is punishable with, *inter-alia*, imprisonment for every person in charge of and responsible for the conduct of the business of our Company at the time of the commission of the offense. For example, we were named in a notice, dated February 20, 2014, sent by the Regional Labour Commissioner (Central), Chennai to Axis Bank Limited in relation to non-payment of wages under the Contract Labour Act to certain security guards, field

officers and coordinators at various ATMs of Axis Bank Limited in Tamil Nadu and Puducherry by a contractor of our Company. For details, please see the section “*Outstanding Litigation and Material Developments*” on page 353. If we are required to pay the wages of the contracted workmen and subjected to other penalties under the Contract Labour Act, our reputation, results of operations, cash flows and financial condition could be adversely affected.

34. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*

We have entered into various transactions with related parties. While we believe that all such transactions during the periods of the financial information included in this Draft Red Herring Prospectus have been conducted on an arm’s length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see the section “*Related Party Transactions*” on page 195. For details on the interest of our Promoter, Directors and key management personnel of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, please see the section “*Our Management – Interest of Directors*” and “*Our Management – Interests of Key Management Personnel*” on pages 180 and 184, respectively. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

35. *We have certain contingent liabilities that may adversely affect our financial condition.*

As of September 30, 2014, our contingent liabilities that have not been provided for are as set out in the table below:

Particulars	Amount (₹ in millions)
Excise duty matters	5.16
Sales tax matters	9.30
Service tax matters	0.47
Total	14.93

If a significant portion of these liabilities materialise, it could have an adverse effect on our business, financial condition and results of operations. For details, see “*Financial Statements – Annexure IX – Restated Consolidated Statement of Contingent Liabilities*” in accordance with the provisions of Accounting Standard - 29 – “Provisions, Contingent Liabilities and Contingent Assets” on page 263.

36. *We face foreign exchange risks that could adversely affect our results of operations.*

Due to the nature and global scale of operations in our business, we earn revenues in currencies that could be different from the currencies in which we incur expenses. Generally, our sales are denominated in Indian rupees while the supply of certain of our products are denominated in U.S. dollars. Hence, we are exposed to fluctuations in exchange rates between currencies due to timing differences between receipts and payments which could result in an increase in mismatches between currencies. Although we closely follow our exposure to foreign currencies and selectively enter into hedging transactions in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly.

37. *We do not own our Registered Office, our Corporate Office and certain material properties and any revocation of or adverse changes in the terms of our leases may have an adverse effect on our business, results of operations, cash flows and financial condition.*

We have entered into leave and license agreements in respect of our Registered Office with Mr. Ravi B. Goyal, our Promoter, and Mrs. Anupama R. Goyal, a member of the Promoter Group, which are valid until December 9, 2015 and August 15, 2015, respectively. As of September 30, 2014, we had provided a deposit of ₹25.00 million and ₹2.00 million to Mr. Ravi B. Goyal and Mrs. Anupama R. Goyal, respectively, and the monthly rent currently payable by us to Mrs. Anupama R. Goyal is ₹125,000. We have also entered into a leave and license agreement with Mr. Ravi B. Goyal in respect of our factory in Daman, which is valid for a period of four years and 11 months from June 1, 2011. As of September 30, 2014, we had provided a deposit of ₹37.50 million in respect of this property and the monthly rent currently payable by us to Mr. Ravi B. Goyal is ₹36,930. The total deposit provided to Mr. Ravi B. Goyal and outstanding as at September 30, 2014 is ₹62.50 million. We also lease other premises from which we operate, including our Corporate Office. If any of the owners of these premises revokes the arrangements under which we

occupy the premises or imposes terms and conditions that are unfavourable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition.

38. Our Promoter will continue to be our largest shareholder and have the right to approve certain corporate actions, which may potentially involve conflicts of interest with the equity shareholders.

Following the completion of the Offer, our Promoter will continue to hold [●]% of our outstanding Equity Shares, and therefore will have the ability to significantly influence our operations. This will include the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum and Articles of Association, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that our Promoter will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

39. We have paid compounding fees for offences in relation to non-compliance with certain corporate law-related and foreign exchanges requirements.

In 2011, 2013 and 2014, we paid compounding fees to the Ministry of Corporate Affairs for, *inter-alia*, the failure of our Company to appoint a whole-time company secretary, failure to comply with the requirements of the Companies Act, 1956 with respect to certain related party transactions, failure to comply with the requirements of the Companies Act, 1956 with respect to the appointment of a director of our Company to an office of profit and failure to comply with the requirements of Section 295 and Section 283 of the Companies Act, 1956 with respect to certain inter-corporate deposits made by our Company to a private company in which a Director of our Company was managing director.

In the past, we have also paid additional fees for the delayed filing of certain forms under the Company Laws Settlement Scheme, 2010.

We also paid compounding fees to the RBI in 2011 for failure to comply with certain overseas direct investment and reporting requirements under the Foreign Exchange Management (Transfer or Offer of any Foreign Security) Regulations, 2004, as amended, including the filing of certain forms in relation to subscription of shares by our Company in our wholly-owned subsidiary, Global Transact Services Pte. Ltd. incorporated in Singapore.

For further details, please see the section “*Outstanding Litigation and Material Developments- Past penalties; prosecution filed, fines imposed or compounding of offences*” on page 352.

Additionally, we have also made delayed filings of Annual Performance Reports in relation to our overseas direct investment in Global Transact Services Pte. Ltd. with the RBI in the past.

We cannot assure you that we will be able to comply with relevant regulatory requirements, including with respect to making regulatory filings, in the future within the prescribed timeframe, or at all. We cannot assure that that no penal action will be taken against us by the relevant regulators with respect to such non-compliance. In the event that any adverse actions are taken against us, our business, results of operation, cash flows and financial condition could be adversely affected.

40. Some of our Subsidiaries and Group Entities have incurred losses in the last three financial years.

The following Subsidiaries have incurred losses in the last three financial years as set forth below:

(in ₹ millions)

Name of the Entity	Loss for the Financial Year		
	2012	2013	2014
GTSL	(0.15)	(0.17)	(56.11)
ITSL	(1.25)	(33.39)	(41.65)
SVIL	N.A.	(9.98)	(11.74)

For further information, please see the section “*History and Certain Corporate Matters – Subsidiaries*” on page 161.

The following Group Entities have incurred losses in the last three financial years as set forth below:

(in ₹ millions)

Name of the Entity	Loss for the Financial Year		
	2012	2013	2014
AGS Sundyne Technologies Private Limited	(2.78)	(22.87)	-
K.S. Goyal Charitable Trust	-	-	(18.06)
WOW Food Brands Private Limited	N.A.	(1.35)	(9.29)

For further information, please see the section “Our Promoter, Promoter Group and Group Entities” on page 186.

41. Our Company will not receive any proceeds from the Offer for Sale portion and our Company’s management will have flexibility in utilizing the Net Proceeds. The deployment of the Net Proceeds is not subject to any monitoring by any independent agency.

The Offer includes an offer for sale of Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholder and the Investor Selling Shareholders, in proportion to their respective portions of the Offer for Sale and we will not receive any such proceeds. Mr. Ravi B. Goyal, our Promoter and Managing Director, is one of the Selling Shareholders and will receive a portion of the proceeds from the Offer for Sale.

Our Company intends to primarily use the Net Proceeds for the repayment of certain loans as described in the section “Objects of the Offer” beginning on page 90. The funding plans are based on management estimates and such fund requirements and intended use of proceeds have not been appraised by any bank or financial institution. In terms of Regulation 16 of the SEBI Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹5,000 million. The management of our Company will have discretion to use the Net Proceeds, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section “Risk Factors”, may limit or delay our Company’s efforts to use the Net Proceeds to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoter 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 as may be prescribed in future by the SEBI.

42. We have experienced negative net cash flows generated from operating activities. Any negative cash flows in the future would adversely affect our cash flow require.

We have in the past, and may in the future, experience negative cash flows. For example, our net cash used in operating activities, after working capital adjustments, in financial years 2012 and 2014 and in the six month period ended September 30, 2014 was ₹966.57 million, ₹0.78 million and ₹727.04 million, respectively. See also the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 275. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our construction and growth plans. As a result, our cash flows, business, financial condition and results of operations could be adversely affected.

External Risks

Risk Related to India

43. Political, economic or other factors that are beyond our control may have an adverse effect on our business, results of operations, cash flows and financial condition.

We operate primarily in India and are dependent on domestic, regional and global economic and market conditions. Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. Our projected rate of growth for our business is only sustainable provided that the rate of economic development in India and growth in imports and exports do not slow down materially. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. India’s economic growth is affected by various factors including domestic consumption and savings, balance of trade

movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. The GDP growth rate of India was 4.5% in financial year 2013 and 4.7% in financial year 2014. (Source: *Indian Economic Survey 2013-14, Ministry of Finance, Government of India*) Any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition.

Further, a change in the central or state government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular. In addition, high rates of inflation in India could increase our costs without proportionately increasing our revenues, decreasing our operating margins, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

44. *Our business may be affected by general global economic conditions, cyclical and uncertainty and could be adversely affected during economic downturns.*

Demand for our services and products is affected by general economic conditions and the business conditions of the markets in which we sell our services and products. The business of most of our customers, particularly our banking sector customers, is, to varying degrees, cyclical and has historically experienced periodic downturns. Under difficult economic conditions, customers may seek to reduce discretionary spending by forgoing purchases of our services and products. This risk is magnified for capital goods purchases such as ATMs and other banking systems. In addition, downturns in our customers' industries, even during periods of strong general economic conditions, could adversely affect the demand for our services and products, and our sales and operating results. In particular, continuing economic difficulties in the global markets have led to an economic recession in some or all of the markets in which we operate. As a result of these difficulties and other factors, including new or increased regulatory burdens, financial institutions have failed and may continue to fail resulting in a loss of current or potential customers, or deferred or cancelled orders, including orders previously placed. Any customer deferrals or cancellations could materially affect our sales, results of operations, cash flows and financial condition.

45. *Public companies in India, including our Company, are required to prepare financial statements under Ind AS. The transition to Ind AS in India is very recent and still unclear and our Company may be negatively affected by such transition.*

Our financial statements, including the restated financial information included in this Draft Red Herring Prospectus are prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP.

Public companies in India, including our Company, are required to prepare annual and interim financial statements under Indian Accounting Standard 101 "First-time Adoption of Indian Accounting Standards" ("**Ind AS**"). On January 2, 2015, the Ministry of Corporate Affairs, Government of India (the "**MCA**") announced the revised roadmap for the implementation of Ind AS for companies other than banking companies, insurance companies and non-banking finance companies through a press release. On February 16, 2015, the MCA issued the Companies (Indian Accounting Standards) Rules, 2015 (the "**Indian Accounting Standard Rules**") to be effective from April 1, 2015. The Indian Accounting Standard Rules provide for voluntary adoption of Ind AS by companies in financial year 2015 and, implementation of Ind AS will be applicable from April 1, 2016 to companies with a net worth of ₹5,000 million or more. Accordingly, our Company may have to convert its opening balance sheet as on April 1, 2016 in accordance with Ind AS. Further, our Company may also be required to convert its balance sheet as on April, 2015 in accordance with Ind AS for preparing comparable financial statements for the previous year. Further, in addition, any holding, subsidiary, joint venture or associate companies of the companies specified above shall also comply with such requirements from the respective periods specified above.

Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS. There can be no assurance that our Company's financial condition, results of operation, cash flow or changes in shareholders' equity will not be presented differently under Ind AS than under Indian GAAP or IFRS. When our Company adopts Ind AS reporting, it may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. Our management may also have to divert its time and other resources for successful and timely implementation of Ind AS. There can be no assurance that the adoption of Ind AS by our Company will not adversely affect its results of operation or financial condition. Any failure to successfully adopt Ind AS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operation of our Company.

46. *The Companies Act, 2013 has effected significant changes to the existing Indian company law framework and the SEBI has introduced changes to the listing agreement, which have been effective from October 1, 2014, which may subject us to greater compliance requirements and increase our compliance costs.*

A majority of the provisions and rules under the Companies Act, 2013 have been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in an offer document, corporate governance norms, accounting policies and audit matters, reporting on internal controls over financial reporting by the board of directors, specific compliance requirements such as obtaining prior approval from audit committee, board of directors and shareholders for certain related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors, insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Subject to meeting certain specified net worth criteria, we may also need to spend, in each financial year, at least 2% of our average net profits during the three immediately preceding financial years towards corporate social responsibility activities or provide an explanation for not spending such amount. As a result of the changes brought about by the Companies Act, 2013 to the provisions relating to accounting policies, going forward, we may also be required to apply a different rate of depreciation. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. We may incur increased costs relating to compliance with these new requirements, which may also require significant management time and other resources, or we may be subject to fines or other penalties if we are unable to comply with such requirements, which may adversely affect our business, results of operations, cash flows and financial condition.

Further, pursuant to Section 27 of the Companies Act, 2013, any variation in the objects would require a special resolution of the shareholders and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the objects in such manner as may be prescribed in future by the SEBI.

The Companies Act, 2013 has introduced certain additional requirements which do not have corresponding provisions under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such requirements due to limited jurisprudence in respect of the relevant provisions. In the event our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations issued by the SEBI). The SEBI has also issued revised corporate governance guidelines which have been effective from October 1, 2014. Pursuant to the revised guidelines, we are required to, *inter-alia*, appoint at least one female director to our board of directors by April 1, 2015, appoint independent directors subject to terms and conditions as prescribed, establish a vigilance mechanism for directors and employees and constitute or reconstitute certain committees in accordance with the revised guidelines. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business, results of operations, cash flows and financial condition.

47. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.*

The Competition Act, 2002, as amended (the “**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and may result in the imposition of substantial monetary 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 provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director,

manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

On March 4, 2011, the Government issued 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 the Competition Commission of India (Procedure in regard to the 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 appreciable adverse effect on competition in India. 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 appreciable adverse effect on competition in India.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation. We cannot assure you that we will be able to obtain approval for any future transactions on satisfactory terms, or at all. If we or any member of our group are/is affected directly or indirectly by the application or interpretation of any provision of the Competition Act or any proceedings initiated by the CCI or any other relevant authority (or any other claim by any other party under the Competition Act) or any adverse publicity that may be generated due to scrutiny or prosecution under the Competition Act, including by way of financial penalties, our reputation may also be materially and adversely affected.

48. *Changes in legislation or the rules relating to tax regimes could adversely affect our business, prospects and results of operations.*

The Government has proposed to alter the implementation of direct taxes by way of introduction of the Direct Taxes Code, 2013. The Direct Taxes Code, 2013 proposes to consolidate and amend laws relating to income tax and wealth tax. The Government has indicated in the union budget for the financial year 2016 that Direct Tax Code shall not be pursued further. Further, the Government has announced the union budget for the financial year 2016 and the Finance Bill, 2015 have been tabled before the Parliament. However, the Finance Act has not yet been passed by the Parliament. As such, there is no certainty on the impacts that the Finance Bill, 2015 may have on our business and operations or on the industry that we are in.

Additionally, the Government has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the central and state governments into a unified rate structure, which is proposed to be effective from April 1, 2016. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the General Anti Avoidance Rules (“GAAR”) which was to come into effect from April 1, 2015, has been deferred for two years to April 1, 2017. It is also proposed that the relevant rules be amended to protect investments made up to March 31, 2017 from the applicability of GAAR. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

We have not determined the impact of such proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

49. *If the rate of Indian price inflation increases, our results of operations and financial condition may be adversely affected.*

India’s wholesale price inflation index has experienced inflation. An increase in inflation in India could cause a rise in the cost of transportation, wages, raw materials or any other expenses. If this occurs, we may be unable to reduce our

costs or pass our increased costs on to our customers and our business, results of operations, cash flows and financial condition may be adversely affected.

50. Financial instability in Indian financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could adversely affect our results of operations and financial condition.

51. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Additionally, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Further, limitations on foreign debt may have an adverse effect on our business, results of operations, cash flows and financial condition.

52. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any such required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

53. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

54. Third party statistical and financial data in this Draft Red Herring Prospectus may be incomplete or unreliable.

We have not independently verified data obtained from industry publications and other sources referred to in this Draft Red Herring Prospectus and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate in this Draft Red Herring Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable.

55. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our business, results of operations, cash flows and financial condition, including in the following respects:

- A natural or man-made disaster, could result in damage to our assets or losses in our projects, or the failure of our counterparties to perform, or cause significant volatility in global financial markets.
- Pandemic disease, caused by a virus such as H5N1, the “avian flu” virus, the Ebola virus, or H1N1, the “swine flu” virus, could have a severe adverse effect on our business.
- Political tension, civil unrest, riots, acts of violence, situations of war or terrorist activities may result in disruption of services and may potentially lead to an economic recession and/or impact investor confidence.

Risks Related to the Offer

56. The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the 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 the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares will be determined through the Book Building Process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

57. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under the section “Basis for Offer Price” on page 96 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

58. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder’s ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Following the Offer, our listed Equity Shares will be subject to a daily “circuit breaker” imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

The stock exchanges are not required to inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell the Equity Shares or the price at which you may be able to sell the Equity Shares at any particular time.

59. There is no guarantee that the Equity Shares will be listed on the BSE and the NSE in a timely manner or at all, and any trading closures at the BSE and the NSE may adversely affect the trading price of the Equity Shares.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. In addition, we are required to deliver the Red Herring Prospectus and the Prospectus for registration to the Registrar of Companies under applicable provisions of the Companies Act. We cannot assure that the Registrar of Companies will register such Red Herring Prospectus or Prospectus on a timely manner, or at all. Approval requires all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any delay in obtaining the approval would restrict your ability to dispose of the Equity Shares.

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by

brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

60. Any future issuance of Equity Shares by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares or securities linked to the Equity Shares by us may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares.

61. Future sales of Equity Shares by our Promoter and certain significant shareholders may adversely affect the market price of the Equity Shares.

After the completion of the Offer, our Promoter, together with the other top five Shareholders will own approximately [●]% of our outstanding Equity Shares. Sales of a large number of the Equity Shares by our Promoter and/or significant shareholders could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of the Equity Shares. No assurance may be given that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

62. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (“STT”) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the 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 for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

63. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

64. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

65. We have issued Equity Shares during the last one year at a price that may be lower than the Offer Price.

In the 12 months prior to the date of filing of this Draft Red Herring Prospectus, our Company has issued Equity Shares at a price which may be lower than the Offer Price, as set forth below:

S. No.	Name of Person/Entity	Whether Belongs to the Promoter Group	Date of Issue	Number of Equity Shares	Issue Price per Equity Share (₹)	Reasons for Allotment
1.	TPG	No	February 6, 2015	6,991,664	-	Conversion of CCPS
			February 12, 2015	23,442,639	-	Bonus issue in the ratio 3:1
2.	Oriole	No	February 6, 2015	150,000	-	Conversion of CCPS
			February 12, 2015	14,848,059	-	Bonus issue in the ratio 3:1
3.	AGSTTL Employees' Welfare Trust	No	February 9, 2015	431,500	156.52	Allotment under ESOS 2012
			February 9, 2015	40,000	444.50	Allotment under ESOS 2012
			February 12, 2015	1,414,500	-	Bonus issue in the ratio 3:1
4.	Mr. Shailesh Shetty	No	February 9, 2015	9,000	156.52	Allotment under ESOS 2012
			February 12, 2015	27,000	-	Bonus issue in the ratio 3:1
5.	Mr. V.C. Gupte	No	February 9, 2015	11,500	156.52	Allotment under ESOS 2012
			February 12, 2015	34,500	-	Bonus issue in the ratio 3:1
6.	Mr. Vishnu Kamat	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
7.	Mr. Rajesh Shah	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
8.	Mr. Nikhil Patiyat	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
9.	Mr. Subrat Mishra	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
10.	Mr. Ravindra Deshpande	No	February 9, 2015	3,500	156.52	Allotment under ESOS 2012
			February 12, 2015	10,500	-	Bonus issue in the ratio 3:1
11.	Mr. Anand	No	February 9,	18,480	156.52	Allotment under

S. No.	Name of Person/Entity	Whether Belongs to the Promoter Group	Date of Issue	Number of Equity Shares	Issue Price per Equity Share (₹)	Reasons for Allotment
	Agarwal		2015			ESOS 2012
			February 12, 2015	55,440	-	Bonus issue in the ratio 3:1
12.	Mr. Ravi B. Goyal	Yes	February 12, 2015	49,845,234	-	Bonus issue in the ratio 3:1
13.	Mr. Badrinarain K. Goyal	Yes	February 12, 2015	562,500	-	Bonus issue in the ratio 3:1
14.	Mrs. Anupama R. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
15.	Mrs. Vimla B. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
16.	Mr. Kiran B. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
17.	Mrs. Nidhi K. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
18.	Ms. Neha R. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1

For additional information, please see the section “*Capital Structure*” on page 70.

66. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. While our Company is required to complete Allotment pursuant to the Offer within 12 Working Days from the Bid/Offer Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders’ ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

Prominent Notes

- Offer of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share), aggregating up to ₹13,500 million, consisting of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹4,000 million by our Company and an Offer for Sale of up to [●] Equity Shares by the Selling Shareholders aggregating up to ₹9,500 million, comprising up to, [●] Equity Shares by TPG, aggregating up to ₹5,510 million, [●] Equity Shares by Oriole, aggregating up to ₹3,490 million and [●] Equity Shares by the Promoter Selling Shareholder, aggregating up to ₹500 million, respectively. The Offer will constitute [●]% of the post-Offer issued, subscribed and paid-up Equity Share capital of our Company. Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may consider undertaking the Pre-IPO Placement. Our Company and the Selling Shareholders will complete the issuance and allotment and transfer of Equity Shares pursuant to the Pre-IPO Placement prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue and the Offer for Sale, as applicable, subject to a minimum Offer of [●]% of the post-Offer paid-up Equity Share capital being offered to the public.
- There has been no change in our Company’s name in the three years immediately preceding the date of filing of this Draft Red Herring Prospectus. For further details in relation to the corporate history of our Company, see the section “*History and Certain Corporate Matters*” on page 158.

3. As of September 30, 2014, our Company's net worth was ₹4,514.84 million as per our Company's restated unconsolidated financial information and ₹4,311.60 million as per our restated consolidated financial information.
4. As of September 30, 2014, the net asset value per Equity Share was ₹38.18 as per our Company's restated unconsolidated financial information and was ₹36.46 as per our restated consolidated financial information.
5. As on the date of filing of this Draft Red Herring Prospectus, the average cost of acquisition of Equity Shares by our Promoter is as follows:

Name of the Promoter	Average Cost of Acquisition (₹)
Mr. Ravi B. Goyal	Nil*

* Since average cost of acquisition is negative, it has been considered as nil

6. Except as disclosed in the sections "Our Promoter, Promoter Group and Group Entities" and "Related Party Transactions" on pages 186 and 195, respectively, none of our Group Entities have business interests or other interests in our Company.
7. For details of related party transactions entered into by our Company with our Promoter, Group Entities and Subsidiaries in the last financial year, including nature and cumulative value of such transactions, see the section "Related Party Transactions" on page 195.
8. There have been no financing arrangements whereby our Promoter Group, our Directors and their relatives have financed the purchase by any other person of the securities of our Company other than in the normal course of our business during the period of six months immediately preceding the filing of this Draft Red Herring Prospectus.
9. For any complaints, information or clarifications pertaining to the Offer, investors may contact the BRLMs who have submitted the due diligence certificate to the SEBI.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The information contained in this section is derived from several industry sources. Neither we nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Unless otherwise specified, references to years are to calendar years in this section.

Overview of the Indian Economy

The Indian economy is the fourth largest economy by purchasing power parity. (Source: <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>) For the year 2013, India's gross domestic product ("GDP") per capita on a purchasing power parity basis was approximately US\$5,449.82. (Source: International Monetary Fund, World Economic Outlook Database, October 2014)

Overview of the Indian Banking and NBFC Industry Structure

The key constituents of the Indian banking industry include the RBI, the banks and the non-banking financial institutions. (Source: RBI's Manual on Financial and Banking Statistics, March 2007) As of December 31, 2013, there were 1,740 banking institutions operating in India, of which 27 were public sector banks, 20 were private banks, 57 were regional rural banks, 1,589 were urban cooperative banks, 4 were non-scheduled commercial banks and 43 were branches of foreign banks. From 2009 to 2013, the number of branches grew by a CAGR of 9.1% while the number of institutions decreased. (Source: Bank for International Settlements: Statistics on Payment, Clearing and Settlement Systems in the CPMI countries – Figures for 2013. Published December 2014, <http://www.bis.org/cpmi/publ/d124.pdf>)

The Indian Payment System Infrastructure

Payment Instruments and Media

Cash. In India, cash remains the predominant mode of payment. The number of non-cash transactions per citizen is also very low in India when compared to other emerging markets. (Source: Reserve Bank of India: Department of Payment and Settlements – Payment Systems in India Vision 2012-15)

Paper-based Instruments. The ongoing endeavour to migrate from paper to electronic payments had a positive impact, leading to a reduction in paper-based transactions in volume as well as in value terms. (Source: RBI Annual Report 2013-2014, Part II, Payment and Settlement Systems and Information Technology)

Cards. Credit card and debit card transactions in India have increased between financial years 2009 and 2014, both in terms of number as well as in volume. Credit card transactions in terms of number and value are expected to increase to ₹1,534.4 million and ₹5,581.2 billion, respectively, in financial year 2019. Owing to the growing network of the public and private banks in the country, the number of debit card transactions is projected to increase to ₹3,412.5 million in financial year 2019, representing a worth of ₹6,536.3 billion. (Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

Prepaid Instruments. Pre-paid instruments are payment instruments that facilitate purchase of goods and services against the value stored on these instruments and can be issued in forms such as smart cards, magnetic stripe cards, internet wallets, mobile accounts, mobile wallets or paper vouchers. (Source: Payment, Clearing and Settlement Systems in the CPSS Countries, Bank for International Settlements, September 2011)

Payment Channels

Automated Teller Machines. ATMs are primarily used for performing some banking functions, such as withdrawal of cash or deposit of cash or cheque by using an ATM card. (Source: Payment Systems in India, Chapter VI: Electronic Payment Systems, RBI, <http://www.rbi.org.in/scripts/PublicationsView.aspx?id=159>)

POS Terminals. As of September 2010, there were 524,038 POS terminals in India. Transactions at POS terminals with debit or credit cards are settled as normal card transactions with the acquiring bank routing these transactions. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries, Bank for International Settlements, September 2011*)

Web. The Indian online payment gateway market, which stood at ₹37,800.0 million in financial year 2014, showcased a CAGR of 16.6% from financial year 2010 to financial year 2014. The market has grown on account of the increase in the number of online users and consumer confidence in making online payment because of the secure safety measures offered by the online payment gateways and the augmented use of credit/ debit cards and internet banking for making online payments. (Source: *India Payment Services Industry Outlook to 2019, Ken Research, March 2015*)

Mobile. India, with a population of 1.2 billion, has immense potential in the mobile payments market. Mobile payments allow customers to save time and makes round the clock payments. The mobile payments market is anticipated to grow at a CAGR of 79.0%, increasing from ₹1,015,001.4 million in financial year 2015 to ₹8,172,679.9 million in financial year 2019. (Source: *India Payment Services Industry Outlook to 2019, Ken Research, March 2015*)

Payment Switches

Payment switch is basically a computer network machine such as a server which creates digital data for traditional finance processing devices and processes authorized payment orders to the corresponding financial institutions. A merchant who uses payment gateway must establish a merchant facility with a bank, whereas, on using the payment switch, the switch provider facilitates the functions of the merchant facility itself. (Source: *India Payment Services Industry Outlook to 2019, Ken Research, March 2015*)

The Indian ATM Industry

The Indian ATM industry has witnessed tremendous growth in the past decade. Economic development, growing income, especially in the urban areas, and a transition from class banking to mass banking have been the main drivers for growth of the Indian ATM industry. The number of ATMs in India increased from 43,651 in financial year 2009 to 160,055 by financial year 2014. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

Key Companies in the ATM Industry

The three largest vendors in the Indian ATM market are NCR, Diebold and Wincor Nixdorf (through its Indian distributor AGS Transact Technologies). As of December 2013, NCR had supplied 45% of the installed base, Diebold 26% and Wincor Nixdorf 23%. (Source: *Global ATM Market and Forecasts to 2019, India*)

ATM Management and Ownership

In the mid-2000s, the RBI relaxed its licensing regime to allow the participation of non-banks in the ATM sector. Companies were entitled to operate and manage ATMs, but only in partnership with a sponsor bank, with such machines known as “brown-label” ATMs. The concept of non-banks having full ownership and operational control of ATM estates is known as “white label”, where non-banks own ATMs but essentially operate as outsourcing partners for banks. (Source: *Global ATM Market and Forecasts to 2019, India*) Outsourcing of ATMs is a recent phenomenon in India, since strict regulations in the past had prohibited non-banking companies from carrying out such operations. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

Service and Maintenance of ATMs

Under the managed services and brown label end-to-end outsourcing models that many Indian banks have adopted, the bank’s partner is responsible for tasks such as service and maintenance. Most often, cash replenishment and first line maintenance are subcontracted to a domestic company, while second line maintenance may be subcontracted to the ATMs manufacturer or its local partner. Deployers commonly contract first line ATM maintenance to the same company or companies that perform cash replenishment. No ATM deployers perform second line maintenance in-house. The function is universally outsourced, usually to the machine’s manufacturer or to its Indian partner. (Source: *Global ATM Market and Forecasts to 2019, India*)

On-us and Off-us Transactions

Banks owning the ATMs charge a fee for providing the ATM facility to the customers of other banks. This fee, referred to as “interchange fee”, is recovered by the ATM deploying bank from the card issuing banks. An apex level switch or

inter-connectivity of ATM networks provides access to the customers to use any ATM in the country irrespective of the bank with which the customer is banking. (Source: RBI: ATMs of Banks: Fair Pricing and Enhanced Access – Draft Approach Paper, http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=1102)

Key Growth Drivers for the Indian ATM Industry

The key driver of growth in the Indian ATM market is India's agenda of financial inclusion. The opening up of India's banking sector to new entrants is also set to stimulate demand for ATMs. Although the entry of non-bank deployers has been ranked as being of only medium importance by respondents to a survey, there is no question that white-label IAD deployers will contribute significantly to ATM growth in the coming years. (Source: *Global ATM Market and Forecasts to 2019, India*). The migration by banks from services at the counter to self-service, as still a way for banks to cut costs, will similarly drive growth in ATM market. While new branches continue to be opened, it is the installation of ATMs in existing branches that is the more significant factor in driving growth. Offsite deployment is also expected to continue to be a major driver of growth of the industry. After most branches have been fitted with ATMs, banks will again focus heavily on non-branch deployment, and white-label ATMs are expected to be installed exclusively in off-site locations. (Source: *Global ATM Market and Forecasts to 2019, India*)

The Cash Management Industry

Cash management is the process of collecting, managing and investing cash in an ATM. The market size of ATM cash management system in India was estimated to be ₹12,180.9 million in financial year 2011 and increased to ₹28,846.2 million in financial year 2014. ATM cash management in India has been predominantly concentrated among a few companies, with the top four players – CMS Info Systems, Brinks Arya, SIS Prosegur and Writer Safeguard – capturing nearly 80% of the market. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

Overview of the Indian Retail Business

The Indian retail industry is currently ranked 20th among the top 30 developing countries. India's retail market is expected to reach ₹47 trillion by 2016-2017, expanding at a CAGR of 15%. Favourable demographics, increasing urbanisation, nuclearisation of families, rising affluence amid consumers, growing preference for branded products and higher aspirations are other factors which will drive retail consumption in India. (Source: http://indiainbusiness.nic.in/newdesign/index.php?param=industryservices_landing/383/3)

Overview of the Indian Petroleum Fuel Dispensing Business

There has been considerable increase in refining capacity in India over the years. The refining capacity stood at 215.066 million metric tonnes ("MMT") per annum as on April 1, 2014. Production of petroleum products from Indian refineries has gone up from 217.736 MMT in financial year 2013 to 220.756 MMT during year 2013-14, representing a growth of 1.39%. During the year, keeping pace with the economic growth trend, the consumption of petroleum products in India has grown by only 0.73% and rose to 158.197 MMT during financial year 2014. Bharat Petroleum Corporation Limited ("BPCL"), Hindustan Petroleum Corporation Limited ("HPCL") and Indian Oil Corporation ("IOCL") are part of the Indian public sector petroleum retail market. (Source: *Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India*)

SUMMARY OF BUSINESS

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Red Herring Prospectus, including the information in the sections “Risk Factors” and “Financial Information” on pages 13 and 197, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section “Risk Factors” on page 13.

Overview

We are one of India’s leading providers of a wide spectrum of payment solutions and technology products for the banking, retail and petroleum sectors. We provide customised products and solutions comprising ATMs and other automated payment products, related maintenance and managed services, cash management services and transaction switching services. Our total revenue was ₹9,512.56 million and ₹5,790.67 million and our net profit was ₹41.13 million and ₹142.54 million, for the financial year 2014 and the six months ended September 30, 2014, respectively.

As of December 31, 2014, we had installed, maintained or managed a network of 41,569 ATMs, provided cash management services to more than 10,000 ATMs through our subsidiary, Securevalue India Limited (“SVIL”), installed more than 25,000 POS terminals, automated more than 5,000 petroleum outlets and installed more than 34,000 colour dispensing machines across India. Our operations covered more than 700 cities and towns, reaching out to more than 100,000 customer touch points across India, as of December 31, 2014.

We operate our business in the following segments:

- Banking Automation Solutions;
- Banking Payment Solutions; and
- Other Automation Solutions (for retail, petroleum and colour sectors).

Our Banking Automation Solutions segment, which commenced in 2004, comprises the supply and installation of ATMs and other automated banking products, the ATM site development and the provision of services, including maintenance, software and hardware upgrades and spare parts. As of December 31, 2014, we have supplied and installed 25,018 ATMs for more than 70 banking customers, including ICICI Bank Limited, Axis Bank Limited, HDFC Bank Limited and State Bank of India.

Our Banking Payment Solutions segment comprises ATM outsourcing and managed services, cash management services, electronic payment solutions and transaction switching services. Leveraging our banking automation solutions expertise, we began to offer ATM outsourcing and managed services in 2009. As part of our strategy to offer an integrated payments platform and to improve our operational efficiencies, we commenced offering transaction switching services in 2011, cash management services in 2012 and electronic payment solutions in 2014. As of December 31, 2014, we had more than 30 customers in our Banking Payment Solutions segment, including Axis Bank Limited, ICICI Bank Limited, HDFC Bank Limited, Ratnakar Bank Limited, BTI Payments Private Limited and Muthoot Finance Limited.

- In our ATM outsourcing and managed services businesses, we are responsible for the end-to-end management of ATMs, starting from site identification and development, followed by machine deployment, maintenance and management on behalf of our customers. While in our outsourcing services business, we own the ATMs, under our managed services business, the ownership of these machines remains with the customers themselves. As of December 31, 2014, our portfolio consisted of 9,733 ATMs and 6,818 ATMs under our outsourcing and managed services businesses, respectively.
- Our subsidiary, SVIL’s cash management services include cash pick-up, cash-in-transit, cash vaulting and cash processing services for ATMs managed by us and by other operators. As of December 31, 2014, we provide cash management services through a fleet of 421 cash vans, 15 vaults and 75 spoke locations, covering 440 cities and towns in India. For the six months ended December 31, 2014, SVIL replenished a daily average amount of ₹2,959.48 million.
- We also provide transaction switching services, where we integrate a variety of payment channels, including internet payment gateways and several mobile payment systems, to route, switch and process electronic transactions. This gives us the ability to cater to the needs of banks and other financial institutions across the payment transactions value chain, including assisting banks in the issuance of new cards, migrating their existing card base and the authorization of cards. Our in-house switch development software team also develops customized switching

solutions for our customers. We launched our transaction switching services in 2011 and for the nine months ended December 31, 2014, we processed a daily average of 56,000 switching transactions.

- In June 2014, we were authorized to function as a white-label ATM operator in India, which we believe will enable us to further grow our presence while maintaining branding and operational flexibility.

We have also recently started offering Banking Automation Solutions and Banking Payment Solutions to banks and financial institutions in Singapore, Cambodia, the Philippines and Indonesia.

Our Other Automation Solutions business segment encompasses our retail, petroleum and colour operations. As part of our Other Automation Solutions segment, we supply automation products and provide implementation services, system integration, remote management and support and help desk services. Customers for our retail sector offerings include Bharti Retail Limited, DLF Brands Limited and Future Retail Limited, while customers for our petroleum sector offerings include Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited. Our colour operations primarily comprise the manufacture and supply of automatic and manual paint dispensers and the supply of engravers. Our colour sector customers include Asian Paints Limited and Berger Paints India Limited.

The following table sets out our revenue for the various segments in which we operate for the periods indicated:

Segment	Six Months ended September 30, 2014	Financial Year		
		2014	2013	2012
	(₹ in millions)	(₹ in millions)	(₹ in millions)	(₹ in millions)
Banking Payment Solutions	2,949.13	4,846.20	2,740.79	1,752.48
Banking Automation Solutions	2,081.80	2,953.37	2,109.91	2,116.12
Other Automation Solutions	743.72	1,680.52	1,516.50	1,248.20

Our Competitive Strengths

Our principal competitive strengths are as follows:

End-to-End Solutions Provider of Banking Automation Solutions and Banking Payment Solutions

We provide end-to-end payment solutions and technology for the banking sector across the entire ATM value chain. We offer a diverse portfolio of high-end products and have the ability to customize, integrate, deploy, maintain and manage such products for our customers. We manage a network of ATMs across the country, facilitated by our in-house cash management capabilities and transaction switching services. We believe that we have developed in-house expertise to deal with entire product life cycle of machine deployment, including site identification, preparation, operation, maintenance and relocation (where required), and have the ability to cater to the varying service requirements of banks and white-label ATM operators. Through our extensive service and cash management infrastructure, we believe we have developed economies of scale, which allow us to provide efficient and cost-effective solutions to our customers. We believe that our ability to act as an end-to-end solution provider for our customers will enable us to grow our market share and our various service offerings (including, e.g., in bank branch automation in India).

Significant Presence in Several Consumer-oriented Sectors Leading to Cross-selling Opportunities

We install, integrate, maintain and manage specialized machines and automated solutions for customers in the consumer-oriented sectors of banking, retail, petroleum and colour. Our operations cover more than 700 cities and towns and we installed, managed or maintained more than 100,000 customer touch points across India, as of December 31, 2014. Our cross-sector experience and knowledge allows us to develop integrated automated payment solutions and technology. By having a diversified products and services portfolio, we believe we are able to address cross-selling opportunities for our customers across different business sectors. For example, we leverage our cash management capabilities to offer cash pick-up services for our retail customers. We also offer digital signage solutions to our banking customers and currency machines to our retail customers. We believe our ability to innovate and offer tailor-made payment solutions to fit the needs of our customers across our various business segments allows us to deepen our relationships with them and enables us to target a greater share of their payment-services related requirements.

Diversified Product Portfolio, Customer Base and Revenue Streams

We derive our revenues from a variety of products and services across our business segments. In our Banking Automation Solutions segment, we have a combination of revenue from the supply of ATMs and other automated banking hardware products and service income. Further, our Banking Payment Solutions segment revenue from operations consists of revenue from ATM outsourcing services, ATM managed services (including both transaction-based and fixed monthly fee), cash management services, electronic payment solutions and transaction switching services. Revenue from Banking Automation Solutions and Banking Payment Solutions accounted for 36.1% and 51.1%, respectively, of our total revenue from operations (net) for the six months ended September 30, 2014. We have a diversified customer base of over 70 private and public sector banks. Our total portfolio of 41,569 ATMs, as of December 31, 2014, covers 20,000 private and 21,500 public sector banks ATMs. In addition, our ATMs are present across 29 states and four Union Territories in India as of December 31, 2014. While a majority of our revenues is derived from our Banking Automation Solutions and Banking Payment Solutions segments, our Other Automation Solutions segment constituted 12.8% of our total revenue from operations (net) for the six months ended September 30, 2014. Our diversified product portfolio and revenue streams enable us to mitigate the concentration risks that are associated with operations in a specific segment or geographic region.

Long-Standing Relationships with Vendors who are Leading Global Technology Providers, as well as Customers who are Leading Indian Financial Institutions, Retailers and Petroleum Companies

We have long-standing relationships with leading global technology providers, such as Wincor Nixdorf AG (together with its affiliates, “**Wincor**”). Since 2004, we have been offering Wincor ATMs, cash deposit machines, retail cash billing machines and a diverse range of Wincor’s other banking and retail-related sector hardware, associated operating systems and software products in India. We believe that our long-standing relationship with Wincor has led to effective knowledge sharing and the adoption of global best practices, thereby enabling us to improve and develop our in-house service capabilities. This tie-up has also allowed us to develop credibility as we are able to cater to our customers in a quick and effective manner. Many of our competitors also have engaged us for the supply, management or maintenance of their payment services infrastructure.

Further, we believe we have established relationships with leading Indian financial institutions, such as ICICI Bank Limited, Axis Bank Limited, HDFC Bank Limited and State Bank of India, having procured repeat orders from them in the past. In addition, we also work with leading retail chains, such as Bharti Retail Limited, DLF Brands Limited and Future Retail Limited, and petroleum companies, including Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited. We believe that the strength of our relationships with customers put us in an advantageous position for new business and cross-selling opportunities and enhances our market reputation.

Dedicated In-house Infrastructure to Offer Customers Round-the-clock Support

We believe that our ability to offer customised solutions together with our dedicated in-house infrastructure and trained personnel has enabled us to develop a large customer base, which we can leverage for future growth. As of December 31, 2014, we had 30 branch offices across the country and an operations work force of 4,800 personnel, covering more than 700 cities and towns and servicing more than 100,000 customer touch points across India. We have set up a common services platform, which includes an in-house testing and repair centre and a technology support centre, which houses our round-the-clock monitoring and help desk teams that support our engineers and field-services work force in delivering service to our customers. Our services platform supports our network of more than 1,200 engineers in 270 cities as of December 31, 2014, who are periodically trained in-house to repair and maintain equipment across all our products and respond to customer requirements in a timely and efficient manner. We have also set up a disaster recovery centre at Bengaluru.

Experienced Senior Management

We believe that we have a strong management team with significant industry experience and established relationships with our customers. Mr. Ravi B. Goyal, the promoter of our Company, has more than 20 years of experience in the technology sector. Our key managerial personnel have an average experience of more than 10 years. Our key managerial personnel are a team of skilled and qualified professionals enables us to identify new opportunities and implement our business strategies in the manner contemplated and to continue to build on our track record of customer service and respond to market opportunities.

Our Strategy

We intend to be a leader in payment solutions by delivering secure, innovative products that engage a customer across the product value chain in a cost effective manner.

The primary elements of our business strategy are as follows:

Focus on Developing an Integrated Payments Platform for our Customers

We intend to leverage our product portfolio and our existing presence to provide customized payment solutions and to develop an integrated payments platform for our customers as set out below:

- We intend to capitalize on the growth of the e-commerce sector and the demand for mobile and web driven payments gateways by focusing on the convergence of the payment platforms across various business sectors.
- We intend to utilize our electronic transaction processing switch, which enables the inter-connectivity of banks' ATMs and other delivery channels to different payment gateways, to offer new web- and mobile-based payment services. For example, we have developed a mobile-POS solution, offering fast, secure and end-to-end transaction processing to merchants.
- We have recently started providing transaction switching services to merchant customers of one of our banking clients.
- In the petroleum sector, we have developed a product that combines our operational presence at a petroleum outlet with our retail payments offering, which in turn is integrated with our payment switch. This product enables the customer to access the right grade and quantity of fuel and monitor fuel consumption by the vehicle on a real-time basis.

We believe that by developing mobility-based payment solutions, which enables additional modes of making payments besides cash or card, we will be able to develop customized payment solutions (including mobile wallet offerings) for our customers. This we believe will enable us to grow our customer touch points, other service offerings and total revenue.

Capitalize on the Growing Banking and Payments Industry

We continue to leverage our expertise in dealing with entire product life cycle of ATM supply, deployment, maintenance and managed services to capitalize on the growing banking and payment industry in India.

The number of ATMs around the world increased from more than 2.0 million in 2009 to 2.9 million in 2014, registering a CAGR of 7.3% during the period. As of 2014, Asia Pacific accounted for the largest share of 42.2% in the total number of ATMs in the world, largely attributable to China and India. The number of ATMs in India increased from 43,651 in financial year 2009 to 160,055 by financial year 2014. The penetration of ATMs in India is quite low as compared to the other developing nations in the world. As of financial year 2014, it was estimated that there were only 13 ATMs per 100,000 people residing in India. Although the number has increased considerably since financial year 2009, the growth has been meager as compared to the other emerging nations that have at least 90 ATMs per 100,000 people. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

We expect transaction volume and consequently, the payment infrastructure network, including the number of ATMs and other automated banking hardware products in India, to continue to grow for a number of reasons, including:

- ATMs are being leveraged by banks to deliver other financial and non-financial products to their customers.
- White-label ATMs have also been introduced in India with the objective of increasing ATM density and also building rural and semi-urban ATM infrastructure. (Source: <http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=9170&Mode=0>)
- The issuance of new banking licenses in India.
- In August 2014, the Government of India launched the Pradhan Mantri Jan-Dhan Yojana, a plan of financial inclusion to provide banking access to all households across the country. The Government intends to initially provide households with access to bank accounts with basic banking service facilities, such as RuPay debit cards, mobile banking facilities, cash withdrawals, deposit and transfer facilities and increase services over time in a phased manner. (Source: <http://www.pmjdy.gov.in>)
- The recent RBI Guidelines on licensing of payment banks.

We also intend to leverage our existing presence in the consumer-oriented sectors to service the growing demand for products and services offered under our Other Automation Solutions business segment. For example, the number of POS

infrastructure units in India increased from 320,000 units on March 31, 2007 to 1,065,000 units on March 31, 2014. (Source: <http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=9170&Mode=0>)

We believe these initiatives and measures will enable us to grow our sales of payment solutions and technology and target the expansion of our product and service offerings.

Focus on ATM Outsourcing and Managed Services

Banks have increasingly outsourced certain functions of the management of ATMs, either partially or wholly, to third parties such as us. These functions include site identification, leasing, maintenance, housekeeping, security and monitoring of ATMs and sites. We believe that banks will increasingly outsource their ATM management functions to third parties and we intend to focus on these opportunities to increase our revenues. As of December 31, 2014, out of the total 41,569 ATMs supplied, installed, maintained and managed by us, 16,551 were under the ATM outsourcing and managed services models. We intend to increase the share of such outsourced or managed ATMs in our portfolio. We believe that this model offers a greater growth opportunity for specialized service providers such as us. It allows us to focus on increasing revenue by facilitating greater number of transactions on the ATMs through our systems and processes, targeting new revenue streams from the variety of services required in the ATM products life cycle, while at the same time reducing the costs of operating such ATMs.

We also intend to continue to focus on the cash management business of SVIL and our transaction switching capabilities to capture a greater proportion of the ATM value chain. Lastly, we also aim to leverage our market share, which enables us to access sizeable usage data, and our experience, which provides us with expertise, in determining ATM sites and making other related business decisions.

Expand and Grow our Banking Automation Solutions and Banking Payment Solutions Outside India

We have recently expanded our business outside India to Singapore, Cambodia, the Philippines and Indonesia. We will continue to look for such markets where the ATM and payment services industries are in the growth phase. Our international operations currently comprise the supply and maintenance of ATMs and other automated banking products, software solutions, branch transformations and omni-channel advisory services.

Improve our Operational Efficiency

As we expand our geographic reach and scale of operations, we continue to focus on operational efficiency through the effective use of technology aimed at capitalizing on the reach of our offices and increasing our market share. Such steps to improve operational efficiency include a central information management and tracking system and a cash forecasting system for our ATMs. We believe that our continuous innovation, as well as development of technological capabilities through tie-ups with global technological leaders, will help us keep abreast of the latest demands of the ecosystem in which we operate and help us in developing our internal processes. We are creating a nucleus of software developers in order to maintain our competitiveness as we expand into the rapidly growing mobile and web-based payment solutions market. We also intend to leverage the cash management capabilities of SVIL to make our ATM management operations more efficient.

Focus on Cash Management Services

We launched our cash management business through our subsidiary SVIL in 2012 with the objective of gaining better control over an important component of our ATM outsourcing and managed services business. Having gained scale and operational efficiencies in this business, we intend to grow this business further by leveraging our experience and other factors such as the:

- increasing trend of banks outsourcing their ATM operations to third parties such as us;
- expected increase in the number of ATMs in India due to various financial inclusion initiatives of the Indian Government, such as the Pradhan Mantri Jan Dhan Yojana; and
- recent RBI initiative to enable setting up of WLAs, which we believe will require greater number of cash management service providers.

We also intend to expand the geographical scope of our cash management business and explore opportunities in new cash user segments. We will continue to focus on providing services such as cash pick-up, cash-sorting and cash-deposit services to various establishments, including retail outlets. We intend to offer such services through the use of sophisticated technology, with little or no human intervention, with an objective of enabling these establishments to reduce their working capital cycles.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our restated unconsolidated and consolidated financial statements prepared in accordance with the Companies Act, Indian GAAP and the SEBI Regulations. The summary financial information presented below should be read in conjunction with our restated unconsolidated and consolidated financial statements and the sections “Financial Statements” and “Management’s Discussion and Analysis of Financial Conditions and Operations” on pages 197 and 275, respectively.

Restated Unconsolidated Financial Information of Assets and Liabilities

		(Rs. in million)					
	Particulars	As at					
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Equity and liabilities						
	Shareholders' funds						
	Share capital	295.66	295.66	295.66	257.42	187.50	50.00
	Reserves and surplus	4,219.18	4,058.85	3,911.99	2,225.94	544.77	628.48
	Total of Shareholders' funds	4,514.84	4,354.51	4,207.65	2,483.36	732.27	678.48
B	Non-current liabilities						
	Long-term borrowings	2,088.14	2,198.65	665.53	111.34	157.56	-
	Other long-term liabilities	63.92	35.82	9.70	5.11	-	-
	Long-term provisions	71.18	54.46	36.25	19.03	14.88	8.00
	Total of Non-current liabilities	2,223.24	2,288.93	711.48	135.48	172.44	8.00
C	Current liabilities						
	Short-term borrowings	2,964.59	1,365.56	997.27	1,846.19	1,075.28	710.80
	Trade payables	1,541.19	1,508.80	1,476.16	642.91	728.49	496.99
	Other current liabilities	1,553.37	1,492.70	574.87	354.61	269.67	111.18
	Short-term provisions	111.72	81.38	65.54	34.02	13.27	26.73
	Total of Current liabilities	6,170.87	4,448.44	3,113.84	2,877.73	2,086.71	1,345.70
	Total A + B + C	12,908.95	11,091.88	8,032.97	5,496.57	2,991.42	2,032.18
D	Assets						
	Non - current assets						
	Fixed assets						
	Tangible assets	3,039.95	3,070.52	2,045.90	1,305.80	586.47	147.44
	Intangible assets	144.90	120.15	152.08	125.65	23.99	23.24
	Capital work-in-progress	346.64	363.59	407.24	105.30	45.39	74.54
	Intangible assets under development	-	29.04	-	-	-	-
		3,531.49	3,583.30	2,605.22	1,536.75	655.85	245.22
	Non-current investments	317.44	249.09	101.00	0.50	0.50	0.00
	Deferred tax assets (net)	131.72	54.96	43.98	23.42	14.55	14.55
	Loans and advances	1,450.40	1,550.22	1,064.73	707.64	206.10	96.10
	Other non-current assets	221.90	247.10	3.91	10.87	23.21	16.13
	Total of Non - current assets	5,652.95	5,684.67	3,818.84	2,279.18	900.21	372.00
E	Current assets						
	Inventories	2,159.11	1,488.78	1,332.99	887.98	627.53	644.24
	Trade receivables	3,560.99	2,557.73	2,316.35	1,714.15	965.43	728.40
	Cash and bank balances	300.15	54.17	98.43	176.52	90.78	69.94
	Loans and advances	527.56	653.41	462.97	435.76	405.30	217.07
	Other current assets	708.19	653.12	3.39	2.98	2.17	0.53
	Total of Current assets	7,256.00	5,407.21	4,214.13	3,217.39	2,091.21	1,660.18
	Total of D + E	12,908.95	11,091.88	8,032.97	5,496.57	2,991.42	2,032.18

Restated Unconsolidated Financial Information of Profits and Losses
(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue						
Revenue from operations (gross)	5,762.77	9,720.94	6,583.22	5,262.42	2,542.95	2,776.97
Less: Excise duty	(97.81)	(240.96)	(216.13)	(146.11)	(109.77)	(82.83)
Revenue from operations (net)	5,664.96	9,479.98	6,367.09	5,116.31	2,433.18	2,694.14
Other income	15.89	32.37	15.74	16.10	12.54	86.50
Total revenue	5,680.85	9,512.35	6,382.83	5,132.41	2,445.72	2,780.64
Expenses						
Cost of raw materials and components consumed	2,355.82	3,098.44	2,504.72	2,014.97	1,325.68	2,099.41
Purchase of traded goods	78.91	227.91	157.11	217.00	42.09	64.07
(Increase) / decrease in inventories of finished goods and traded goods	(533.66)	(86.71)	(123.12)	88.22	194.94	(244.08)
Employee benefit expenses	349.68	682.09	568.36	427.35	263.61	136.27
Other expenses	2,512.35	4,187.60	2,571.29	1,758.67	356.30	368.19
Total expenses	4,763.10	8,109.33	5,678.36	4,506.21	2,182.62	2,423.86
Earnings before interest, tax, depreciation and amortisation (EBITDA)	917.75	1,403.02	704.47	626.20	263.10	356.78
Finance costs	298.68	552.77	246.41	281.68	116.41	68.65
Depreciation and amortisation	363.40	612.28	344.76	176.57	56.76	10.82
Restated profit before tax	255.67	237.97	113.30	167.95	89.93	277.31
Tax expense						
Current tax	171.00	102.00	51.00	70.00	36.14	77.00
Deferred tax (credit)	(76.40)	(10.98)	(20.56)	(8.87)	-	(1.25)
Total tax expenses	94.60	91.02	30.44	61.13	36.14	75.75
Restated profit after tax	161.07	146.95	82.86	106.82	53.79	201.56

Restated Unconsolidated Financial Information of Cash Flows

(Rs. in million)

	Particulars	Six month period ended 30-Sep-14	For the year ended				
			31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Cash flow from operating activities:						
	Profit before tax (as restated)	255.67	237.97	113.30	167.95	89.93	277.31
	Adjustments for:						
	Finance costs	263.47	517.94	246.41	281.68	116.41	68.65
	Amortization of premium on forward contracts	35.21	34.83	-	-	-	-
	Interest income	(1.35)	(5.22)	(6.96)	(8.61)	(4.34)	(3.87)
	Dividend income	-	-	(2.12)	-	-	-
	Depreciation and amortisation	363.40	612.28	344.76	176.57	56.76	10.82
	Provision for warranty	6.01	18.11	20.42	13.84	1.13	2.25
	Net gain on sale of current investments	-	-	(0.02)	-	-	-
	Provision for doubtful trade receivables	65.13	-	43.92	7.93	10.76	-
	(Write back) / provision for diminution in value of inventories	39.84	(42.53)	42.53	21.90	-	-
	Inventories written off	-	129.25	-	-	-	-
	Liabilities for earlier written back	-	-	-	(1.66)	(0.09)	(2.08)
	Bad debts written off (net)	-	65.41	0.15	46.73	-	-
	Unrealised foreign exchange rate (gain) / loss	2.22	(6.19)	(6.85)	1.67	1.28	(14.86)
	Preliminary expenses written off	-	-	-	-	-	0.25
	Operating profit before working capital changes	1,029.60	1,561.85	795.54	708.00	271.84	338.47
	Movements in working capital:						
	(Increase) / decrease in inventories	(710.17)	(218.19)	(466.88)	(282.35)	16.71	(232.43)
	(Increase) / decrease in trade receivable	(1,068.38)	(306.91)	(646.21)	(803.39)	(247.79)	257.91
	Decrease / (Increase) in deposit given for acquisition of ATM's	44.00	(714.10)	(121.90)	-	-	-
	Decrease / (increase) in other loans and advances	40.78	85.91	(100.95)	(448.76)	(270.81)	(155.24)
	(Increase) in other current assets	(55.41)	(638.16)	-	-	-	-
	(Increase) in other non-current assets	13.83	(248.95)	-	-	-	-
	Increase / (decrease) in trade payable	30.18	74.62	809.36	(85.60)	230.31	36.15
	Increase in long-term liabilities	17.34	26.11	4.61	5.11	-	-
	Increase / (decrease) in other current liabilities	3.70	523.96	87.78	78.10	116.88	(124.77)
	Increase / (decrease) in provisions	13.61	15.93	28.32	10.99	14.21	13.92
	Cash flow from operations	(640.92)	162.07	389.67	(817.90)	131.35	134.01
	Direct taxes (paid) / (net of refund wherever applicable)	40.21	(91.19)	(158.78)	(147.70)	(63.82)	(86.96)
	Net cash generated from / (used in) operating activities (A)	(600.71)	70.88	230.89	(965.60)	67.53	47.05
B	Cash flow from investing activities:						
	Purchase of fixed assets (Including capital work-in-progress)	(357.07)	(1,648.38)	(1,422.97)	(1,072.57)	(467.40)	(217.76)
	Additional investment in subsidiaries	(68.34)	(148.09)	(100.50)	-	(0.50)	(0.00)
	Purchase of current investments	-	-	(420.00)	-	-	-
	Sale of current investments	-	-	420.02	-	-	-
	Interest received	1.68	7.49	6.42	7.79	2.71	4.02
	Dividend received	-	-	2.12	-	-	-
	Loan given to subsidiary companies	(39.18)	(58.06)	(100.08)	(0.15)	(18.30)	-
	Repayment of loan from subsidiary companies	47.50	-	65.03	-	-	-
	Loan given to other related parties	-	-	(50.85)	-	-	-
	Repayment of loan by other related parties	-	0.85	52.14	-	-	-
	Fixed deposits (placed) / matured during the year	4.14	23.32	(23.15)	9.55	(7.03)	(6.46)
	Net cash (used in) investing activities (B)	(411.27)	(1,822.87)	(1,571.82)	(1,055.38)	(490.52)	(220.20)
C	Cash flow from financing activities:						
	Proceeds from issuance of equity share capital	-	-	1,633.32	-	-	-
	Proceeds from issuance of compulsory convertible preference share capital (CCPS)	-	-	66.68	1,700.00	-	-
	Proceeds from long-term borrowings	217.50	2,212.13	784.80	-	193.81	-
	Repayment of long-term borrowings	(260.33)	(307.02)	(103.14)	(36.25)	-	-
	Proceeds / (repayment) from short-term borrowings - secured (net)	1,599.03	378.47	(848.93)	929.62	220.65	249.59
	Proceeds / (repayment) from short-term borrowings - unsecured (net)	-	-	-	(158.71)	143.83	(11.62)
	Dividend paid on CCPS including tax	-	(0.08)	(0.08)	-	-	-
	Share issue expenses	-	-	(58.49)	(55.64)	-	-
	Interest paid	(246.47)	(438.07)	(220.56)	(246.69)	(114.43)	(66.69)
	Other finance charges paid	(58.99)	(106.31)	(20.87)	(28.40)	-	-
	Net cash generated from financing activities (C)	1,250.74	1,739.12	1,232.73	2,103.93	443.86	171.28
	Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	238.75	(12.87)	(108.20)	82.95	20.88	(1.87)
	Cash and cash equivalents at the beginning of the period / year	31.04	43.91	152.11	69.16	48.28	50.15
	Cash and cash equivalents at the end of the period / year	269.79	31.04	43.91	152.11	69.16	48.28

Restated Unconsolidated Financial Information of Cash Flows (continued)

(Rs. in million)							
	Particulars	Six month period ended 30-Sep-14	For the year ended				
			31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Cash and cash equivalents comprises of:						
	Cash on hand	0.93	0.97	1.18	0.31	0.53	0.10
	Cheques on hand	-	-	3.43	-	-	-
	With banks - on current account	264.47	27.79	9.79	90.29	6.34	3.26
	- on deposit account	4.39	2.28	29.51	61.51	62.29	44.92
	Total	269.79	31.04	43.91	152.11	69.16	48.28

Restated Consolidated Financial Information of Assets and Liabilities

(Rs. in million)

	Particulars	As at					
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Equity and liabilities						
	Shareholders' funds						
	Share capital	295.66	295.66	295.66	257.42	187.50	50.00
	Reserves and surplus	4,015.94	3,874.45	3,838.80	2,196.25	516.46	628.36
	Total of Shareholders' funds	4,311.60	4,170.11	4,134.46	2,453.67	703.96	678.36
B	Non-current liabilities						
	Long-term borrowings	2,329.49	2,275.32	665.53	111.34	157.56	-
	Other long term liabilities	67.26	37.88	10.41	5.11	-	-
	Long-term provisions	73.93	55.76	36.48	19.04	14.88	8.00
	Total of Non-current liabilities	2,470.68	2,368.96	712.42	135.49	172.44	8.00
C	Current liabilities						
	Short-term borrowings	3,054.81	1,405.51	997.27	1,846.19	1,075.28	710.83
	Trade payables	1,486.73	1,504.94	1,475.35	643.67	728.93	496.99
	Other current liabilities	1,623.70	1,582.52	588.49	356.03	270.08	111.26
	Short-term provisions	117.05	84.63	66.27	34.02	13.26	26.73
	Total of Current liabilities	6,282.29	4,577.60	3,127.38	2,879.91	2,087.55	1,345.81
	Total A + B + C	13,064.57	11,116.67	7,974.26	5,469.07	2,963.95	2,032.17
D	Assets						
	Non - current assets						
	Fixed assets						
	Tangible	3,357.34	3,306.41	2,114.02	1,305.79	586.47	147.44
	Intangible assets	185.80	166.23	152.08	125.65	23.99	23.24
	Capital work-in-progress	390.31	373.78	408.10	105.23	45.40	74.52
	Intangible assets under development	-	29.04	-	-	-	-
		3,933.45	3,875.46	2,674.20	1,536.67	655.86	245.20
	Deferred tax assets (net)	132.86	54.96	43.98	23.42	14.55	14.55
	Loans and advances	1,386.06	1,532.63	1,023.17	689.19	187.84	96.10
	Other non-current assets	221.90	247.10	3.91	10.87	23.21	16.13
	Total of Non - current assets	5,674.27	5,710.15	3,745.26	2,260.15	881.46	371.98
E	Current assets						
	Current investments	-	-	8.26	-	-	-
	Inventories	2,165.66	1,489.52	1,332.99	887.98	627.53	644.24
	Trade receivables	3,618.96	2,550.22	2,316.39	1,704.17	955.48	728.40
	Cash and bank balances	335.63	83.87	103.73	176.57	91.69	69.94
	Short term loans and advances	555.69	628.10	464.25	437.21	405.64	217.08
	Other current assets	714.36	654.81	3.38	2.99	2.15	0.53
	Total of Current assets	7,390.30	5,406.52	4,229.00	3,208.92	2,082.49	1,660.19
	Total D + E	13,064.57	11,116.67	7,974.26	5,469.07	2,963.95	2,032.17

Restated Consolidated Financial Information of Profits and Losses

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue						
Revenue from operations (gross)	5,872.47	9,721.05	6,583.33	5,262.90	2,544.27	2,776.97
Less: Excise duty	(97.82)	(240.96)	(216.13)	(146.10)	(109.78)	(82.83)
Revenue from operations (net)	5,774.65	9,480.09	6,367.20	5,116.80	2,434.49	2,694.14
Other income	16.02	32.47	16.35	16.10	12.71	86.50
Total revenue	5,790.67	9,512.56	6,383.55	5,132.90	2,447.20	2,780.64
Expenses						
Cost of raw materials and components consumed	2,352.62	3,091.52	2,504.73	2,014.97	1,325.68	2,099.41
Purchase of traded goods	97.66	229.74	157.11	217.00	42.09	64.07
(Increase) / decrease in inventories of finished goods and traded goods	(539.43)	(87.45)	(123.12)	88.22	194.94	(244.08)
Employee benefit expenses	595.16	894.96	614.57	427.35	263.63	136.27
Other expenses	2,323.87	4,048.81	2,566.83	1,760.50	373.38	368.30
Total expenses	4,829.88	8,177.58	5,720.12	4,508.04	2,199.72	2,423.97
Earnings before interest, tax, depreciation and amortization (EBITDA)	960.79	1,334.98	663.43	624.86	247.48	356.67
Finance costs	312.91	560.10	246.91	281.72	116.42	68.65
Depreciation and amortisation	396.80	648.00	346.73	176.57	69.21	10.82
Restated profit before tax	251.08	126.88	69.79	166.57	61.85	277.20
Tax expense						
Current tax pertaining to profit for the current year	186.07	102.00	51.00	70.00	36.14	77.00
Deferred tax charge / (credit)	(77.53)	(10.98)	(20.56)	(8.87)	-	(1.25)
Total tax expense	108.54	91.02	30.44	61.13	36.14	75.75
Restated profit after tax before minority interest	142.54	35.86	39.35	105.44	25.71	201.45
Minority interest	-	(5.27)	-	-	-	-
Restated profit for the year / period	142.54	41.13	39.35	105.44	25.71	201.45

Restated Consolidated Financial Information of Cash Flows

(Rs. in million)

	Particulars	Six month period ended 30-Sep-14	For the year ended				
			31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Cash Flow from operating activities:						
	Profit before tax (as restated)	251.08	126.88	69.79	166.57	61.85	277.20
	Adjustments for:						
	Finance costs	277.70	525.27	246.91	281.72	116.42	68.65
	Interest income	(1.35)	(5.22)	(7.00)	(8.61)	(4.34)	(3.87)
	Amortization of premium on forward contracts	35.21	34.83	-	-	-	-
	Dividend income	-	(0.09)	(2.69)	-	-	-
	Depreciation and amortisation	396.80	648.00	346.73	176.57	69.21	10.82
	Provision for warranty	6.01	18.11	20.42	13.84	1.13	2.25
	Net gain on sale of current investments	-	-	(0.02)	-	-	-
	(Write back) / Provision for diminution in value of inventories	39.84	(42.53)	42.53	21.90	-	-
	Inventories written off	-	129.25	-	-	-	-
	Loss on acquisition of subsidiary	-	-	-	-	15.27	-
	Bad debts written off (net)	-	65.41	2.31	46.74	-	-
	Provision for doubtful trade receivables	65.13	-	43.92	7.93	10.76	-
	Liabilities for earlier year written back	(0.15)	(0.00)	(0.25)	(1.66)	(0.26)	(2.08)
	Preliminary Expenses written off	-	-	-	-	-	0.25
	Unrealised foreign exchange rate (gain) / loss	2.20	(6.20)	(6.88)	1.67	1.28	(14.85)
	Operating Profit before working capital changes	1,072.47	1,493.71	755.77	706.67	271.32	338.37
	Movements in working capital:						
	(Increase) / decrease in inventories	(713.14)	(218.93)	(466.88)	(282.26)	16.71	(232.43)
	(Increase) / decrease in trade receivable	(1,133.98)	(295.45)	(658.40)	(803.38)	(237.83)	257.91
	(Increase) in deposit given for acquisition of ATM's	44.00	(714.10)	(121.90)	-	-	-
	Decrease / (increase) in other loans and advances	26.90	58.24	(109.34)	(449.66)	(271.22)	(155.24)
	(Increase) in other current assets	(59.89)	(612.39)	-	-	-	-
	(Increase) in other non-current assets	13.83	(262.78)	-	-	-	-
	Increase / (decrease) in trade payable	(20.27)	35.78	808.05	(85.28)	230.92	36.15
	Increase in long-term liabilities	29.39	27.47	5.30	5.11	-	-
	Increase / (decrease) in other current liabilities	(37.92)	576.95	99.99	78.96	117.18	(124.70)
	Increase in provisions	17.14	19.52	29.28	11.00	14.21	13.92
	Cash flow from operations	(761.47)	108.02	341.87	(818.84)	141.29	133.98
	Direct taxes (paid) / refund, (net)	34.43	(108.80)	(159.44)	(147.73)	(63.86)	(86.96)
	Net cash generated from / (used in) operating activities (A)	(727.04)	(0.78)	182.43	(966.57)	77.43	47.02
B	Cash Flow from Investing Activities:						
	Purchase of fixed assets (including capital work in progress)	(509.81)	(1,881.23)	(1,496.66)	(1,072.59)	(479.86)	(217.76)
	Purchase of current investments	-	-	(428.26)	-	(15.28)	-
	Sale of current investments	-	8.26	420.02	-	-	-
	Interest received	1.68	7.69	6.46	7.79	2.71	4.02
	Dividend received	-	0.09	2.69	-	-	-
	Loan given to another companies	-	-	(50.85)	-	-	-
	Repayment of loan by another company (with interest)	-	-	52.14	-	-	-
	Fixed deposits (placed) / matured during the year	4.14	23.32	(23.15)	9.55	(7.03)	(6.46)
	Advance given to a related party	-	-	-	-	(0.04)	-
	Net cash (used) in investing activities (B)	(503.99)	(1,841.87)	(1,517.61)	(1,055.25)	(499.51)	(220.20)
C	Cash Flow from Financing Activities:						
	Proceeds from issuance of equity share capital	-	-	1,633.32	-	-	-
	Proceeds from issuance of compulsory convertible preference share capital (CCPS)	-	-	66.68	1,700.00	-	-
	Proceeds from long-term borrowings	409.74	2,311.48	784.80	-	193.81	-
	Repayment of long-term borrowings	(271.27)	(312.66)	(103.14)	(36.25)	-	-
	Proceeds / (repayment) from short-term borrowings - secured (net)	1,649.30	408.24	(848.92)	929.62	220.65	249.59
	(Repayment) / proceeds from short-term borrowings - Unsecured	-	-	-	(158.71)	143.84	(11.59)
	Dividend paid on CCPS including tax	-	(0.08)	(0.08)	-	-	-
	Share issue expenses	-	-	(58.49)	(55.64)	-	-
	Interest paid	(277.01)	(517.96)	(221.06)	(246.72)	(114.43)	(66.69)
	Other finance charges paid	(35.21)	(34.83)	(20.87)	(28.40)	-	-
	Net cash generated from financing activities (C)	1,475.55	1,854.19	1,232.24	2,103.90	443.87	171.31
Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)		244.51	11.54	(102.94)	82.08	21.79	(1.87)
Cash and cash equivalents at the beginning of the period / year		60.75	49.21	152.15	70.07	48.28	50.15
Cash and cash equivalents at the end of the period / year		305.26	60.75	49.21	152.15	70.07	48.28

Restated Consolidated Financial Information of Cash Flows (continued)

(Rs. in million)

	Particulars	Six month period ended 30-Sep-14	For the year ended				
			31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Cash and cash equivalents comprise of:						
	Cash on hand	0.93	0.97	1.18	0.32	0.54	0.10
	Cheques on hand	-	-	3.43	-	-	-
	Balance with banks	-	-	-	-	-	-
	In Current Accounts	299.94	57.49	15.09	90.33	7.24	3.26
	Deposits account	4.39	2.28	29.51	61.51	62.29	44.92
	Total	305.26	60.75	49.21	152.15	70.07	48.28

Auditor Qualifications and Adverse Remarks

The Auditor has included qualifications with respect to matters specified in the Companies (Auditors Report) Order, 2003, as amended, in the annexure to its report on our audited consolidated financial statements as of and for the financial years provided below. These auditor qualifications do not require any corrective material adjustments in our restated consolidated summary statements. We provide below, these auditor qualifications as well as our Company's corrective steps in connection with these remarks:

Annexure to the Auditor's report for the Financial Year ended March 31, 2014

- The Auditor noted that undisputed statutory dues had generally been deposited with the appropriate authorities, except for the payment of certain provident fund, profession tax, work contract tax, tax deducted at source and service tax dues, where the Auditor noted delays in certain cases. The Auditor also noted that such delays had not been serious.

The Auditor further noted that the following undisputed material statutory dues were outstanding at the end of the Financial Year ended March 31, 2014, for a period of more than six months from the date such amounts became payable:

Nature of the Statute	Nature of Dues	Amount (in ₹)	Period of which the amount related	Due Date	Date of Payment
The Income Tax Act, 1961	Self-assessment tax	1,982,892	April-September 2013	Various due dates	September 12, 2014
Profession tax	Profession tax	1,125,630	Various months	Various months	Not paid yet

Our Company has instituted a system to address such delays, which includes the tracking of due dates for payment of statutory dues, ensuring a daily check on payments due, monitoring of the payments made, and periodic training of the accounting staff on the various statutory requirements and due dates applicable to our Company.

- The Auditor noted certain cases of attempted burglary or the theft of items at various ATM sites by third parties amounting to ₹5,868,300. The Auditor further noted that our Company filed complaints with the concerned regulatory authorities and insurance claims with respect to the recovery of such amounts, and charged off the entire amount of losses of ₹5,868,300 in the financial statements for the Financial Year ended March 31, 2014.

No systemic corrective actions required.

Annexure to the Auditor's report for the financial year ended March 31, 2013

- The Auditor noted that with respect to certain transactions exceeding ₹500,000 (undertaken during the financial year ended March 31, 2013 (pursuant to contracts or arrangements covered by Section 301 of the Companies Act, 1956),

they were unable to comment on whether such transactions were made at prevailing market prices at the relevant time, due to the unique and specialized nature of the transactions involved and the absence of any comparable prices.

No systemic corrective actions required.

- The Auditor noted serious delays with respect to the deposit of undisputed statutory dues such as sales tax, service tax, income tax, employees' state insurance and works contract tax with relevant authorities in the financial year ended March 31, 2013.

Our Company has instituted a system to address such delays, which includes the tracking of due dates for payment of statutory dues, ensuring a daily check on payments due, monitoring of the payments made, and periodic training of the accounting staff on the various statutory requirements and due dates applicable to our Company.

- The Auditor noted certain cases of attempted burglary or the theft of items at various ATM sites by third parties amounting to ₹2,417,503. The Auditor further noted that our Company filed complaints with the concerned regulatory authorities and insurance claims with respect to the recovery of such amounts and that amounts that were not recoverable were appropriately charged off.

No systemic corrective actions required.

Annexure to the Auditor's report for the financial year ended March 31, 2012

- The Auditor noted that our Company had maintained proper records showing full particulars, including quantitative details and the situation of fixed assets, except for certain fixed assets with a gross block of ₹62.75 million (previous year of ₹62.75 million) and a net block of ₹39.50 million (previous year ₹50.85 million) as at March 31, 2012, with respect to which the Auditors noted that our Company was *"in the process of updating the records."*

Our Company has since maintained proper records in this respect. No systemic corrective actions required.

- The Auditor noted the grant by our Company of an interest free loan to a firm covered in the register maintained under Section 301 of the Companies Act, 1956. The Auditor noted that the maximum amount involved during the financial year ended March 31, 2012 was ₹19,700,000 and the outstanding year-end balance of loans granted to such entity was ₹19,700,000. The Auditors noted that the rate of interest and other terms and conditions with respect to such loans were prima facie prejudicial to the interest of our Company.

This loan account was closed in the financial year ended March 31, 2013. No systemic corrective actions required.

- The Auditor noted that with respect to certain transactions exceeding ₹500,000 (undertaken during the financial year ended March 31, 2012 (pursuant to contracts or arrangements covered by Section 301 of the Companies Act, 1956), they were unable to comment on whether such transactions were made at prevailing market prices at the relevant time, due to the unique and specialized nature of the transactions involved and the absence of any comparable prices.

No systemic corrective actions required.

- The Auditor noted serious delays with respect to the deposit of undisputed statutory dues such as *sales tax, service tax, income tax and employees' state insurance* with relevant authorities in the financial year ended March 31, 2012

The Auditor further noted that the following undisputed material statutory dues were outstanding at the end of the Financial Year ended March 31, 2012, for a period of more than six months from the date such amounts became payable:

Nature of the Statute	Nature of Dues	Amount (in ₹)	Period of which amount related	Due Date	Date of Payment
Central Sales Tax Act, 1956	Sales tax	4,434,476	April 2011 to August 2011	Various	August 3, 2012
Work Contract Tax	Works contract	12,456	July 2011	August 21,	June 20, 2012

Nature of the Statute	Nature of Dues	Amount (in ₹)	Period of which amount related	Due Date	Date of Payment
Act, 1989				2011	
Employee State Insurance Act, 1948	Employer and employee contribution	2,142,822	July 2010 till September 2011	Various	May 3, 2012
Income Tax Act, 1961	Tax Collection at Source	4,212	February 2011	March 7, 2011	Not paid
The Finance Act, 1994	Service tax	15,415,894	April 2011 till September 2011	Various	September 11, 2012

Our Company has instituted a system to address such delays, which includes the tracking of due dates for payment of statutory dues, ensuring a daily check on payments due, monitoring of the payments made, and periodic training of the accounting staff on the various statutory requirements and due dates applicable to our Company.

Annexure to the auditor's report prepared by Shah & Co, Chartered Accountants ("Shah & Co"), the statutory auditors of our Company for the financial year ended March 31, 2011

- Shah & Co noted the grant by our Company of an interest free loan to a firm covered in the register maintained under Section 301 of the Companies Act, 1956. Shah & Co further noted that the maximum amount involved during the financial year ended March 31, 2011 was ₹19,700,000 and the outstanding year-end balance of loans granted to such entity was ₹19,700,000. Shah & Co noted that the rate of interest and other terms and conditions with respect to such loans were prima facie prejudicial to the interest of our Company.

This loan account was closed in the financial year ended March 31, 2013. No systemic corrective actions required.

Annexure to the auditor's report prepared by Shah & Co, Chartered Accountants ("Shah & Co"), the statutory auditors of our Company for the financial year ended March 31, 2010

- Shah & Co noted that our Company was regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, wealth tax, custom duty, excise duty, cess and other statutory dues with the appropriate authorities during the financial year ended March 31, 2010 except for delays in payment in a few cases.

Our Company has instituted a system to address such delays, which includes the tracking of due dates for payment of statutory dues, ensuring a daily check on payments due, monitoring of the payments made, and periodic training of the accounting staff on the various statutory requirements and due dates applicable to our Company.

THE OFFER

Offer of Equity Shares ⁽¹⁾	Up to [●] Equity Shares aggregating up to ₹13,500 million
<i>Of which</i>	
Fresh Issue ⁽²⁾	Up to [●] Equity Shares aggregating up to ₹4,000 million
Offer for Sale ⁽³⁾	Up to [●] Equity Shares aggregating up to ₹9,500 million
A) QIB Category	[●] Equity Shares
<i>Of which:</i>	
Anchor Investor Portion ⁽⁴⁾	Up to [●] Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>Of which:</i>	
Available for allocation only to Mutual Funds (5% of the QIB Category (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Category	Not less than [●] Equity Shares
C) Retail Category	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding as of the date of this Draft Red Herring Prospectus	120,392,576 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds by our Company	See the section “Objects of the Offer” on page 90. Our Company will not receive any proceeds from the Offer for Sale

Allocation to all categories, except the Retail Category and the Anchor Investor Portion, if any, shall be made on a proportionate basis. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, other than the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange. For details, see the section “Offer Structure” on page 390. For details of the terms of the Offer, see the section “Terms of the Offer” on page 387. For details of the Offer procedure, including the grounds for rejection of Bids, see the section “Offer Procedure” on page 396.

⁽¹⁾ Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may consider undertaking the Pre-IPO Placement. Our Company and the Selling Shareholders will complete the issuance and allotment and transfer of Equity Shares pursuant to the Pre-IPO Placement prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue and the Offer for Sale, as applicable, subject to a minimum Offer of [●]% of the post-Offer paid-up Equity Share capital being offered to the public.

⁽²⁾ The Fresh Issue has been authorized by the Board of Directors and the Shareholders, pursuant to their resolutions dated January 30, 2015 and February 3, 2015, respectively.

⁽³⁾ The Promoter Selling Shareholder confirms that the proportion of the Equity Shares offered by him by way of the Offer for Sale in the Offer has been held by him for a period of at least one year, prior to the date of filing this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by the Promoter Selling Shareholder in the Offer have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and issued by capitalizing the securities premium of our Company and accordingly, are eligible for being offered for sale in the Offer. Mr. Ravi B. Goyal has authorized his portion of the Offer for Sale pursuant to a consent letter dated March 18, 2015.

The Investor Selling Shareholders, severally and not jointly, specifically confirm that the proportion of the Equity Shares offered by each of the Investor Selling Shareholder by way of the Offer for Sale in the Offer have been held by such Investor Selling Shareholder for a period of at least one year, prior to the date of filing this Draft Red Herring Prospectus, including the Equity Shares received pursuant to conversion of any convertible instruments held by the Investor Selling Shareholders in accordance with Regulation 26(6) of the SEBI Regulations and, to the extent that the Equity Shares being offered by the Investor Selling Shareholders in the Offer have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and issued by capitalizing the securities premium of our Company and accordingly, are eligible for being offered for sale in the Offer. The Investor Selling Shareholders further severally and not jointly specifically confirm that the TPG Offered Shares and the Oriole Offered Shares which are being offered as part of the Offer for Sale have been authorized by TPG and Oriole pursuant to the resolutions passed by their boards of directors dated March 17, 2015 and March 20, 2015, respectively.

- ⁽⁴⁾ *Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI 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. In case of under-subscription in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category. For further details, see the section "Offer Procedure" on page 396.*

GENERAL INFORMATION

Our Company was incorporated in Mumbai, Maharashtra on December 11, 2002 as AGS Infotech Private Limited, a private limited company under the Companies Act, 1956. The name of our Company was subsequently changed to AGS Transact Technologies Private Limited and the RoC issued a fresh certificate of incorporation dated June 3, 2010. Our Company was then converted into a public limited company and consequently, its name was changed to AGS Transact Technologies Limited and the RoC issued a fresh certificate of incorporation dated July 20, 2010. For further details, see the section “*History and Certain Corporate Matters*” on page 158.

Registered Office

601-602 Trade World, B Wing
Kamala Mill Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6781 2000
Fax: +91 22 2493 5384
Email: ipo@agsindia.com
Website: www.agsindia.com
Corporate Identity Number: U72200MH2002PLC138213
Registration Number: 138213

Corporate Office

14th Floor, Tower 3
Indiabulls Finance Centre
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 7181 8181

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra, situated at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

Board of Directors

The Board of our Company comprises the following:

Name	Designation	DIN	Address
Mr. Ravi B. Goyal	Chairman and Managing Director	01374288	C-3101, 31 st Floor, Beau Monde Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India
Mr. Badrinarain K. Goyal	Non-Independent, Non-Executive Director	01679378	C-3101, 31 st Floor, Beau Monde Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India
Mrs. Anupama R. Goyal	Non-Independent, Non-Executive Director	02696453	C-3101, 31 st Floor, Beau Monde Appasaheb Marathe Marg

Name	Designation	DIN	Address
			Prabhadevi Mumbai 400 025 Maharashtra, India
Mr. Vishwarupe Narain	Nominee, Non-Executive Director	03394320	Flat 09, 9 th Floor Tytan CHS Nepean Sea Road Mumbai 400 036 Maharashtra, India
Mr. Mahesh Chhabria	Nominee, Non-Executive Director	00166049	11, Golden Beach Ruia Park, Juhu Mumbai 400 049 Maharashtra, India
Mr. Sudip Bandyopadhyay	Independent, Non-Executive Director	00007382	1801, 18 th Floor, Ansal Heights Block -B, Worli Naka Mumbai 400 018 Maharashtra, India
Mr. Bharat Dhirajlal Shah	Independent, Non-Executive Director	00136969	Flat no. 21, Hill Park Building 2, AG Bell Marg, Malabar Hill Mumbai 400 006 Maharashtra, India
Mr. Jagadish Capoor	Independent, Non-Executive Director	00002516	1601 Brooke Ville 359, Mogul Lane Mahim (West) Mumbai 400 016 Maharashtra, India
Mr. Sivanandhan Dhanushkodi	Independent, Non-Executive Director	03607203	B-1803, Ashoka Towers Ambedkar Road, Parel Mumbai 400 012 Maharashtra, India
Mr. Vijay Chugh	Independent, Non-Executive Director	07112794	Flat no. 32, Vasant Vihar RBI Officers Flats 85, Nepean Sea Road Malabar Hill Mumbai 400 006 Maharashtra, India

For further details of our Directors, see the section “*Our Management*” on page 169.

Company Secretary and Compliance Officer

Mr. Ajit Pethe is the Company Secretary and the Compliance Officer of our Company. His contact details are as follows:

Ajit Pethe

601-602 Trade World, B Wing
Kamala Mill Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6781 2000
Fax: +91 22 6781 5384
Email: ipo@agsindia.com

Chief Financial Officer

Mr. Amit Majumdar is the Chief Financial Officer of our Company. His contact details are as follows:

Amit Majumdar

601-602 Trade World, B Wing
Kamala Mill Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6781 2000
Fax: +91 22 6781 5384
Email: amit.majumdar@agsindia.com

Bidders can contact the Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre- or post-Offer related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders.

All grievances relating to the non-ASBA process may be addressed to the Registrar to the Offer, 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, amount paid on application, date of Bid cum Application Form and the name and address of the Syndicate Member or the Registered Broker where the Bid cum Application Form was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the Syndicate Member at the Specified Locations or the Registered Broker 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 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 Designated Branch or the collection centre of the SCSB or the Syndicate Member at the Specified Locations or the Registered Broker at the Broker Centres where the Bid cum Application Form was submitted. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

Further, with respect to the Bid cum Application Forms submitted with the Registered Broker, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Selling Shareholders

The details of our Investor Selling Shareholders are set forth below:

1. TPG Star SF PTE. Ltd.

TPG Star SF PTE. Ltd., is a company incorporated under the laws of Singapore and having its registered office at 80 Raffles Place, #15-01 UOB Plaza 1, Singapore 048624.

2. Oriole Limited

Oriole Limited, is a company incorporated under the laws of Mauritius and having its registered office at Les Cascades, Edith Cavell Street, Port Louis, Mauritius.

For further details on the Investor Selling Shareholders, please see the section "*History and Certain Corporate Matters*" on page 158.

For details on the Promoter Selling Shareholder, Mr. Ravi. B. Goyal, please see the section "*Our Management*" and "*Our Promoter, Promoter Group and Group Entities*" on pages 169 and 186, respectively.

Book Running Lead Managers

Axis Capital Limited

1st Floor, Axis House
C-2, Wadia International Centre
P.B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: + 91 22 4325 2183
Fax: +91 22 4325 3000
Email: ags.ipo@axiscap.in
Website: www.axiscapital.co.in
Investor grievance ID: complaints@axiscap.in
Contact person: Ms. Kanika Goyal
SEBI registration number: INM000012029

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 8019
Fax: +91 22 3078 8584
Email: ags.ipo@hdfcbank.com
Website: www.hdfcbank.com
Investor Grievance e-mail:
investor.redressal@hdfcbank.com
Contact person: Mr. Rishi Tiwari/ Mr. Keyur Desai
SEBI registration Number: INM000011252

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC
Plot No. 27, "G" Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
Fax: +91 22 6713 2447
Email: agstransact.ipo@kotak.com
Website: www.investmentbank.kotak.com
Investor grievance ID: kmccredressal@kotak.com
Contact person: Mr. Ganesh Rane
SEBI registration number: INM000008704

Citigroup Global Markets India Private Limited

1202, 12th Floor
First International Financial Centre, G-Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India
Tel: +91 22 6175 9999
Fax: +91 22 6175 9961
Email: agsttl.ipo@citi.com
Website:
www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
Investor grievance ID: investors.cgmib@citi.com
Contact person: Mr. Siddhartha Singh
SEBI registration number: INM000010718

ICICI Securities Limited

ICICI Centre
H.T. Parekh Marg
Churchgate
Mumbai 400 020
Maharashtra, India
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
Email: agsttl.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor grievance ID: customercare@icicisecurities.com
Contact person: Mr. Anurag Byas
SEBI registration number: INM000011179

Inter-se Allocation of Responsibilities among the BRLMs

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

Activity	Responsibility	Co-ordination
Capital structuring with the relative components and formalities such as type of instruments, etc.	Axis, Citi, Kotak, I-Sec, HDFC	Kotak
Due diligence of the Company's operations/management/ business plans/legal, etc. Drafting and design of offer documents and of statutory advertisement including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, Registrar of Companies and SEBI including finalisation of the Prospectus and filing with the RoC.	Axis, Citi, Kotak, I-Sec, HDFC	Axis
Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.	Axis, Citi, Kotak, I-Sec, HDFC	Kotak
Appointment of Registrar, grading and monitoring agencies to the Offer and Bankers to the Offer	Axis, Citi, Kotak, I-Sec, HDFC	Kotak
Appointment of printers and advertising agency	Axis, Citi, Kotak, I-Sec, HDFC	Axis
Marketing of the Offer which will cover, inter alia: – Formulating international institutional marketing strategy; – Finalising the list and division of investors for one-on-one meetings, institutional allocation	Axis, Citi, Kotak, I-Sec, HDFC	Citi
Domestic institutional marketing of the Offer	Axis, Citi, Kotak, I-Sec, HDFC	Axis
Finalising road show marketing presentation	Axis, Citi, Kotak, I-Sec, HDFC	Citi
Retail / Non-Institutional marketing strategy which will cover, inter alia: – Formulating marketing strategies, preparation of publicity budget; Finalising media, marketing and public relations strategy including list of frequently asked questions at road shows; – Finalising centers for holding conferences for brokers, etc.; – Finalising collection centers and arranging for selection of underwriters and underwriting agreement; and – Follow-up on distribution of publicity and issue material including form, Prospectus and deciding on the quantum of the issue material	Axis, Citi, Kotak, I-Sec, HDFC	I-Sec
Co-ordination with stock exchanges for Book Building software	Axis, Citi, Kotak, I-Sec, HDFC	Kotak
Finalizing of pricing and allocation	Axis, Citi, Kotak, I-Sec, HDFC	Citi
Post-bidding activities including management of Escrow Accounts, coordinate non-institutional allocation, coordination with the Registrar to the Offer and the Banks, intimation of allocation and dispatch of refund to Bidders, etc. The post issue activities of the issue will involve essential follow up steps, which include finalization of trading and dealing instruments and dispatch of certificates and demat delivery of shares, with the various agencies connected with the work such as Registrar to the Offer, Banker to the Offer and the bank handling refund business. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge the responsibility through suitable agreements with the Company.	Axis, Citi, Kotak, I-Sec, HDFC	I-Sec

Syndicate Members

[•]

Legal Advisers to our Company as to Indian Law**S&R Associates**

One Indiabulls Centre
1403, Tower 2, B Wing
841, Senapati Bapat Marg
Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4302 8000
Fax: +91 22 4302 8001

Legal Advisers to the Underwriters as to Indian Law**Amarchand & Mangaldas & Suresh A. Shroff & Co.**

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 2496 4455
Fax: +91 22 2496 3666

International Legal Advisers to the Underwriters**Jones Day**

138 Market Street
Level 28 CapitaGreen
Singapore 048946
Tel: +65 6538 3939
Fax: +65 6536 3939

Legal Advisors to the Investor Selling Shareholders as to Indian Law**AZB & Partners**

Plot no. A-8
Sector – 4, Noida
Uttar Pradesh 201 301
India
Tel: +91 120 417 9999
Fax: +91 120 417 9900

Statutory Auditors of our Company**S.R. Batliboi & Associates LLP**

Chartered Accountants
12th Floor, The Ruby
29, Senapati Bapat Marg
Dadar West
Mumbai 400 028
Maharashtra, India
Tel: + 91 22 6192 0000
Fax: +91 22 6192 1000
Email: SRBA@in.ey.com
Firm registration number: 101049W

Registrar to the Offer

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound

L.B.S. Marg

Bhandup West

Mumbai 400 078

Maharashtra, India

Tel: +91 22 6171 5400

Fax: + 91 22 2596 0329

Email: ags.ipo@linkintime.co.in

Website: www.linkintime.co.in

Investor grievance ID: ags.ipo@linkintime.co.in

Contact person: Mr. Sachin Achar

SEBI registration number: INR000004058

Bankers to the Offer and Escrow Collection Banks

[•]

Refund Banks

[•]

Bankers to our Company

Axis Bank Limited

Corporate Office

7th Floor, Axis House

P.B. Marg, Worli

Mumbai 400 025

Maharashtra, India

Tel: +91 22 2425 4747

Fax: +91 22 2425 4700

Email: vikram.singhvi@axisbank.com

Website: www.axisbank.com

Contact person: Mr. Vikram Singhvi

DBS Bank Limited

3rd Floor, Fort House

221, Dr. D.N. Road

Fort

Mumbai 400 001

Maharashtra, India

Tel: +91 22 6638 8888

Fax: +91 22 6638 8898

Email: oniasfernandes@db.com

Website: www.dbs.com

Contact person: Mr. Onias Fernandes

ICICI Bank Limited

North Tower, 4th Floor

West Wing

Bandra Kurla Complex

Bandra (East)

Mumbai 400 051

Citibank N.A.

FIFC

C-54 & C-55, G Block

Bandra Kurla Complex

Mumbai 400 051

Maharashtra, India

Tel: +91 22 6175 6132

Fax: +91 22 2653 2108

Email: chirag.sheth@citi.com

Website: www.citibank.co.in

Contact person: Mr. Chirag Sheth

HDFC Bank Limited

Peninsula Business Park

Tower B, 4th Floor

Unit 401 and 402

Lower Parel

Mumbai 400 013

Maharashtra, India

Tel: +91 22 3395 8094

Fax: +91 22 3078 8583

Email: shyamal.singh@hdfcbank.com

Website: www.hdfcbank.com

Contact person: Mr. Shyamal Singh

Kotak Mahindra Bank Limited

27 BKC, Plot No. C-27

G Block

Bandra Kurla Complex

Bandra (East)

Mumbai 400 051

Maharashtra, India
Tel: +91 22 2653 6418
Fax: +91 22 2653 1206
Email: Anjan.pal@icicibank.com
Website: www.icicibank.com
Contact person: Mr. Anjan Pal

Ratnakar Bank Limited
6th Floor, Tower 2B
One Indiabulls Centre
841, Senapati Bapat Marg
Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4302 0600
Fax: +91 22 4302 0520
Email: customercare@rblbank.com
Website: www.rblbank.com
Contact person: Mr. Moulik Patel

Standard Chartered Bank
Crescenzo
C-38/39, G Block, 6th Floor, Behind MCA Club
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4265 8089
Fax: +91 22 2675 9006
Email: Sameer.sheth@sc.com
Website: www.standardchartered.com
Contact person: Mr. Sameer Sheth

Self Certified Syndicate Banks

The list of banks that have been notified by the SEBI to act as the SCSBs for the ASBA process is provided on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, and updated from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders, please refer to the above-mentioned link. Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form is provided on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, and updated from time to time.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and email address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/brokercentres.aspx?expandable=3> and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively.

Credit Rating

As the Offer is of Equity Shares, the appointment of a credit rating agency is not required.

Maharashtra, India
Tel: +91 22 6166 0001
Fax: +91 22 6713 2415
Email: ajit.singh@kotak.com
Website: www.kotak.com
Contact person: Mr. Ajit Singh

The South Indian Bank Limited
Industrial Finance Branch
110, Raheja Towers
Anna Salai
Chennai 600 002
Tamil Nadu, India
Tel: +91 44 2860 3964-65
Fax: + 91 44 2860 3961
Email: br0312@sib.co.in
Website: www.southindianbank.com
Contact person: Mrs. Lakshmi Prabha TM

YES Bank Limited
YES Bank Tower
IFC 2, 18th Floor
Senapati Bapat Marg
Elphinstone (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 3347 9648
Fax: +91 22 2421 4511
Email: ameya.gundale@yesbank.in
Website: www.yesbank.in
Contact person: Mr. Ameya Gundale

Trustees

As the Offer is of Equity Shares, the appointment of trustees is not required.

Monitoring Agency

In terms of Regulation 16 of the SEBI Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹5,000 million.

Appraising Agency

The objects of the Offer have not been appraised by any appraising agency.

Experts

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

Our Company has received written consent from the Statutory Auditor namely, S.R. Batliboi & Associates LLP, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “Expert” defined under Section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditors on the restated consolidated and unconsolidated financial information, each dated March 12, 2015, and the statement of tax benefits dated March 17, 2015 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, and advertised at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Designated Stock Exchanges for upload on their website. The Offer Price will be finalised by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, after the Bid/Offer Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the Selling Shareholders;
- the BRLMs;
- the Syndicate Members;
- the SCSBs;
- the Registered Brokers;
- the Registrar to the Offer; and
- the Escrow Collection Bank(s).

The Offer is being made through the Book Building Process and in terms of Rule 19(2)(b) of the SCRR wherein 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, the Promoter Selling Shareholder and the Investor the Selling Shareholders may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations, of which one-third 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. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category other than the QIB Category, would be allowed to be met with spill over from any other category or

a combination of categories at the discretion of our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with BRLMs and the Designated Stock Exchange.

QIBs (excluding Anchor Investors) and Non-Institutional Investors can participate in the Offer only through the ASBA process and Retail Individual Investors have the option to participate through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process.

In accordance with the SEBI Regulations, QIBs Bidding in the QIB Category and Non-Institutional Investors bidding in the Non-Institutional Category are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until finalisation of the Basis of Allotment. 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. For further details, see the sections “Offer Structure” and “Offer Procedure” on pages 390 and 396, respectively.

Our Company and the Promoter Selling Shareholder will comply with the SEBI Regulations and any other ancillary directions issued by the SEBI for the Offer. Each of the Investor Selling Shareholders severally and not jointly confirms that it will comply with the SEBI Regulations and any other ancillary directions issued by SEBI, as applicable to such Investor Selling Shareholder in relation to the Equity Shares offered by such Investor Selling Shareholder under the Offer for Sale. In this regard, our Company and the Selling Shareholders have appointed the BRLMs to manage the Offer and procure subscriptions for the Offer.

The Book Building Process under the SEBI Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Offer.

Illustration of Book Building and Price Discovery Process

Investors 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. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book given below shows the demand for the shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount/Share (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
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 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.

Steps to be taken by the Bidders for bidding:

1. Check eligibility for making a Bid (see the section “Offer Procedure – Who Can Bid?” on page 397);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

3. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a 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 exempt from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see the section “*Offer Procedure*” on page 396);
4. Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form;
5. Bids by QIBs (except Anchor Investors) and Non-Institutional Investors shall be submitted only through the ASBA process;
6. Bids by non-ASBA Bidders will have to be submitted to the Syndicate (or their authorized agents) at the bidding centres or the Registered Brokers at the Broker Centres; and
7. Bids by ASBA Bidders will have to be submitted to the Designated Branches or the Syndicate at the Specified Locations or the Registered Brokers at the Broker Centres in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the specified bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that the Bid cum Application Form submitted by the ASBA Bidders is not rejected. Ensure that the SCSB where the ASBA Account (as specified in the Bid cum Application Form) is maintained has named at least one branch at the Specified Location or the Broker Centre for the members of the Syndicate or the Registered Broker, respectively, to deposit Bid cum Application Forms (a list of such branches is available at the website of the SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time).

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

Allotment to Retail Individual Investors and Minimum Bid Lots

In the event, the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid Lot will be computed by dividing the total number of the Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to Retail Individual Investors will then be made in the following manner:

1. In the event the number of Retail Individual Investors who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) Retail Individual Investors shall be Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the Retail Individual Investors who have received Allotment as per (i) above for less than the Equity Share Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
2. In the event the number of Retail Individual Investors who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the Retail Individual Investors (in that category) who will then be Allotted minimum Bid Lot shall be determined on draw of lots basis.

For details, see the section “*Offer Procedure*” on page 396.

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. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each 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 filled in before filing of the Prospectus with the RoC.)

Name, Address and Contact Details of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

The above-mentioned underwriting commitments are indicative and will be finalised after pricing of the Offer and actual allocation.

In the opinion of the Board (based on certificates provided by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. The IPO Committee, 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 set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. 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.

CAPITAL STRUCTURE

Our Company's share capital, as on the date of this Draft Red Herring Prospectus, is set forth below:

(₹ in million, except share data)

		Aggregate Value at Face Value	Aggregate Value at Offer Price
A	AUTHORIZED SHARE CAPITAL		
	150,000,000 Equity Shares of face value of ₹10 each	1,500.00	
	10,000,000 Preference Shares of face value of ₹10 each	100.00	
	TOTAL	1,600.00	
B	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER		
	120,392,576 Equity Shares	1,203.93	
C	PRESENT OFFER OF [●] EQUITY SHARES AGGREGATING UP TO ₹13,500 MILLION IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	Fresh Issue of up to [●] Equity Shares ⁽¹⁾	[●]	[●]
	Offer for Sale of up to [●] Equity Shares ⁽²⁾	[●]	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER		
	[●] Equity Shares	[●]	[●]
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer	2,274.77	[●]
	After the Offer	[●]	[●]

(1) The Fresh Issue has been authorized by the Board of Directors and the Shareholders, pursuant to their resolutions dated January 30, 2015 and February 3, 2015, respectively.

(2) The Promoter Selling Shareholder confirms that the proportion of the Equity Shares offered by him by way of the Offer for Sale in the Offer has been held by him for a period of at least one year, prior to the date of filing this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by the Promoter Selling Shareholder in the Offer have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and issued by capitalizing the securities premium of our Company and accordingly, are eligible for being offered for sale in the Offer. Mr. Ravi B. Goyal has authorized his portion of the Offer for Sale pursuant to a consent letter dated March 18, 2015.

The Investor Selling Shareholders, severally and not jointly, specifically confirm that the proportion of the Equity Shares offered by each of the Investor Selling Shareholder by way of the Offer for Sale in the Offer have been held by such Investor Selling Shareholder for a period of at least one year, prior to the date of filing this Draft Red Herring Prospectus, including the Equity Shares received pursuant to conversion of any convertible instruments held by the Investor Selling Shareholders in accordance with Regulation 26(6) of the SEBI Regulations and, to the extent that the Equity Shares being offered by the Investor Selling Shareholders in the Offer have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and issued by capitalizing the securities premium of our Company and accordingly, are eligible for being offered for sale in the Offer. The Investor Selling Shareholders further severally and not jointly specifically confirm that the TPG Offered Shares and the Oriole Offered Shares, which are being offered as part of the Offer for Sale have been authorized by TPG and Oriole pursuant to the resolutions passed by their boards of directors dated March 17, 2015 and March 20, 2015, respectively.

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

Date of Shareholders' Resolution	Authorized Share Capital prior to the Change	Authorized Share Capital after the Change
December 29, 2003	₹1,000,000 divided into 100,000 Equity Shares of ₹10 each	₹10,000,000 divided into 1,000,000 Equity Shares of ₹10 each
March 20, 2006	₹10,000,000 divided into 1,000,000 Equity Shares of ₹10 each	₹50,000,000 divided into 5,000,000 Equity Shares of ₹10 each
June 23, 2010	₹50,000,000 divided into 5,000,000 Equity Shares of ₹10 each	₹350,000,000 divided into 35,000,000 Equity Shares of ₹10 each
May 28, 2011	₹350,000,000 divided into 35,000,000 Equity Shares of ₹10 each	₹350,000,000 divided into 27,000,000 Equity Shares of ₹10 each and 8,000,000 Compulsorily Convertible Preference Shares of ₹10 each
May 24, 2013	₹350,000,000 divided into 27,000,000 Equity Shares of ₹10 each and 8,000,000 Compulsorily Convertible Preference Shares of ₹10 each	₹350,000,000 divided into 25,000,000 Equity Shares of ₹10 each and 10,000,000 Compulsorily Convertible Preference Shares of ₹10 each
February 3, 2015	₹350,000,000 divided into 25,000,000 Equity Shares of ₹10 each and 10,000,000 Compulsorily Convertible Preference Shares of ₹10 each	₹1,600,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 10,000,000 Preference Shares of ₹10 each

Notes to Capital Structure

1. Share Capital History of our Company

Equity Share Capital

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

Date of Allotment	Number of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Capital (₹)
December 12, 2002	100,000	10	10.00	Cash	Subscription to the Memorandum of Association ⁽¹⁾	100,000	1,000,000
March 1, 2004	900,000	10	10.00	Cash	Preferential allotment ⁽²⁾	1,000,000	10,000,000
March 31, 2006	4,000,000	10	10.00	Cash	Preferential allotment ⁽³⁾	5,000,000	50,000,000
June 23, 2010	13,750,000	10	-	Other than cash	Bonus issue in the ratio of 11:4 ⁽⁴⁾	18,750,000	187,500,000

Date of Allotment	Number of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Capital (₹)
August 10, 2012	3,674,500	10	444.50	Cash	Preferential allotment ⁽⁵⁾	22,424,500	224,245,000
Issue of Equity Shares in the last two years preceding the date of this Draft Red Herring Prospectus							
February 6, 2015	7,141,664	10	-	Conversion	Conversion of CCPS ⁽⁶⁾	29,566,164	295,661,640
February 9, 2015	491,980	10	156.52	Cash	Preferential allotment ⁽⁷⁾	30,058,144	300,581,440
February 9, 2015	40,000	10	444.50	Cash	Preferential Allotment ⁽⁸⁾	30,098,144	300,981,440
February 12, 2015	90,294,432	10	-	Other than cash	Bonus issue in the ratio of 3:1 ⁽⁹⁾	120,392,576	1,203,925,760

- (1) Subscription by Mr. Ravi. B. Goyal (50,000 Equity Shares), Mr. Badrinarain K. Goyal (25,000 Equity Shares) and Mr. Kunjbihari S. Goyal (25,000 Equity Shares).
- (2) Preferential allotment of 900,000 Equity Shares to Mr. Ravi B. Goyal.
- (3) Preferential allotment of 4,000,000 Equity Shares to Mr. Ravi B. Goyal.
- (4) Pursuant to a Shareholders' resolution dated June 23, 2010, bonus shares were allotted to the Shareholders as on a record date of June 23, 2010, namely Mr. Ravi B. Goyal (13,612,485 Equity Shares), Mr. Badrinarain K. Goyal (137,500 Equity Shares), Mrs. Anupama R. Goyal (3 Equity Shares), Mrs. Vimla B. Goyal (3 Equity Shares), Mr. Kiran B. Goyal (3 Equity Shares), Mrs. Nidhi K. Goyal (3 Equity Shares) and Ms. Neha R. Goyal (3 Equity Shares) by capitalizing the general reserves of our Company.
- (5) Preferential allotment of 3,674,500 Equity Shares to Oriole.
- (6) Allotment of 6,991,664 Equity Shares to TPG and 150,000 Equity Shares to Oriole upon the conversion of 6,991,664 Compulsorily Convertible Preference Shares – Series A and 150,000 Compulsorily Convertible Preference Shares – Series B held by TPG and Oriole, respectively. In accordance with the terms of the amended and restated shareholders' agreement dated August 6, 2012, the CCPS were converted into Equity Shares in the ratio of 1:1 without payment of any additional conversion price. Accordingly, no additional consideration was paid by TPG and Oriole at the time of conversion of the CCPS into Equity Shares.
- (7) Preferential allotment to AGSTTL Employees' Welfare Trust (431,500 Equity Shares), Mr. Anand Agarwal (18,480 Equity Shares), Mr. V.C. Gupte (11,500 Equity Shares), Mr. Shailesh Shetty (9,000 Equity Shares), Mr. Vishnu Kamat (4,500 Equity Shares), Mr. Rajesh Shah (4,500 Equity Shares), Mr. Nikhil Patiyat (4,500 Equity Shares), Mr. Subrat Mishra (4,500 Equity Shares) and Mr. Ravindra Deshpande (3,500 Equity Shares) under ESOS 2012.
- (8) Preferential allotment of 40,000 Equity Shares to the AGSTTL Employees' Welfare Trust under ESOS 2012.
- (9) Pursuant to a Shareholders' resolution dated February 3, 2015, bonus shares were allotted to the Shareholders as on a record date of February 11, 2015, namely, Mr. Ravi B. Goyal (49,845,234 Equity Shares), Mr. Badrinarain K. Goyal (562,500 Equity Shares), Mrs. Anupama R. Goyal (12 Equity Shares), Mrs. Vimla B. Goyal (12 Equity Shares), Mr. Kiran B. Goyal (12 Equity Shares), Mrs. Nidhi K. Goyal (12 Equity Shares), Ms. Neha R. Goyal (12 Equity Shares), TPG (23,442,639 Equity Shares), Oriole (14,848,059 Equity Shares), AGSTTL Employees' Welfare Trust (1,414,500 Equity Shares), Mr. Shailesh Shetty (27,000 Equity Shares), Mr. V.C. Gupte (34,500 Equity Shares), Mr. Vishnu Kamat (13,500 Equity Shares), Mr. Rajesh Shah (13,500 Equity Shares), Mr. Nikhil Patiyat (13,500 Equity Shares), Mr. Subrat Mishra (13,500 Equity Shares), Mr. Ravindra Deshpande (10,500 Equity Shares) and Mr. Anand Agarwal (55,440 Equity Shares) by capitalizing the securities premium of our Company.

(b) Preference Share Capital

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

Date of Allotment	Number of CCPS Allotted	Face Value per CCPS (₹)	Issue Price per CCPS (₹)	Nature of Consideration	Reason for/ Nature of Allotment	Cumulative Number of CCPS	Cumulative Paid-up Preference Share capital (₹)
June 7, 2011	5,140,929	10	243.15	Cash	Preferential allotment ⁽¹⁾	5,140,929	51,409,290

Date of Allotment	Number of CCPS Allotted	Face Value per CCPS (₹)	Issue Price per CCPS (₹)	Nature of Consideration	Reason for/ Nature of Allotment	Cumulative Number of CCPS	Cumulative Paid-up Preference Share capital (₹)
March 3, 2012	1,850,735	10	243.15	Cash	Preferential allotment ⁽²⁾	6,991,664	69,916,640
August 10, 2012	150,000	10	444.50	Cash	Preferential allotment ⁽³⁾	7,141,664	71,416,640

(1) Preferential allotment of 5,140,929 Compulsorily Convertible Preference Shares – Series A to TPG.

(2) Preferential allotment of 1,850,735 Compulsorily Convertible Preference Shares – Series A to TPG.

(3) Preferential allotment of 150,000 Compulsorily Convertible Preference Shares – Series B to Oriole.

Pursuant to a Board resolution dated February 6, 2015, an aggregate of 7,141,664 Equity Shares were allotted to TPG and Oriole, the holders of the CCPS, upon the conversion of the CCPS.

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

2. Issue of Equity Shares for Consideration other than Cash

Except as stated below, no Equity Shares have been issued by our Company for consideration other than cash or out of revaluation reserves on the date of this Draft Red Herring Prospectus.

- (a) Our Company has not issued any Equity Shares out of revaluation reserves since incorporation.
- (b) Our Company has made bonus issues of Equity Shares in the past. Details of the bonus issues are provided in the following table:

Date of Allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Reason for Allotment	Benefits Accrued to our Company	Source out of which Bonus Shares Issued
June 23, 2010	13,750,000	10	-	Bonus issue in the ratio of 11:4 ⁽¹⁾	-	General reserves
February 12, 2015	90,294,432	10	-	Bonus issue in the ratio of 3:1 ⁽²⁾	-	Securities premium account

(1) Pursuant to a Shareholders' resolution dated June 23, 2010, bonus shares were allotted to the Shareholders as on a record date of June 23, 2010, namely Mr. Ravi B. Goyal (13,612,485 Equity Shares), Mr. Badrinarain K. Goyal (137,500 Equity Shares), Mrs. Anupama R. Goyal (3 Equity Shares), Mrs. Vimla B. Goyal (3 Equity Shares), Mr. Kiran B. Goyal (3 Equity Shares), Mrs. Nidhi K. Goyal (3 Equity Shares) and Ms. Neha R. Goyal (3 Equity Shares) by capitalizing the general reserves of our Company.

(2) Pursuant to a Shareholders' resolution dated February 3, 2015, bonus shares were allotted to the Shareholders as on a record date of February 11, 2015, namely, Mr. Ravi B. Goyal (49,845,234 Equity Shares), Mr. Badrinarain K. Goyal (562,500 Equity Shares), Mrs. Anupama R. Goyal (12 Equity Shares), Mrs. Vimla B. Goyal (12 Equity Shares), Mr. Kiran B. Goyal (12 Equity Shares), Mrs. Nidhi K. Goyal (12 Equity Shares), Ms. Neha R. Goyal (12 Equity Shares), TPG (23,442,639 Equity Shares), Oriole (14,848,059 Equity Shares), AGSTTL Employees' Welfare Trust (1,414,500 Equity Shares), Mr. Shailesh Shetty (27,000 Equity Shares), Mr. V.C. Gupte (34,500 Equity Shares), Mr. Vishnu Kamat (13,500 Equity Shares), Mr. Rajesh Shah (13,500 Equity Shares), Mr. Nikhil Patiyat (13,500 Equity Shares), Mr. Subrat Mishra (13,500 Equity Shares), Mr. Ravindra Deshpande (10,500 Equity Shares) and Mr. Anand Agarwal (55,440 Equity Shares) by capitalizing the securities premium of our Company.

3. Details of Promoter's Contribution and Lock-in

As on the date of this Draft Red Herring Prospectus, our Promoter holds 66,460,312 Equity Shares, constituting 55.20% of the issued, subscribed and paid-up Equity Share capital of our Company.

(a) Capital build-up of our Promoter's equity shareholding in our Company:

Date of allotment/ transfer	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Transfer price per Equity Share (₹)	Nature of Consideration	Nature of Acquisition /Allotment/ Transfer	Percentage (%) of Pre- Offer Equity Share Capital	Percentage (%) of Post- Offer Equity Share Capital
December 12, 2002	50,000	10	10.00	Cash	Subscription to the Memorandum of Association	0.04	[●]
March 1, 2004	900,000	10	10.00	Cash	Preferential allotment	0.75	[●]
March 31, 2006	4,000,000	10	10.00	Cash	Preferential allotment	3.32	[●]
May 31, 2010	(5)	10	10.00	Cash	Transfer of 1 Equity Share each to Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal	Negligible	[●]
June 23, 2010	13,612,485	10	-	Other than cash	Bonus issue in the ratio of 11:4	11.31	[●]
August 11, 2011	(822,549)	10	243.15	Cash	Transfer to TPG	0.68	[●]
August 9, 2012	(1,124,853)	10	444.50	Cash	Transfer to Oriole	0.93	[●]
February 12, 2015	49,845,234	10	-	Other than cash	Bonus issue in the ratio of 3:1	41.40	[●]
Total	66,460,312					55.20	

All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoter are pledged.

(b) Details of Promoter's contribution locked in for three years:

Pursuant to Regulation 36 of the SEBI Regulations, at least an aggregate of 20% of the post-Offer shareholding of our Promoter shall be locked-in for a period of three years from the date of Allotment.

The Equity Shares that are being locked-in are not ineligible for computation of minimum Promoter's contribution under Regulation 33 of the SEBI Regulations. In this regard, our Company confirms that the Equity Shares being locked-in do not consist of:

- (i) Equity Shares acquired during the preceding three years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets or (b) arising from bonus issue

by utilization of revaluation reserves or unrealized profits of our Company or from a bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;

- (ii) Equity Shares acquired by our Promoter during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which Equity Shares are being offered to the public in the Offer;
- (iii) Equity Shares issued to our Promoter upon conversion of a partnership firm; and
- (iv) Equity Shares pledged with any creditor.

The details of the Equity Shares of our Promoter locked-in as minimum Promoter's contribution are given below:

Name of the Promoter	No. of Equity Shares	Date of allotment/transfer of Equity Shares and when made fully paid-up	Nature of Transaction	Face Value per Equity Share (₹)	Issue/ Acquisition Price per Equity Share (₹)	Percentage (%) to Pre-Offer Paid-up Capital	Percentage (%) to Post-Offer Paid-up Capital
Mr. Ravi B. Goyal	[●]	[●]	[●]	[●]	[●]	[●]	[●]
TOTAL							

Our Promoter has confirmed to our Company and the BRLMs that acquisition of the Equity Shares held by our Promoter and which will be locked in as promoter's contribution have been financed from his personal funds and no loans or financial assistance from any bank or financial institution has been availed for such purpose.

The Promoter's contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the person defined as a promoter under the SEBI Regulations.

(c) *Details of share capital locked-in for one year:*

In addition to the Equity Shares proposed to be locked-in as part of our Promoter's contribution as stated above, the entire pre-Offer equity share capital of our Company will be locked-in for a period of one year from the date of allotment of Equity Shares in the Offer except the following: (i) any Equity Shares held by the employees of our Company (who continue to be the employees of our Company as on the date of Allotment) which may be allotted to them under the ESOS 2012 prior to the Offer (it is clarified that consultants and employees of our Group Entities shall not be exempt from the lock-in requirements), and (ii) the Equity Shares forming part of the Offer for Sale.

(d) *Other requirements in respect of lock-in:*

Pursuant to Regulation 39 of the SEBI Regulations, the locked-in Equity Shares held by our Promoter can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such scheduled commercial bank or public financial institution, provided that (i) the pledge of shares is one of the terms of sanction of the loan and (ii) if the shares are locked-in as Promoter's contribution for three years under Regulation 36(a) of the SEBI Regulations, then in addition to the requirement in (i) above, such shares may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Offer.

Pursuant to Regulation 40 of the SEBI Regulations, Equity Shares held by our Promoter, which are locked-in in accordance with Regulation 36 of the SEBI Regulations, may be transferred to and among our Promoter and any member of the Promoter Group, or to a new promoter or persons in control of our

Company subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 40 of the SEBI Regulations, Equity Shares held by shareholders other than our Promoter which are locked-in in accordance with Regulation 37 of the SEBI Regulations, may be transferred to any other person holding shares which are locked-in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable.

(e) *Lock-in of Equity Shares Allotted to Anchor Investors:*

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

4. Details of the build-up of equity share capital held by the Investor Selling Shareholders and the Promoter Selling Shareholder in our Company

For details of the Equity Share capital build-up of the Promoter Selling Shareholder, Mr. Ravi B. Goyal, see the section “*Capital Structure – Notes to Capital Structure - Details of Promoter’s Contribution and Lock-in – Capital build-up of our Promoter’s equity shareholding in our Company*” on page 73.

Name of Investor Selling Shareholder	Date of Allotment/ Transfer	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ transfer price per Equity Share (₹)	Nature of Consideration	Nature of Acquisition /Allotment/ Transfer	Percentage (%) of Pre-Offer Equity Share Capital	Percentage (%) of Post- Offer Equity Share Capital
TPG	August 11, 2011	822,549	10	243.15	Cash	Transfer from Mr. Ravi B. Goyal	0.69	[●]
	February 6, 2015	6,991,664	10	-	Conversion	Conversion of CCPS*	5.81	[●]
	February 12, 2015	23,442,639	10	-	Other than Cash	Bonus issue in the ratio 3:1	19.47	[●]
Total		31,256,852					25.96	[●]
Oriole	August 9, 2012	1,124,853	10	444.50	Cash	Transfer from Mr. Ravi B. Goyal	0.93	[●]
	August 10, 2012	3,674,500	10	444.50	Cash	Preferential allotment	3.05	[●]
	February 6, 2015	150,000	10	-	Conversion	Conversion of CCPS*	0.12	[●]
	February 12, 2015	14,848,059	10	-	Other than Cash	Bonus issue in the ratio 3:1	12.33	[●]
Total		19,797,412					16.44	[●]

* In accordance with the terms of the amended and restated shareholders’ agreement dated August 6, 2012, the CCPS were converted into Equity Shares in the ratio of 1:1 without payment of any additional conversion price. Accordingly, no additional consideration was paid by TPG and Oriole at the time of conversion of the CCPS into Equity Shares.

5. Shareholding Pattern of our Company

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

S. No.	Category of Shareholders	Number of Shareholders	Total Number of Equity Shares (Pre- Offer)	Number of Equity Shares Held in Dematerialised Form (Pre- Offer)	Total number of Equity Shares (Post- Offer)	Total Shareholding as a Percentage of Total Number of Equity Shares		Equity Shares Pledged or Otherwise Encumbered	
						Pre- Offer	Post- Offer	Number of Equity Shares	As a Percentage of Total Number of Equity Shares
(A)	Promoter and Promoter Group								
(1)	Indian								
(a)	Individuals/ Hindu Undivided Family	3	67,210,328	67,210,328	[•]	55.83	[•]	[•]	[•]
(b)	Central Government /State Government(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-
(e)	Any Other (Partnership Firms)	1	64	64	-	Negligible	-	-	-
	Sub-Total (A)(1)	4	67,210,392	67,210,392	[•]	55.83	[•]	[•]	[•]
(2)	Foreign								
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	4	67,210,392	67,210,392	[•]	55.83	[•]	[•]	[•]
(B)	Public shareholding								
(1)	Institutions								
(a)	Mutual Funds/UTI	-	-	-	-	-	-	-	-
(b)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-
(c)	Central Government /State Government(s)	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-
(h)	Any Other (Bodies Corporate/Trust)	3	52,940,264	52,940,264	[•]	43.97	[•]	[•]	[•]
	Sub-Total (B)(1)	3	52,940,264	52,940,264	[•]	43.97	[•]	[•]	[•]
(2)	Non-Institutions								
(a)	Bodies Corporate	-	-	-	[•]	[•]	[•]	[•]	[•]
(b)	Individuals								
(b)	i. Individual shareholders holding nominal share capital up to ₹1 lakh	-	-	-	-	-	-	-	-
	ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh	8	241,920	241,920	[•]	0.20	[•]	[•]	[•]
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	8	241,920	241,920	[•]	0.20	[•]	[•]	[•]

S. No.	Category of Shareholders	Number of Shareholders	Total Number of Equity Shares (Pre- Offer)	Number of Equity Shares Held in Dematerialised Form (Pre- Offer)	Total number of Equity Shares (Post- Offer)	Total Shareholding as a Percentage of Total Number of Equity Shares		Equity Shares Pledged or Otherwise Encumbered	
						Pre- Offer	Post- Offer	Number of Equity Shares	As a Percentage of Total Number of Equity Shares
	Total Public Shareholding (B) = (B)(1)+(B)(2)	11	53,182,184	53,182,184	[•]	44.17	[•]	[•]	[•]
	TOTAL (A)+(B)	15	120,392,576	120,392,576	[•]	100	[•]	[•]	[•]
(C)	Shares held by Custodians and against which Depository Receipts have been issued								
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-
	TOTAL (A)+(B)+(C)	15	120,392,576	120,392,576	[•]	100	[•]	[•]	[•]

6. Except as set forth below, there are no public shareholders holding more than 1% of the pre- Offer paid-up capital of our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage (%)
1.	TPG	31,256,852	25.96
2.	Oriole	19,797,412	16.44
3.	AGSTTL Employees' Welfare Trust	1,886,000	1.57
TOTAL		52,940,264	43.97

7. Details of the shareholding of our Promoter and the members of the Promoter Group as on the date of filing of this Draft Red Herring Prospectus are set forth below:

Name of the Shareholder	Total Equity Shares	Percentage (%) of Pre- Offer Capital
Promoter		
Mr. Ravi B. Goyal	66,460,312	55.20
Total Holding of the Promoter (A)	66,460,312	55.20
Promoter Group		
Mr. Badrinarain K. Goyal	750,000	0.62
Ms. Anupama R. Goyal	16	Negligible
Trinity Ventures (represented by its partners, Mr. Kiran B. Goyal and Mr. Vinayak R. Goyal)	64	Negligible
Total holding of the Promoter Group (other than Promoter) (B)	750,080	0.62
Total Holding of Promoter and Promoter Group (A+B)	67,210,392	55.83

8. There are no securities of our Company or any of the Subsidiaries that have been purchased or sold by our Promoter, the Promoter Group and/or the Directors and/or the immediate relatives of the Directors within the last six months preceding the date of filing the Draft Red Herring Prospectus with the SEBI, except the following transfer of Equity Shares of our Company on March 19, 2015:

Name of the Transferor	Name of the Transferee	Number of Equity Shares	Aggregate Consideration (in ₹)	Percentage (%) of Pre-Offer Capital
Promoter Group				
Mrs. Vimla B. Goyal	Trinity Ventures*	16	9,936	Negligible
Ms. Neha R. Goyal	Trinity Ventures*	16	9,936	Negligible
Mr. Kiran B. Goyal	Trinity Ventures*	16	9,936	Negligible
Mrs. Nidhi K. Goyal	Trinity Ventures*	16	9,936	Negligible
Total		64		Negligible

* Represented by its partners, Mr. Kiran B. Goyal and Mr. Vinayak R. Goyal

9. Equity Shares held by the top 10 Shareholders:

(a) As of the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares Held	Percentage (%) of Pre- Offer Capital	Percentage (%) of Post- Offer Capital
1.	Mr. Ravi B. Goyal	66,460,312	55.20	●
2.	TPG	31,256,852	25.96	●
3.	Oriole	19,797,412	16.44	●
4.	AGSTTL Employees' Welfare Trust	1,886,000	1.57	●
5.	Mr. Badrinarain K. Goyal	750,000	0.62	●
6.	Mr. Anand Agarwal	73,920	0.06	●
7.	Mr. V.C. Gupte	46,000	0.04	●
8.	Mr. Shailesh Shetty	36,000	0.03	●
9.	Mr. Vishnu Kamat	18,000	0.02	●
	Mr. Rajesh Shah	18,000	0.02	●
	Mr. Nikhil Patiyat	18,000	0.02	●
	Mr. Subrat Mishra	18,000	0.02	●
10.	Mr. Ravindra Deshpande	14,000	0.01	●
TOTAL		120,392,496	99.99	●

(b) As of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares Held	Percentage (%) of Pre- Offer Capital	Percentage (%) of Post- Offer Capital
1.	Mr. Ravi B. Goyal	66,460,312	55.20	●
2.	TPG	31,256,852	25.96	●
3.	Oriole	19,797,412	16.44	●
4.	AGSTTL Employees' Welfare Trust	1,886,000	1.57	●
5.	Mr. Badrinarain K. Goyal	750,000	0.62	●
6.	Mr. Anand Agarwal	73,920	0.06	●
7.	Mr. V.C. Gupte	46,000	0.04	●
8.	Mr. Shailesh Shetty	36,000	0.03	●
9.	Mr. Vishnu Kamat	18,000	0.02	●
	Mr. Rajesh Shah	18,000	0.02	●
	Mr. Nikhil Patiyat	18,000	0.02	●
	Mr. Subrat Mishra	18,000	0.02	●

S. No.	Name of the Shareholder	Number of Equity Shares Held	Percentage (%) of Pre-Offer Capital	Percentage (%) of Post-Offer Capital
10.	Mr. Ravindra Deshpande	14,000	0.01	●
	TOTAL	120,392,496	99.99	●

(c) As of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares Held	Percentage (%) of Pre-Offer Capital	Percentage (%) of Post-Offer Capital
1.	Mr. Ravi B. Goyal	16,615,078	74.09	●
2.	Oriole	4,799,353	21.40	●
3.	TPG	822,549	3.67	●
4.	Mr. Badrinarain K. Goyal	187,500	0.84	●
5.	Ms. Neha R. Goyal	4	Negligible	●
6.	Mrs. Vimla B. Goyal	4	Negligible	●
7.	Mrs. Nidhi K. Goyal	4	Negligible	●
8.	Mrs. Anupama R. Goyal	4	Negligible	●
9.	Mr. Kiran B. Goyal	4	Negligible	●
	TOTAL	22,424,500	100	●

10. Employee Stock Option Plans

The employee stock options of our Company have been granted under the ESOS 2012 and ESOS 2015.

(a) ESOS 2012

Our Company instituted the ESOS 2012 pursuant to resolutions passed by the Board and the Shareholders, each dated February 29, 2012. The SEBI ESOP Guidelines and the SEBI ESOP Regulations were not applicable to our Company at the time when ESOS 2012 was implemented. Subsequently, ESOS 2012 was amended and currently, the ESOS 2012 is compliant with the SEBI ESOP Regulations.

Pursuant to a Shareholders' resolution dated February 3, 2015, bonus shares were allotted in the ratio of 3:1 to the Shareholders as on a record date of February 11, 2015. Pursuant to the adjustment made as a result of such bonus issue, the total number of options that can be granted under ESOS 2012 is 2,077,668 (excluding exercised options).

Our Company has granted 531,980 options (net of cancelled options). Pursuant to the bonus issue undertaken by our Company on February 11, 2015, the number of options granted was adjusted to 1,886,000 options. Such options are convertible into 1,886,000 Equity Shares, which represents 1.57% of the pre-Offer paid-up Equity Share capital of our Company. ESOS 2012 is administered by the AGSTTL Employees' Welfare Trust. Pursuant to a Shareholders' resolution dated February 3, 2015, our Company approved the grant of an interest free unsecured loan of up to ₹92,000,000 to AGSTTL Employees Welfare Trust, in one or more tranche(s), to be utilized for the purpose of purchasing the Equity Shares of our Company under ESOS 2012, and such shares to be allocated to the employees of our Company upon the exercise of options under ESOS 2012. The following table sets forth the particulars of the options granted under the ESOS 2012 as on the date of filing of this Draft Red Herring Prospectus:

Particulars	Details
Options granted	565,500, comprising 467,500 options granted in financial year 2012, 12,500 options granted in financial year 2013 and 85,500 in financial year 2015. Pursuant to adjustments made on account of the bonus issue, a

Particulars	Details
	total of 1,886,000 options have been granted.
The pricing formula	- Financial year 2012: 467,500 options, adjusted to 1,544,000 options on account of the bonus issue, were granted at fair market value - Financial year 2013: 12,500 options granted at 21.74% discount to fair market value - Financial year 2015: 40,000 options, adjusted to 160,000 options on account of the bonus issue, were granted at 27.03% discount to fair market value and 45,500 options, adjusted to 182,000 options on account of the bonus issue, were granted at 74.31% discount to fair market value
Exercise price of options (as on the date of grant of options)	- Financial year 2012 – 467,500 options, adjusted to 1,544,000 options on account of the bonus issue: ₹156.52, adjusted to ₹39.13 on account of the bonus issue - Financial year 2013 – 12,500 options: ₹156.52 - Financial year 2015 – 45,500 options, adjusted to 182,000 options on account of the bonus issue: ₹156.52, adjusted to ₹39.13 on account of the bonus issue (“Grant I”); 40,000 options, adjusted to 160,000 options on account of the bonus issue: ₹444.50, adjusted to ₹111.125 on account of the bonus issue (“Grant II”)
Total options vested	446,480 options, adjusted to 1,544,000 options on account of the bonus issue
Options exercised	60,480
Total number of Equity Shares that would arise as a result of full exercise of options already granted (net of cancelled options)	471,500 adjusted to 1,886,000 Equity Shares on account of the bonus issue
Options forfeited/lapsed/cancelled	33,520
Variation in terms of options	Nil
Money realised by exercise of options	₹9,466,330
Options outstanding (in force)	471,500, adjusted to 1,886,000 options on account of the bonus issue
Employee wise details of options granted to	
(i) Senior managerial personnel, i.e. Directors and key management personnel	See Note 1 below
(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	See Note 2 below
(iii) Identified employees who are 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	Nil
Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with Accounting Standard (AS) 20 ‘Earning Per Share’	Diluted EPS as per consolidated restated financial information as at September 30, 2014: ₹1.19

Particulars	Details																																				
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company for financial years 2012, 2013 and 2014	Financial year 2012 Impact on profit: Profit would be less by ₹4,986,543 Impact on EPS: <table> <tr> <td>Basic EPS</td><td></td></tr> <tr> <td>- As reported</td><td>₹1.40</td></tr> <tr> <td>- Proforma</td><td>₹1.34</td></tr> <tr> <td>Diluted EPS</td><td></td></tr> <tr> <td>- As reported</td><td>₹1.02</td></tr> <tr> <td>- Proforma</td><td>₹0.98</td></tr> </table> Financial year 2013 Impact on profit: Profit would be less by ₹8,084,440 Impact on EPS: <table> <tr> <td>Basic EPS</td><td></td></tr> <tr> <td>- As reported</td><td>₹0.44</td></tr> <tr> <td>- Proforma</td><td>₹0.35</td></tr> <tr> <td>Diluted EPS</td><td></td></tr> <tr> <td>- As reported</td><td>₹0.33</td></tr> <tr> <td>- Proforma</td><td>₹0.26</td></tr> </table> Financial year 2014 Impact on profit: Profit would be less by ₹3,031,159 Impact on EPS: <table> <tr> <td>Basic EPS</td><td></td></tr> <tr> <td>- As reported</td><td>₹0.46</td></tr> <tr> <td>- Proforma</td><td>₹0.42</td></tr> <tr> <td>Diluted EPS</td><td></td></tr> <tr> <td>- As reported</td><td>₹0.35</td></tr> <tr> <td>- Proforma</td><td>₹0.32</td></tr> </table>	Basic EPS		- As reported	₹1.40	- Proforma	₹1.34	Diluted EPS		- As reported	₹1.02	- Proforma	₹0.98	Basic EPS		- As reported	₹0.44	- Proforma	₹0.35	Diluted EPS		- As reported	₹0.33	- Proforma	₹0.26	Basic EPS		- As reported	₹0.46	- Proforma	₹0.42	Diluted EPS		- As reported	₹0.35	- Proforma	₹0.32
Basic EPS																																					
- As reported	₹1.40																																				
- Proforma	₹1.34																																				
Diluted EPS																																					
- As reported	₹1.02																																				
- Proforma	₹0.98																																				
Basic EPS																																					
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- Proforma	₹0.26																																				
Basic EPS																																					
- As reported	₹0.46																																				
- Proforma	₹0.42																																				
Diluted EPS																																					
- As reported	₹0.35																																				
- Proforma	₹0.32																																				
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock for financial years 2012, 2013 and 2015	Financial year 2012 Weighted average exercise price (as on the date of grant) – ₹156.52 Weighted average fair value (as on the date of grant) – ₹33.61 Financial year 2013 Weighted average exercise price (as on the date of grant) – ₹156.52 Weighted average fair value (as on the date of grant) – ₹31.09 Financial year 2015 Weighted average exercise price (as on the date of grant): Grant I – ₹156.52 Grant II - ₹444.50 Weighted average fair value (as on the date of grant): Grant I - ₹485.01 Grant II - ₹249.19																																				

Particulars	Details																				
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	Our Company has adopted the Black Scholes method to estimate the fair value of the options with the following assumptions: Financial year 2012 - Risk free interest rate: 8.33%, 8.29% and 8.27% each of three vesting dates - Expected life: 3.04 years - Expected volatility: Nil - Expected dividends: Nil - Fair market value of share in market at the time of grant of option: ₹156.52 Financial year 2013 - Risk free interest rate: 7.91%, 7.92% and 7.94% each of three vesting dates - Expected life: 2.91 years - Expected volatility: Nil - Expected dividends: Nil - Fair market value of share in market at the time of grant of option: ₹200 Financial year 2015 – Grant I - Risk free interest rate: 9.05% - Expected life: 2.50 years - Expected volatility: Nil - Expected dividends: Nil - Fair market value of share in market at the time of grant of option: ₹609.83 Financial year 2015 – Grant II - Risk free interest rate: 9.05% - Expected life: 2.31 years - Expected volatility: Nil - Expected dividends: Nil - Fair market value of share in market at the time of grant of option: ₹609.83																				
Vesting schedule	Vesting of options granted in the financial year 2012: <table> <tr> <th>Date of Vesting</th><th>% of Vesting</th></tr> <tr> <td>All option holders</td><td></td></tr> <tr> <td>March 31, 2012</td><td>33</td></tr> <tr> <td>March 31, 2013</td><td>33</td></tr> <tr> <td>March 31, 2014</td><td>34</td></tr> </table> Vesting of options granted in the financial year 2013: <table> <tr> <th>Date of Vesting</th><th>% of Vesting</th></tr> <tr> <td>All option holders</td><td></td></tr> <tr> <td>August 15, 2012</td><td>33</td></tr> <tr> <td>March 31, 2013</td><td>33</td></tr> <tr> <td>March 31, 2014</td><td>34</td></tr> </table>	Date of Vesting	% of Vesting	All option holders		March 31, 2012	33	March 31, 2013	33	March 31, 2014	34	Date of Vesting	% of Vesting	All option holders		August 15, 2012	33	March 31, 2013	33	March 31, 2014	34
Date of Vesting	% of Vesting																				
All option holders																					
March 31, 2012	33																				
March 31, 2013	33																				
March 31, 2014	34																				
Date of Vesting	% of Vesting																				
All option holders																					
August 15, 2012	33																				
March 31, 2013	33																				
March 31, 2014	34																				

Particulars	Details														
	Vesting of options granted in the financial year 2015: <table> <tr> <th>Date of Vesting</th><th>% of Vesting</th></tr> <tr> <td>All option holders</td><td></td></tr> <tr> <td>Grant I</td><td></td></tr> <tr> <td>February 2, 2016</td><td>100</td></tr> <tr> <td>Grant II</td><td></td></tr> <tr> <td>February 2, 2016</td><td>62.5</td></tr> <tr> <td>February 2, 2017</td><td>37.5</td></tr> </table>	Date of Vesting	% of Vesting	All option holders		Grant I		February 2, 2016	100	Grant II		February 2, 2016	62.5	February 2, 2017	37.5
Date of Vesting	% of Vesting														
All option holders															
Grant I															
February 2, 2016	100														
Grant II															
February 2, 2016	62.5														
February 2, 2017	37.5														
Lock-in	Nil														
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	Our Company has followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations and the impact is as follows: <i>Impact on profits</i> Financial year 2012: 0 Financial year 2013: ₹534,000 Financial year 2014: ₹534,000 <i>Impact on Basic EPS</i> Financial year 2012: 0 Financial year 2013: 0 Financial year 2014: 0 <i>Impact on Diluted EPS</i> Financial year 2012: 0 Financial year 2013: 0 Financial year 2014: 0														
Aggregate number of Equity Shares intended to be sold by holders of Equity Shares allotted on exercise of options granted under ESOS 2012, within three months after the listing of Equity Shares pursuant to the Offer and quantum of Equity Shares arising out of or allotted under ESOS 2012 intended to be sold within three months after the date of listing, by Directors, senior managerial personnel and employees having Equity Shares issued under ESOS 2012 amounting to more than 1% of the issued capital of our Company	Other than Mr. Ankur Sharma, who intends to sell 7,500 Equity Shares held by the AGSTTL Employees' Welfare Trust on his behalf within three months after the listing of Equity Shares pursuant to the Offer, there are no Equity Shares intended to be sold by holders of Equity Shares allotted on exercise of options granted under ESOS 2012, within three months after the listing of Equity Shares pursuant to the Offer and quantum of Equity Shares arising out of or allotted under ESOS 2012 intended to be sold within three months after the date of listing, by Directors, senior managerial personnel and employees having Equity Shares issued under ESOS 2012 amounting to more than 1% of the issued capital of our Company.														

Note 1: Details regarding options granted to the senior managerial personnel, i.e., Directors and key management personnel, under the ESOS 2012 are set forth below:

Name of Director/ Key Management Personnel	Total Number of Options Granted	Total Number of Options post bonus adjustments	Total Number of Options Forfeited	Total Number of Options Outstanding
Mr. Amit Majumdar	40,000	160,000	0	160,000
Mr. Stanley Johnson	33,000	132,000	0	132,000
Mr. George Trelawney	20,500	82,000	0	82,000
Mr. Vijay Iyer	16,500	66,000	0	66,000
Mr. Satish Zope	16,000	64,000	0	64,000
Mr. Ankur Sharma	15,000	60,000	0	60,000
Mr. Surya Singh	13,500	54,000	0	54,000
Mr. V.C. Gupte	11,500	46,000	0	0
Mr. Saurabh Lal	7,000	28,000	0	28,000
Captain Partha Samai	5,500	22,000	0	22,000

Note 2: Employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year under the ESOS 2012 are set forth below:

Name of Employee	No. of Options Granted
Financial year 2012	
Mr. Stanley Johnson	28,000
Mr. Anand Agarwal*	28,000
Financial year 2013	
Mr. Ravindra Deshpande	3,500
Mr. Rajesh Shah	4,500
Mr. Subrat Mishra	4,500
Financial year 2015	
Mr. Amit Majumdar	40,000
Mr. Saurabh Lal	7,000
Mr. Ankur Sharma	5,000
Mr. Stanley Johnson	5,000
Mr. Vijay Iyer	5,000

**Mr. Anand Agarwal is no longer an employee of our Company*

Further, the details of the Equity Shares issued under ESOS 2012 aggregated on a quarterly basis is as follows:

S. No.	Quarter	Number of Equity Shares Issued	Price (in ₹)
1.	January 2015 to March 31, 2015	491,980	156.52
2.	January 2015 to March 31, 2015	40,000	444.50
3.	January 2015 to March 31, 2015*	1,595,940	0

**Pursuant to a Shareholders' resolution dated February 3, 2015, bonus shares were allotted in the ratio of 3:1 to the Shareholders as on a record date of February 11, 2015. Pursuant to adjustments made as a result of such bonus issue, 2,127,920 Equity Shares were allotted under ESOS 2012.*

(b) **ESOS 2015**

Our Company instituted the ESOS 2015 on January 30, 2015 pursuant to resolutions dated January 30, 2015 and February 3, 2015 passed by the Board and Shareholders, respectively. The ESOS 2015 is compliant with the SEBI ESOP Regulations.

Pursuant to a Shareholders' resolution dated February 3, 2015, bonus shares were allotted in the ratio of 3:1 to the Shareholders as on a record date of February 11, 2015. Pursuant to the adjustments made as a result of such bonus issue, the total number of options that can be granted under ESOS 2015 is 1,216,000, convertible into 1,216,000 Equity Shares.

As on the date of this Draft Red Herring Prospectus, no options have been granted by our Company under ESOS 2015.

No employee has received a grant in any one year of options, amounting to 5% or more of the options granted during the year under the ESOS 2015.

No senior managerial personnel, *i.e.*, Directors and key management personnel, and other employees were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant.

11. Our Company, the Directors and the BRLMs have not entered into any buy-back and/or standby arrangements or any safety net arrangement for purchase of Equity Shares from any person.
12. The details of the Equity Shares issued by our Company during a period of one year preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the Offer Price are provided in the following table:

S. No.	Name of Person/Entity	Whether Belongs to the Promoter Group	Date of Issue	Number of Equity Shares	Issue Price per Equity Share (₹)	Reasons for Allotment
1.	TPG	No	February 6, 2015	6,991,664	-	Conversion of CCPS
			February 12, 2015	23,442,639	-	Bonus issue in the ratio 3:1
2.	Oriole	No	February 6, 2015	150,000	-	Conversion of CCPS
			February 12, 2015	14,848,059	-	Bonus issue in the ratio 3:1
3.	AGSTTL Employees' Welfare Trust	No	February 9, 2015	431,500	156.52	Allotment under ESOS 2012
			February 9, 2015	40,000	444.50	Allotment under ESOS 2012
			February 12, 2015	1,414,500	-	Bonus issue in the ratio 3:1
4.	Mr. Shailesh Shetty	No	February 9, 2015	9,000	156.52	Allotment under ESOS 2012
			February 12, 2015	27,000	-	Bonus issue in the ratio 3:1
5.	Mr. V.C. Gupte	No	February 9, 2015	11,500	156.52	Allotment under ESOS 2012

S. No.	Name of Person/Entity	Whether Belongs to the Promoter Group	Date of Issue	Number of Equity Shares	Issue Price per Equity Share (₹)	Reasons for Allotment
			February 12, 2015	34,500	-	Bonus issue in the ratio 3:1
6.	Mr. Vishnu Kamat	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
7.	Mr. Rajesh Shah	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
8.	Mr. Nikhil Patiyat	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
9.	Mr. Subrat Mishra	No	February 9, 2015	4,500	156.52	Allotment under ESOS 2012
			February 12, 2015	13,500	-	Bonus issue in the ratio 3:1
10.	Mr. Ravindra Deshpande	No	February 9, 2015	3,500	156.52	Allotment under ESOS 2012
			February 12, 2015	10,500	-	Bonus issue in the ratio 3:1
11.	Mr. Anand Agarwal	No	February 9, 2015	18,480	156.52	Allotment under ESOS 2012
			February 12, 2015	55,440	-	Bonus issue in the ratio 3:1
12.	Mr. Ravi B. Goyal	Yes	February 12, 2015	49,845,234	-	Bonus issue in the ratio 3:1
13.	Mr. Badrinarain K. Goyal	Yes	February 12, 2015	562,500	-	Bonus issue in the ratio 3:1
14.	Mrs. Anupama R. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
15.	Mrs. Vimla B. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
16.	Mr. Kiran B. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
17.	Mrs. Nidhi K. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1
18.	Ms. Neha R. Goyal	Yes	February 12, 2015	12	-	Bonus issue in the ratio 3:1

13. No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.

14. Except as provided below, none of the Promoter, the members of the Promoter Group or the Directors has purchased/subscribed/sold any Equity Shares within three years immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI which in aggregate is equal to or greater than 1% of the pre-Offer capital of our Company:

Name of Person	Category	Date of Issue	Number of Equity Shares	Issue Price per Equity Share (₹)	Reasons for Allotment
Mr. Ravi B. Goyal	Promoter and Director	February 12, 2015	49,845,234	-	Bonus issue in the ratio 3:1

15. Our Company has not issued any Equity Shares pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956.
16. None of the BRLMs or any associate of the BRLMs hold any Equity Shares in our Company.
17. All Equity Shares will be fully paid-up at the time of Allotment failing which no Allotment shall be made.
18. There are 386,000 (post-bonus 1,544,000) options that have vested but have not been exercised under the ESOS 2012 of our Company which are convertible into 386,000 (post-bonus 1,544,000) Equity Shares.
19. Except for any issuance of Equity Shares pursuant to the vesting and/or exercise of the options granted pursuant to the ESOS 2012 and their consequent conversion into Equity Shares and the Pre-IPO Placement, there will not be any further issue of Equity Shares, whether by way of issue of bonus Equity Shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges.
20. Other than the outstanding options vested under the ESOS 2012, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares.
21. Except for any vesting and/or exercise of the options granted pursuant to the ESOS 2012 and their consequent conversion into Equity Shares, our Company presently does not intend or propose to alter the 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 whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, during such period or at a later date, our Company may issue and/or the Shareholders may directly or indirectly transfer or sell Equity Shares, convertible securities or other equity linked securities of our Company in relation to any acquisition, merger, joint venture or strategic alliance or for regulatory compliance or for any scheme of arrangement, in either case involving our Company or the Subsidiaries, Shareholders, Directors, or affiliates.
22. The Offer is being made through the Book Building Process wherein 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer will be available for allocation to Retail Individual Investors in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category (other than the QIB Category), would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange.

23. 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.
24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by the SEBI from time to time.
25. As of the date of the filing of this Draft Red Herring Prospectus, the total number of holders of our Equity Shares is 15.
26. Other than Mr. Ravi B. Goyal, who will be offering his Equity Shares in the Offer for Sale, our Promoter and Promoter Group will not participate in the Offer.
27. Our Company shall ensure that transactions in Equity Shares by the Promoter and the Promoter Group during the period between the date of registering the Red Herring Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transaction.

OBJECTS OF THE OFFER

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

Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale and the proceeds from the Offer for Sale will not form part of the Net Proceeds.

Fresh Issue

Our Company proposes to utilise the Net Proceeds raised through the Fresh Issue for the following objects:

1. Repayment/prepayment of loans granted by certain banks and financial institutions; and
2. General corporate purposes.

In addition, our Company expects to realise the benefits of listing of the Equity Shares on the Stock Exchanges, including the enhancement of its brand name and provision of liquidity to the Shareholders.

The details of the Net Proceeds are set forth below:

S. No.	Description	Amount (₹ in million)
1.	Gross proceeds from the Fresh Issue	4,000.00
2.	(Less) Offer related expenses ⁽¹⁾⁽²⁾	[●]
3.	Net Proceeds ⁽²⁾	[●]

⁽¹⁾ Other than listing fees, expenses in relation to the legal counsel of our Company and in relation to corporate advertisements which will be paid by our Company and expenses in relation to the legal counsel to the Investor Selling Shareholders which shall be paid by the Investor Selling Shareholders, all costs, fees and expenses with respect to the Offer will be shared between our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in proportion to the Equity Shares issued under the Fresh Issue and sold under the Offer for Sale, respectively, upon completion of the Offer. To the extent required under applicable law, any payments by our Company in relation to the Offer for Sale shall be on behalf of the Promoter Selling Shareholder and the Investor Selling Shareholders and such payments will be reimbursed by the Promoter Selling Shareholder and the Investor Selling Shareholders to our Company in proportion to the Equity Shares sold under the Offer for Sale.

⁽²⁾ Estimated amount will be incorporated at the time of filing of the Prospectus.

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.

Requirement of Funds, Utilisation of Net Proceeds and Means of Finance

The proposed utilisation of the Net Proceeds is set forth below:

S. No.	Objects	Amount Proposed to be Utilised from the Net Proceeds (₹ in million)
1.	Repayment/prepayment of loans granted by certain banks and financial institutions	3,100.00
2.	General Corporate Purposes*	[●]
	Total	[●]

* The amount shall not exceed 25% of the Net Proceeds.

We propose to meet the entire fund requirement from the Net Proceeds. Accordingly, there is no requirement to make firm arrangements of finance under the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer.

The fund deployment described below is based on financing and other agreements entered into by our Company, as applicable, and have not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment on account of various factors such as our financial condition, business and strategy as well as interest rate fluctuations, finance charges and other external factors, which may not be within the control of our management. In view of the competitive and dynamic nature of the industry in which we operate and on account of new plans that we may pursue and any modification in the developments and initiatives that we are currently pursuing or may pursue in the future, we may have to revise our planned allocation of funds from time to time. This may entail rescheduling the proposed utilization of the Net Proceeds and increasing or decreasing the allocation of funds for a particular purpose from its planned allocation at the discretion of our management, subject to compliance with applicable laws. See “*Risk Factors - Our Company will not receive any proceeds from the Offer for Sale portion and our Company’s management will have flexibility in utilizing the Net Proceeds. The deployment of the Net Proceeds is not subject to any monitoring by any independent agency*” on page 28.

In the event of any increase in the actual utilization of funds earmarked for the objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the objects is lower than the proposed deployment such balance will be used for future growth opportunities, including funding existing objects, if required and for general corporate purposes.

Schedule of Utilisation of the Net Proceeds

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

S. No.	Particulars	Amount Proposed to be Financed from the Net Proceeds (₹ in million)	Estimated Schedule of Deployment of Funds (Financial Year 2016) (₹ in million)	Estimated Schedule of Deployment of Funds (Financial Year 2017) (₹ in million)
1.	Repayment of loans granted by certain banks and financial institutions	3,100.00	3,100.00	-
2.	General Corporate Purposes	[●]	[●]	[●]
	Total	[●]	[●]	[●]

Details of the Objects of the Fresh Issue

1. Repayment of loans granted by certain banks and financial institutions

Our Company has entered into various financing arrangements with banks and other lenders. We intend to utilize up to ₹3,100.00 million from the Net Proceeds towards repayment/prepayment of certain of our outstanding loans as identified below.

The loans identified and listed below are in no particular order of priority. The selection of debt facilities and the quantum to be repaid or prepaid shall be based on various factors, including commercial considerations such as interest rate and tenor of the debt, applicability of any prepayment penalty and its quantum and other market conditions.

S. No.	Lender	Nature of Facility	Loan Currency	Amount outstanding as of December 31, 2014 (₹ in million)	Rate of Interest as of December 31, 2014 (Per Annum)	Repayment Terms	Repayment Tenure	Repayment/Prepayment Interest
1.	Standard Chartered Bank	Term Loan	INR	23.09	12.50% to 13.00% (multiple drawdowns)	Monthly repayment of ₹4.23 million	60 months (including moratorium period of six months)	Prepayment charges (based and calculated on interest differential and/or as agreed by the Standard Chartered Bank) or break costs
2.	ICICI Bank	Term Loan	INR	312.50	12.50%	Quarterly repayment of ₹31.25 million starting from August 2013	60 months (including moratorium period of 12 months)	Prepayment premium as determined by ICICI Bank; repayments in multiples of ₹30 million
3.	The South Indian Bank Limited	Term Loan	INR	500.00	12.00%	Quarterly repayment of ₹25.00 million starting from March 2015	72 months (including moratorium period of 12 months)	No prepayment premium payable in case of prepayment from internal accruals or own funds
4.	L&T Finance Limited	Term Loan	INR	1,281.40	12.80%	Quarterly repayment of ₹71.74 million starting from September 2013	72 months (including moratorium period of six months)	No prepayment premium payable in case of prepayment from internal accruals or own funds
5.	GE Capital Services	Term Loan	INR	236.83	12.45%	Monthly repayment of ₹4.83 million starting from February 2014	66 months from the date of each drawdown (including moratorium period of six months)	Prepayment fee of 1.25% of the amount being prepaid
6.	HDFC Bank	Term Loan	INR	217.50	11.80%	Quarterly repayment of ₹10.875 million starting from	63 months (including moratorium period of three months)	As may be negotiated with HDFC Bank at the time of

S. No.	Lender	Nature of Facility	Loan Currency	Amount outstanding as of December 31, 2014 (₹ in million)	Rate of Interest as of December 31, 2014 (Per Annum)	Repayment Terms	Repayment Tenure	Repayment/Prepayment Interest
						February 2015		prepayment
7.	DBS Bank	Working Capital Demand Loan*	INR	250.00	12.75%	Maximum tenor of 180 days	Note 1	As may be negotiated with DBS Bank at the time of prepayment
8.	Kotak Mahindra Bank	Working Capital Demand Loan*	INR	250.00	11.15%	Maximum tenor of 180 days	Note 1	Prepayment charge of 1% on the outstanding loan amount
9.	Standard Chartered Bank	Packing Credit	INR	200.00	11.75%	90 days	Note 1	Prepayment charges (based and calculated on interest differential and/or as agreed by the Standard Chartered Bank) or break costs
10.	Citi Bank	Cash Credit	INR	26.15	13.00%	On demand	Note 1	-
11.	Standard Chartered Bank	Cash Credit	INR	69.65	12.35%	On demand	Note 1	-
12.	ICICI Bank	Cash Credit	INR	13.14	13.50%	On demand	Note 1	-
13.	Yes Bank	Cash Credit	INR	128.86	13.25%	On demand	Note 1	-
14.	HDFC Bank	Cash Credit	INR	269.49	12.50%	On demand	Note 1	-
15.	Ratnakar Bank	Cash Credit	INR	295.71	13.50%	On demand	Note 1	-
16.	Axis Bank	Cash Credit	INR	239.90	11.90%	On demand	Note 1	-
17.	Kotak Mahindra Bank	Cash Credit	INR	49.44	11.75%	On demand	Note 1	-
	Total			4,363.65				

* As per current facility availed from the bank, this shall be subject to rollover upon expiry of the tenure.

Note 1: These loans are working capital loans and therefore, payable on demand.

Pursuant to a certificate dated March 21, 2015, Manubhai & Shah, Chartered Accountants, have certified that the above loans were utilized for the purposes for which they were sanctioned.

For further details on the terms and conditions of these financing arrangements, see the section “*Financial Indebtedness*” on page 296.

Our Company will approach the lenders after completion of the Offer for repayment/prepayment of certain of the above loans. In the event that we choose to prepay our loans, we may be required to pay an additional prepayment premium to our lenders. We believe that such repayment or prepayment will help in reducing our outstanding indebtedness and debt servicing costs, which in turn will assist in maintaining a favourable debt-equity ratio in the near future. In addition, we believe that our leverage capacity will improve to raise further funds in the future for purposes of potential business expansion opportunities.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating ₹[●] million towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited to funding working capital requirements, strengthening marketing capabilities and brand-building exercises, strategic initiatives, partnerships and joint ventures, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilising any surplus amounts.

Offer Related Expenses

The expenses of the Offer include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. The details of the estimated Offer expenses are set forth below:

Activity	Estimated Expenses* (₹ in million)	As a % of the Total Estimated Offer Expenses	As a % of the Total Offer size
Fees payable to the BRLMs	[●]	[●]	[●]
Offer related advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar	[●]	[●]	[●]
Underwriting commission, fees payable to the Bankers to the Offer, brokerage and selling commission, as applicable	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers**	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs**	[●]	[●]	[●]
Others (listing fees, legal fees, etc.)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

* Will be incorporated at the time of filing of the Prospectus.

** Disclosure of commission and processing fees will be incorporated at the time of filing the Red Herring Prospectus.

Other than listing fees, expenses in relation to the legal counsel of our Company and in relation to corporate advertisements which will be paid by our Company and expenses in relation to the legal counsel to the Investor Selling Shareholders which shall be paid by the Investor Selling Shareholders, all costs, fees and expenses with respect to the Offer will be shared between our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in proportion to the Equity Shares issued under the Fresh Issue and sold under the Offer for Sale, respectively, upon completion of the Offer. To the extent required under applicable law, any payments by our Company in relation to the Offer for Sale shall be on behalf of the Promoter Selling Shareholder and the Investor Selling Shareholders and such payments will be reimbursed by the Promoter Selling Shareholder and the Investor Selling Shareholders to our Company in proportion to the Equity Shares sold under the Offer for Sale.

Bridge Financing Facilities

Our Company has not raised any bridge loan as on the date of this Draft Red Herring Prospectus, which is proposed to be repaid from the Net Proceeds. However, depending on its business requirements, our Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

Interim Use of Net Proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility in deploying the Net Proceeds. Pending utilisation for the purposes described above, our Company intends to temporarily invest the Net Proceeds in high quality interest/ dividend bearing liquid debt instruments including investments in mutual funds and other financial products and investment grade interest bearing securities, for necessary duration, such as principal protected funds, listed debt instruments, rated debentures or deposits with banks/ other entities, for necessary duration, as may be approved by the Board.

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 investment in the equity markets.

Monitoring of Utilisation of Funds

In terms of Regulation 16 of the SEBI Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹5,000 million. The Board will monitor the utilisation of Net Proceeds. Our Company will disclose the utilisation of the Net Proceeds under a separate head along with details in its balance sheet until the Net Proceeds remain unutilised, clearly specifying the purpose for which the Net Proceeds have been utilised. Our Company will disclose any unutilised Net Proceeds under a separate head in the balance sheet and indicate investments, if any, of such unutilised Net Proceeds in the balance sheet for the relevant financial years subsequent to listing.

Pursuant to Clause 49 of the Listing Agreement, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and application of the Net Proceeds. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this section and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the auditor. Further, in accordance with Clause 43A of the Listing Agreement, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the utilisation of the Net Proceeds for the objects of the Offer. This information will also be advertised in newspapers simultaneously with the interim or annual financial results of our Company after placing such information before the Audit Committee.

Variation in Objects

Under Section 27 of the Companies Act, 2013, any variation in the objects for which a company had issued a prospectus requires approval of the shareholders of the company by way of a special resolution, and the promoter or controlling shareholders are required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the objects, at such price, and in such manner, as may be prescribed in future by the SEBI in this regard.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to the Promoter, Promoter Group, Group Entities, Directors, associates or the key management personnel, except in the normal course of its business and in compliance with applicable law.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares determined through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the higher end of the Price Band.

Qualitative Factors

We believe we have the following principal competitive strengths:

1. End-to-end solutions provider of Banking Automation Solutions and Banking Payment Solutions
2. Significant presence in several consumer-oriented sectors leading to cross-selling opportunities
3. Diversified product portfolio, customer base and revenue streams
4. Long-standing relationships with vendors who are leading global technology providers, as well as customers who are leading Indian financial institutions, retailers and petroleum companies
5. Dedicated in-house infrastructure to offer customers round-the-clock support
6. Experienced senior management

For further details regarding the qualitative factors which form the basis for computing the Offer Price, see the sections “Our Business” and “Risk Factors” on pages 134 and 13, respectively.

Quantitative Factors

Information presented in this section is derived from our restated consolidated and unconsolidated financial information prepared in accordance with the Companies Act and the SEBI Regulations.

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

1. Basic and Diluted Earnings per Share (“EPS”):

According to our Company’s restated unconsolidated financial information:

Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2014	1.64	1.24	3
March 31, 2013	0.92	0.70	2
March 31, 2012	1.42	1.04	1
Weighted Average	1.36	1.03	
For the six month period ended September 30, 2014*	1.80	1.35	

* Not annualised

According to our restated consolidated financial information:

Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2014	0.46	0.35	3
March 31, 2013	0.44	0.33	2
March 31, 2012	1.40	1.02	1
Weighted Average	0.61	0.46	
For the six month period ended September 30, 2014*	1.59	1.19	

* Not annualised

Notes:

1. Basic Earnings per share (₹) = (Net profit available to equity shareholders/ Weighted average number of Equity Shares

outstanding during the period / year)

2. Diluted Earnings per share (₹) = (Restated profit after tax/ Weighted average number of dilutive equity shares)
3. For the purposes of computation of basic and diluted earnings per share, the Equity Shares as well as CCPS outstanding as at September 30, 2014 and for the all the years/period presented are adjusted for bonus shares.
4. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
5. Weighted average number of Equity Shares, considered for the computation of diluted earnings per share, are adjusted for the dilutive portion of outstanding employee stock options.
6. Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings per share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
7. The face value of each Equity Share is ₹10.

2. Price Earning Ratio (“P/E”) in relation to the Offer Price of ₹[●] per Equity Share:

Particulars	Unconsolidated	Consolidated
P/E ratio based on Basic EPS for financial year 2014 at the Floor Price:	[●]	[●]
P/E ratio based on Diluted EPS for financial year 2014 at the Floor Price:	[●]	[●]
P/E ratio based on Basic EPS for financial year 2014 at the Cap Price:	[●]	[●]
P/E ratio based on Diluted EPS for financial year 2014 at the Cap Price:	[●]	[●]
Industry P/E	NA	
Highest	NA	
Lowest	NA	
Industry Composite	NA	

3. Return on Net Worth (“RoNW”):

According to our Company’s restated unconsolidated financial information:

Year ended	RONW (%)	Weight
March 31, 2014	3.37	3
March 31, 2013	1.97	2
March 31, 2012	4.30	1
Weighted Average	3.06	
For the six month period ended September 30, 2014*	3.57	

* Not annualised

According to our restated consolidated financial information:

Year ended	RONW (%)	Weight
March 31, 2014	0.98	3
March 31, 2013	0.95	2
March 31, 2012	4.29	1
Weighted Average	1.52	
For the six month period ended September 30, 2014*	3.30	

* Not annualised

RoNW (%)=	Restated profit after tax
	Restated net worth at the end of the period/year

Net worth include Equity Share capital + Preference Share capital + Reserves and surplus (including Securities Premium, General Reserve and Surplus in statement of Profit and Loss).

4. Minimum Return on Total Net Worth after Offer needed to maintain pre-Offer EPS for the financial year 2014:

Particulars	Unconsolidated (%)	Consolidated (%)
At the Floor Price	[●]	[●]
At the Cap Price	[●]	[●]

5. Net Asset Value per Equity Share:

According to our Company's restated unconsolidated and our consolidated financial information:

Net Asset Value per Equity Share	Unconsolidated (₹)	Consolidated (₹)
As on March 31, 2014	36.82	35.26
As on September 30, 2014	38.18	36.46
After the Offer	[●]	[●]

Notes:

1. For the purposes of computation of net asset value per Equity Share, CCPS outstanding as at September 30, 2014 along with the bonus shares are treated as Equity Shares
2. Net asset value per Equity Share represents (Restated net worth at the end of the period/year)/(Total number of equity shares and CCPS outstanding at the end of the period/ year)

6. Comparison with industry peers:

There are no listed companies in India that engage in a business similar to that of our Company. Hence, it is not possible to provide an industry comparison in relation to our Company

The Offer Price of ₹[●] has been determined by our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares determined through the Book Building process and is justified based on the above accounting ratios. For further details, see the sections "Risk Factors" and "Financial Statements" on pages 13 and 197, respectively.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO OUR COMPANY AND ITS SHAREHOLDERS

March 17, 2015

To
The Board of Directors
AGS Transact Technologies Limited
601-602, B-Wing, Trade World Kamala City
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013, India

Dear Sirs,

We hereby confirm that the enclosed annexure, prepared by AGS Transact Technologies Limited (the “Company”) states the possible tax benefits available to the Company and the shareholders of the Company under the Income tax Act, 1961, the Wealth Tax Act, 1957 and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income tax Act, 1961. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

The amendments in Finance Act 2014 have been incorporated to the extent relevant in the enclosed annexure.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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 issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Kalpesh Jain
Partner
Membership No.: 106406
Mumbai

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO AGS TRANSACT TECHNOLOGIES LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the year ending March 31, 2015.

A. Benefits to the Company under the Income Tax Act, 1961 ('Act')

1. Special Tax Benefits

There are no special tax benefits available to the Company.

2. General tax benefits

(a) Business income

- ▶ The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act.
- ▶ Business losses, if any, for an assessment year can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

(b) MAT credit

- ▶ As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- ▶ MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to 10 years succeeding the assessment year in which the MAT credit arises.

(c) Capital gains

(i) Computation of capital gains

- ▶ Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being securities (other than a unit) listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of capital assets, being unlisted securities and units of mutual fund other than equity oriented fund, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- ▶ Short Term Capital Gains ('STCG') means capital gains arising from the transfer of capital assets, being securities (other than a unit) listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for 12 months or less.
- ▶ In respect of capital assets, being unlisted securities and units of mutual fund other than equity oriented fund, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.

- ▶ In respect of any other capital assets, LTCG means capital gains arising from the transfer of an asset, held by the assessee for more than 36 months and STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.
- ▶ LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust as defined in section 2(13A), is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- ▶ Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- ▶ As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- ▶ As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- ▶ As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- ▶ STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of a business trust, where such transaction is not chargeable to STT is taxable at the rate of 30%.
- ▶ The tax rates mentioned above stands increased by surcharge, payable at the rate of 5%¹ where the taxable income of a domestic company exceeds Rs 10,00,000 but not Rs. 100,00,000. The surcharge shall be payable at the rate of 10%² where the taxable income of a domestic company exceeds Rs 100,00,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- ▶ As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:
 - ▶ where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or

¹ Proposed to be increased to 7% by Finance Bill 2015, with effect from 1 April 2015

² Proposed to be increased to 12% by Finance Bill 2015, with effect from 1 April 2015

exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.

- ▶ where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.

- ▶ As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

- ▶ As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains from income – tax

- ▶ Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –:

- ▶ National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
- ▶ Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

- ▶ Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and subsequent financial year.

- ▶ Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.

- ▶ The characterization of the gain / losses, arising from sale / transfer of shares / units as business income or capital gains would depend on the nature of holding and various other factors.

(d) Securities Transaction Tax ('STT')

- ▶ As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

(e) Dividends

- ▶ As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim

and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax.

- ▶ The domestic company distributing dividends will be liable to pay dividend distribution tax at the rate of 15% on net basis on the amount of dividend payable till September 30, 2014 (plus a surcharge and education cess, as applicable).
- ▶ Further w.e.f October 1, 2014, Finance Act 2014, has amended section 115-O in order to provide that for the purpose of determining the tax on distributed profits payable in accordance with the section 115-O, any amount which is declared, distributed or paid by any domestic Company out of current or accumulated profit shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate of 15%, be equal to the net distributed profits.
- ▶ Therefore, the amount of distributable income and the dividends which are actually received by the unit holder of mutual fund or shareholders of the domestic company need to be grossed up for the purpose of computing the additional tax.
- ▶ Further, if the company being a holding company, has received any dividend from its subsidiary on which dividend distribution tax has been paid by such subsidiary, then company will not be required to pay dividend distribution tax to the extent the same has been paid by such subsidiary company.

As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.

- ▶ As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess) upto March 31, 2014. As per Finance Act, 2014, the benefit of lower rate of 15% is extended without limiting it to a particular assessment year.
- ▶ For removing the cascading effect of dividend distribution tax, while computing the amount of dividend distribution tax payable by a Domestic Company, the dividend received from a foreign subsidiary on which income-tax has been paid by the Domestic Company under Section 115BBD of the Act shall be reduced.

(f) Buy-back of shares

- ▶ As per section 115QA of the Act, an Indian unlisted company will have to pay 20% tax on 'distributed income' on buy-back of shares. Distributed income has been defined to mean consideration paid by the Indian unlisted company for purchase of its own shares as reduced by the amount which was received by the Indian unlisted company at the time of issue of such shares. The said provision has come into effect from June 1, 2013.

(g) Other Provisions

- ▶ As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.

B. Benefits to the Shareholders

1. Special Tax Benefits

There are no special tax benefits available to the shareholders of the Company.

2. General Tax Benefits

2.1 Benefits to the Resident members / shareholders of the Company under the Act

(a) Dividends exempt under section 10(34) of the Act

- ▶ As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from a Domestic Company is exempt from tax.

(b) Capital gains

(i) Computation of capital gains

- ▶ Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being securities (other than units) listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of capital assets, being unlisted securities and units of mutual fund other than equity oriented fund, the holding period should exceed thirty – six months to be considered as long – term capital assets.
- ▶ STCG means capital gains arising from the transfer of capital asset being securities (other than units) listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for 12 months or less.
- ▶ In respect of capital assets, being unlisted securities and units of mutual fund other than equity oriented fund, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.
- ▶ In respect of any other capital assets, LTCG means capital gains arising from the transfer of an asset, held by the assessee for more than 36 months and STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.
- ▶ LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- ▶ The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an initial public offer and the LTCG arising on transfer of such shares

would be exempt from tax as per provisions of Section 10(38) of the Act.

- ▶ As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- ▶ As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- ▶ As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or unit of a business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- ▶ STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30% in case of domestic company and at normal slab rates in case of other assessees.
- ▶ The Finance Act 2013, any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.
- ▶ In the case of domestic companies, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5%³ where the taxable income of a domestic company exceeds Rs 10,00,000. As per Finance Act 2013 surcharge shall be payable at the rate of 10%⁴ where the taxable income of a domestic company exceeds Rs 100,00,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- ▶ As per the Finance Act 2013, surcharge shall be payable at the rate of 5% and 2% where the total taxable income of a taxpayer, being a foreign company, exceeds Rs 100,00,000 and Rs 10,00,000 respectively. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable.
- ▶ As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
- ▶ As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

³ Proposed to be increased to 7% by Finance Bill 2015, with effect from 1 April 2015

⁴ Proposed to be increased to 12% by Finance Bill 2015, with effect from 1 April 2015

- ▶ As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:
- ▶ Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and subsequent financial years.
- ▶ Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- ▶ In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- ▶ As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.
- ▶ As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(c) Other Provisions

- ▶ As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- ▶ The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

2.2 Benefits to the Non-resident shareholders of the Company under the Act

(a) Dividends exempt under section 10(34) of the Act

- ▶ As per provisions of Section 10(34), dividend (both interim and final), if any, received by non-resident shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 5%⁵ (if income exceeds Rs 10,000,000 but is less than Rs 100,000,000) or 10%⁶ (if income exceeds Rs 100,000,000) on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

⁵ Proposed to be increased to 7% by Finance Bill 2015, with effect from 1 April 2015

⁶ Proposed to be increased to 12% by Finance Bill 2015, with effect from 1 April 2015

(b) Capital gains

(i) Computation of capital gains

- ▶ Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being securities (other than units) listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of capital assets, being unlisted securities and units of mutual fund other than equity oriented fund, the holding period should exceed thirty – six months to be considered as long – term capital assets.
- ▶ STCG means capital gain arising from the transfer of capital asset being securities (other than units) listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for 12 months or less.
- ▶ In respect of capital assets, being unlisted securities and units of mutual fund other than equity oriented fund, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.
- ▶ In respect of any other capital assets, LTCG means capital gains arising from the transfer of an asset, held by the assessee for more than 36 months and STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.
- ▶ Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than thirty-six months.
- ▶ LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- ▶ The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an initial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.
- ▶ As per provisions of Section 112 of the Act, LTCG arising on transfer of listed securities not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. The indexation benefits are however not available in case the shares are acquired in foreign currency. In such a case, the capital gains shall be computed in the manner prescribed under the first proviso to Section 48. As per first proviso to Section 48 of the Act, where the shares have been purchased in foreign currency by a non-resident, the capital gains arising on its transfer need to be computed by converting the cost of acquisition, expenditure incurred in connection

with such transfer and full value of the consideration received or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. If the tax payable on transfer of listed securities exceeds 10% of the LTCG, the excess tax shall be ignored for the purpose of computing tax payable by the assessee.

- ▶ Further, LTCG arising from transfer of unlisted securities (other than by way of offer for sale under an initial public offer) is chargeable to tax at 10% without indexation and foreign exchange fluctuation benefits.
- ▶ As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) or a unit of business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- ▶ STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the normal rates of taxation as applicable to the taxpayer.
- ▶ As per the Finance Act 2013, any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.
- ▶ The tax rates mentioned above stands increased by surcharge, payable at the rate of 2% where the taxable income of a foreign company exceeds Rs 10,000,000. As per the Finance Act 2013 the levy of surcharge as follows:
- ▶ In case of a foreign company whose total taxable income exceeds Rs 100,000,000 the rate of surcharge shall increase from 2% to 5%
- ▶ In case of other non-residents, whose total taxable income exceeds Rs 10,000,000 surcharge shall be payable at the rate of 10% of income tax payable.
- ▶ Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.
- ▶ As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.
- ▶ As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.
- (ii) Exemption of capital gains arising from income – tax
 - ▶ As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:

- ▶ Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and the subsequent financial year.
- ▶ Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- ▶ As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- ▶ The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- ▶ In addition to the same, some benefits are also available to a non-resident shareholder being an individual or HUF.
- ▶ As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a one new residential house in India, or for construction of one residential house in India within three years from the date of transfer and subject to conditions and to the extent specified therein.
- ▶ As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(c) Tax Treaty benefits

- ▶ As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the non-resident tax payer is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

(d) Taxation of Non-resident Indians

- ▶ Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:
- ▶ NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

- ▶ Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- ▶ As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets as duly mentioned in Section 115C(f) of the Act is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively). Further as per the Finance Act 2013 a surcharge of 10%⁷ is applicable in case income of the NRI exceeds Rs 10,000,000.
- ▶ As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets under Section 115C(f)) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Further as per the Finance Act 2013, a surcharge of 10%⁸ is applicable in case income of the NRI exceeds Rs 10,000,000.
- ▶ As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section. If only part of the net consideration is so reinvested, the exemption will be proportionately reduced. However the amount so exempted will be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.
- ▶ As per provisions of Section 115G of the Act, where the total income of a NRI consists only of investment income from a foreign exchange assets/ LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- ▶ As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- ▶ As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.
- ▶ The Finance Act 2013, any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

⁷ Proposed to be increased to 12% by Finance Bill 2015, with effect from 1 April 2015

⁸ Proposed to be increased to 12% by Finance Bill 2015, with effect from 1 April 2015

2.3 Benefits available to Foreign Institutional Investors ('FIIs') under the Act

(a) Dividends exempt under section 10(34) of the Act

- ▶ As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax.

(b) Long – term capital gains exempt under section 10(38) of the Act

- ▶ LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

(c) Capital gains

- ▶ As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Finance Act, 2013 has inserted a provision that the amount of income tax calculated on the income by way of interest referred in section 194LD shall be at the rate of five percent.

- ▶ As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

- ▶ For corporate FIIs, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income exceeds Rs 100,000,000 (or 2% in case the income is less than Rs 100,000,000 but exceeds Rs 10,000,000). Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.

- ▶ The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

- ▶ As per the Finance Act, 2013 any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

(d) Securities Transaction Tax

- ▶ As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

(e) Tax Treaty benefits

- ▶ As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the FII is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated August 1, 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.
- ▶ The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

2.4 Benefits available to Mutual Funds under the Act

(a) Dividend income

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

- (b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

C. Wealth Tax Act, 1957⁹

- ▶ Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.
- ▶ Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

D. Gift Tax Act, 1958

- ▶ Gift tax is not leviable in respect of any gifts made on or after October 1, 1998.

Note:

- ▶ All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

⁹ Wealth tax proposed to be abolished by Finance Bill 2015, with effect from 1 April 2015

SECTION IV: ABOUT OUR COMPANY

INDUSTRY

The information contained in this section is derived from several industry sources. Neither we nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Unless otherwise specified, references to years are to calendar years in this section.

Overview of the Indian Economy

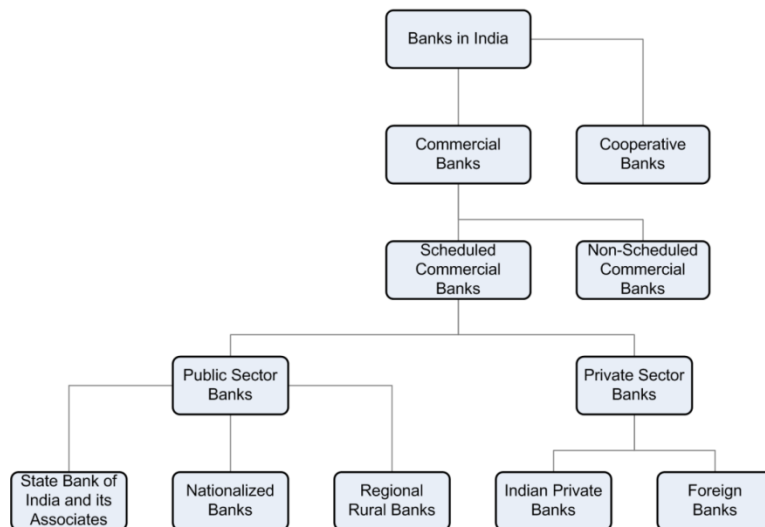
The Indian economy is the fourth largest economy by purchasing power parity. (Source: <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>) For the year 2013, India's gross domestic product ("GDP") per capita on a purchasing power parity basis was approximately US\$ 5,449.82. (Source: International Monetary Fund, World Economic Outlook Database, October 2014) The GDP growth rates, in terms of percentage, for certain developed and developing economies for each of the years 2012, 2013 and 2014 are set out below:

Countries (in percentage)	2012	2013	2014 (est.)
China	7.7	7.7	7.4
India	4.7	5.0	5.6
Russia	3.4	1.3	0.2
Brazil	1.0	2.5	0.3
South Africa	2.5	1.9	1.4
United States	2.3	2.2	2.2
Japan.....	1.5	1.5	0.9
United Kingdom.....	0.3	1.7	3.2

(Source: International Monetary Fund, World Economic Outlook Database, October 2014)

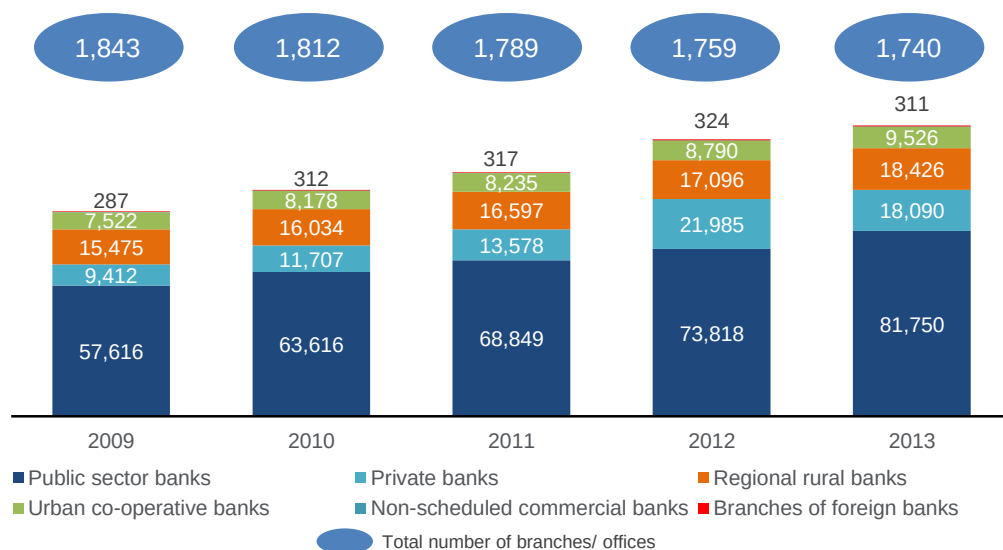
Overview of the Indian Banking and NBFC Industry Structure

The key constituents of the Indian banking industry include the RBI, the banks and the non-banking financial institutions. The RBI, established in 1935, is the central banking and monetary authority in India. Classification of banks in India can be presented as follows:



(Source: RBI's Manual on Financial and Banking Statistics, March 2007)

As of December 31, 2013, there were 1,740 banking institutions operating in India, of which 27 were public sector banks, 20 were private banks, 57 were regional rural banks, 1,589 were urban cooperative banks, 4 were non-scheduled commercial banks and 43 were branches of foreign banks. From 2009 to 2013, the number of branches grew by a CAGR of 9.1% while the number of institutions decreased. (Source: Bank for International Settlements (BIS): Statistics on Payment, Clearing and Settlement Systems in the CPMI countries – Figures for 2013. Published December 2014, <http://www.bis.org/cpmi/publ/d124.pdf>)



(Source: Bank for International Settlements (BIS): Statistics on Payment, Clearing and Settlement Systems in the CPMI countries – Figures for 2013. Published December 2014, <http://www.bis.org/cpmi/publ/d124.pdf>)

As of March 2013, the commercial banking sector comprised 89 banks split into public, private and foreign banks. Within the public sector, the State Bank of India (“SBI”) Group, which comprises the SBI and five regional state banks, is separate from the 20 nationalised banks. There are 20 private sector banks and 43 foreign banks, up from 40 in 2012. As of November 2013, the commercial banks held assets worth ₹96 trillion. The public sector banks held 73% of those assets, the private sector banks 21% and the foreign banks 6%. (Source: Global ATM Market and Forecasts to 2019, India)

The largest bank in India is SBI, which has nearly 14,700 branches. The wider SBI Group, as a whole, accounts for approximately 20,000 branches or 17% of India’s total number of branches. As of December 31, 2013, the SBI Group had assets of ₹24 trillion. The second largest branch network belongs to Punjab National Bank. Punjab National Bank has over 5,500 outlets which represent 5% of the total. The seven largest branch networks are all owned by nationalised banks and make up 39% of the national total. (Source: Global ATM Market and Forecasts to 2019, India)

During the financial year 2013, the number of branches in India increased by 6% to 118,528. Most of the growth was in the state-owned sector, which grew 5%, although growth in the private sector was faster at 16%. Private-sector HDFC Bank opened the highest number of new branches at 846, followed by SBI Group at 696 and a further 17 banks added more than 100 branches each. Punjab National Bank actually closed 224 branches, the only major bank which rationalised its branch network during the financial year 2013. (Source: Global ATM Market and Forecasts to 2019, India)

The 20 private domestic banks own 13% of branches and 20% of banking sector assets. They are divided into 13 old private sector banks, established before the 1960s and seven new private sector banks which date from the mid-1990s and mid-2000s. Some from the latter group, such as ICICI Bank, HDFC Bank and Axis Bank, are among India’s largest ATM deployers, although their branch networks are smaller than those of the state-owned banks. In 2012-2013, ICICI Bank, HDFC Bank and Axis Bank saw an increase in their branch networks, with growths of 11%, 39% and 17%, respectively. They also hold the large majority of the sector’s assets. (Source: Global ATM Market and Forecasts to 2019, India)

ICICI bank had 3,095 branches as of March 2013 and assets worth ₹5.7 trillion as of December 2013, making it the largest private-sector bank. HDFC Bank had 3,032 branches and an asset base worth ₹4.7 trillion. Axis Bank had 1,932 branches and assets worth ₹3.6 trillion. (Source: *Global ATM Market and Forecasts to 2019, India*)

There are 68 rural banks of which 64 are regional rural banks (“RRBs”) and four are local area banks (“LABs”). All are jointly owned by the central Government, the state government and a commercial bank, usually a state-owned one. The RRBs were established in 1975 and serve India’s agricultural communities. (Source: *Global ATM Market and Forecasts to 2019, India*)

Urban co-operative banks (“UCBs”) play a similar role to that of RRBs and serve the under-banked inhabitants of India’s towns and cities. As of March 2013, there were 1,606 UCBs with approximately 8,790 branches. The 43 foreign banks play a relatively small part in the Indian banking sector. They have a total of 352 branches and an estimated 7% of commercial bank assets. As of March 2013, only four banks in this sector – Standard Chartered Bank, HSBC, Citibank and the Royal Bank of Scotland – had more than 20 branches and the majority have only one or two. (Source: *Global ATM Market and Forecasts to 2019, India*)

In India, 30% of commercial bank branches are in rural areas, 28% in semi-urban areas, 21% in urban areas and 20% in metropolitan areas. Overall, 58% of branches are now in rural or semi-urban districts. (Source: *Global ATM Market and Forecasts to 2019, India*)

The Indian Payment System Infrastructure

The payment industry in India has been one of the most rapidly emerging sectors with payment flows comparable to many developed Western countries. The payment industry in India ranks fifth amongst the Asian countries with revenues expected to grow at a CAGR of 17.0%. The traditional cash based transactions which used to be documented on paper have witnessed a shift to electronic modes of payments. The three major trends which have been responsible for shaping the payment industry in India have been growth in electronic advancement, change in industry structure and business models and an increased regulatory oversight by the government authorities. The RBI, the banking regulatory authority of India, has increased its regulatory oversight and developed the National Payments Council to contribute to the payment industry. (Source: *India Payment Services Industry Outlook to 2019, Ken Research, March 2015*)

In India, the payment and settlement systems are regulated by the Payment and Settlement Systems Act, 2007 (“PSS Act”), which was legislated in December 2007. The PSS Act, as well as the Payment and Settlement System Regulations, 2008 framed thereunder, came into effect on August 12, 2008. In terms of Section 4 of the PSS Act, no person other than the RBI can commence or operate a payment system in India unless authorised by the RBI. The RBI has since authorised payment system operators of pre-paid payment instruments, card schemes, cross-border in-bound money transfers, ATM networks and centralised clearing arrangements. (Source: *RBI Website: http://www.rbi.org.in/scripts/PaymentSystems_UM.aspx*)

Payment Instruments and Media

Cash

In India, cash remains the predominant mode of payment. Reflecting this tendency, the value of banknotes and coins in circulation as a percentage of GDP is very high in the country when compared to other emerging markets, such as Brazil, Mexico and Russia. The number of non-cash transactions per citizen is also very low in India when compared to other emerging markets. The penetration and success of modern electronic payment products and services is concentrated to a large extent in the tier-I and tier-II locations of the country. Cash is the preferred mode of payment for those sections of society not having access to formal payment systems. (Source: *Reserve Bank of India: Department of Payment and Settlements – Payment Systems In India Vision 2012-15*)

Paper-based Instruments

The ongoing endeavour to migrate from paper to electronic payments had a positive impact, leading to a reduction in paper-based transactions in volume as well as in value terms. During the year ended June 30, 2014, in volume terms paper-based transactions accounted for 34.6%, as compared with 43.4% during the year ended

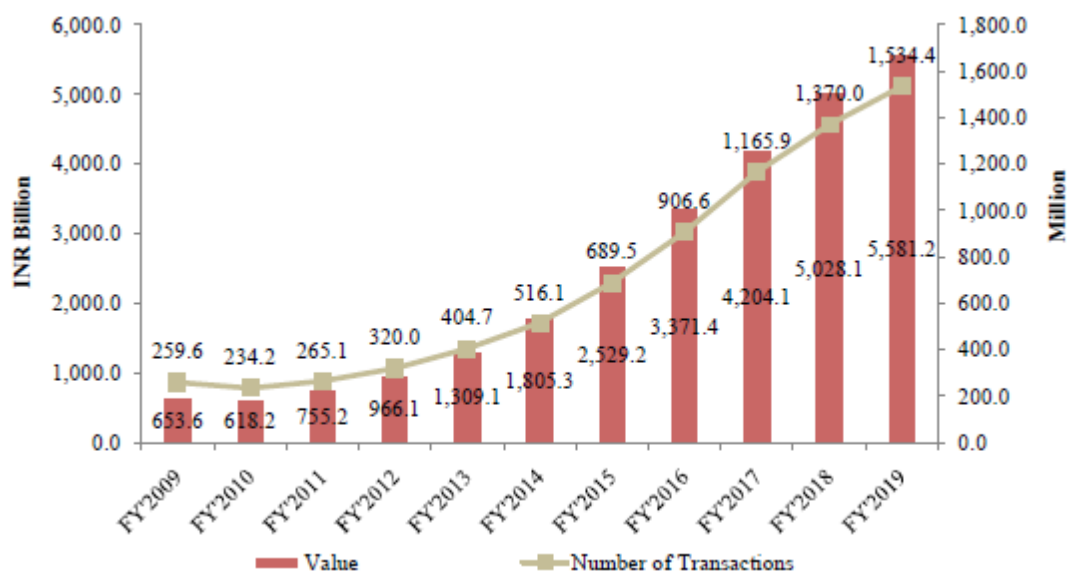
June 30, 2013, of total non-cash transactions. In terms of value too, the share of paper-based transactions reduced to 6.3% in the year ended June 30, 2014, compared with 7.6% during the year ended June 30, 2013. (Source: RBI Annual Report 2013-2014, Part II, Payment and Settlement Systems and Information Technology)

Cards

Card-based payments now account for a substantial share of electronic retail payment transactions. The RBI regulates the banks issuing the cards. Under the Payment and Settlement Systems Act, payment card systems are also subject to regulation by the RBI. Any new initiatives concerning the card system must be vetted by the RBI before implementation. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries*, Bank for International Settlements, September 2011)

Credit card transactions in India have sizably increased between financial years 2009 and 2014, both in terms of number as well as in volume. While the number of transactions done through the credit cards has grown from 259.6 million in financial year 2009 to around 516.1 million in financial year 2014, the value of these transactions has also increased significantly from ₹653.6 billion to ₹1,805.3 billion during the same period, representing a CAGR of 22.5%. The high growth of credit card transactions has primarily resulted from the growing urbanization and rising disposable income of the population in India. As more and more people move towards the urban and large cities and with further increase in the spending capacity of the consumers, the demand for credit cards is expected to substantially increase in the coming years. The credit card transactions in terms of number and value are expected to increase to 1,534.4 million and ₹5,581.2 billion, respectively, in financial year 2019, representing a CAGR of 24.4% and 25.3, respectively. (Source: *India Payment Services Industry Outlook to 2019*, Ken Research, March 2015)

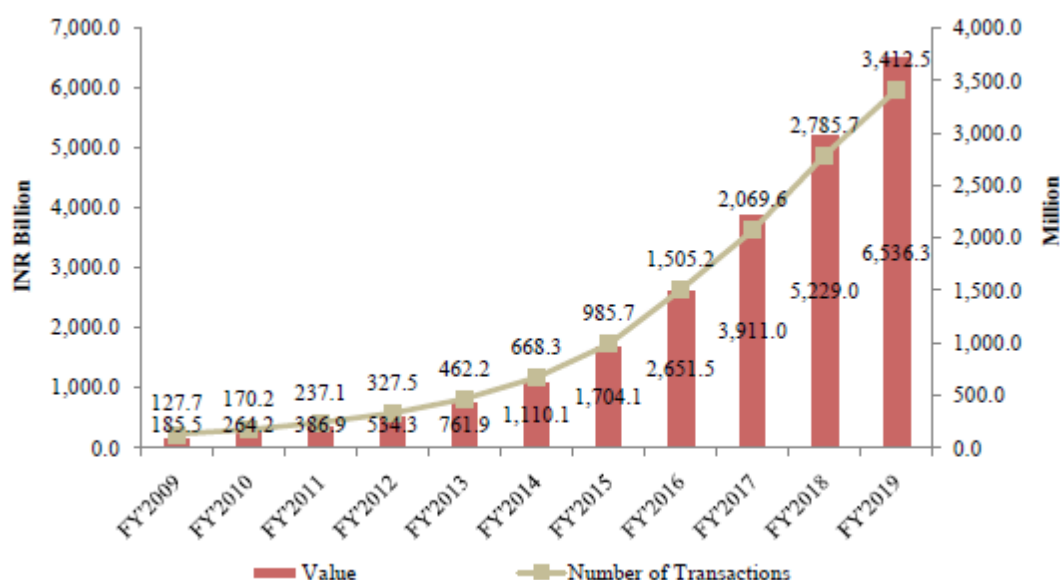
The chart below illustrates the number and volume of credit cards transactions in India for the financial years indicated:



(Source: *India Payment Services Industry Outlook to 2019*, Ken Research, March 2015)

Debit card transactions have also showcased a robust growth during last five years, indicating growing penetration of banks in the country and rising preference for electronic transactions among the consumers. The number of debit card transactions has robustly grown at a CAGR of 39.2% between financial years 2009 and 2014 and have reached 668.3 million in financial year 2014 from 127.7 million in financial year 2009. The value represented by these transactions has also grown from ₹185.5 billion in financial year 2009 to ₹1,110.1 billion in financial year 2014. Owing to the growing network of the public and private banks in the country and consistently rising preference for the electronic payment systems, the number of debit card transactions is projected to increase to 3,412.5 million in financial year 2019, representing a worth of ₹6,536.3 billion. (Source: *India Payment Services Industry Outlook to 2019*, Ken Research, March 2015)

The chart below illustrates the number and volume of debit cards transactions in India for the financial years indicated:



(Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

Prepaid Instruments

Pre-paid instruments are payment instruments that facilitate purchase of goods and services against the value stored on these instruments. Pre-paid payment instruments can be issued in such forms as smart cards, magnetic stripe cards, internet accounts, internet wallets, mobile accounts, mobile wallets or paper vouchers. The RBI issued guidelines in April 2009 and August 2009 on prepaid payment instruments. Issuers of prepaid payment instruments must be authorised by the RBI under the PSS Act. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries*, Bank for International Settlements, September 2011)

The table below breaks down the prepaid payment instruments transaction volumes and values into for the periods indicated:

Prepaid Instrument	Payment	Year Ended March 31, 2014		Six Months Ended September 30, 2014	
		Volume (million)	Value (rupees billion)	Volume (million)	Value (rupees billion)
m-Wallet		107.51	29.05	91.93	31.05
PPI Cards		25.60	28.36	18.62	31.98
Paper Vouchers		0.53	23.63	0.27	12.69
Total		133.63	81.05	110.11	75.74

(Source: Source: Database on Indian Economy, Time-Series Publications, Monthly RBI Bulletin, 43. Payment System Indicators, <http://dbie.rbi.org.in/DBIE/dbie.rbi?site=redirectURL&r=%2FOpenDocument%2Fopendoc%2FOpenDocument.jsp%3FrbiApp%3Dtrue%26iDocID%3D15358465%26sType%3Dwid%26sRefresh%3DYes>)

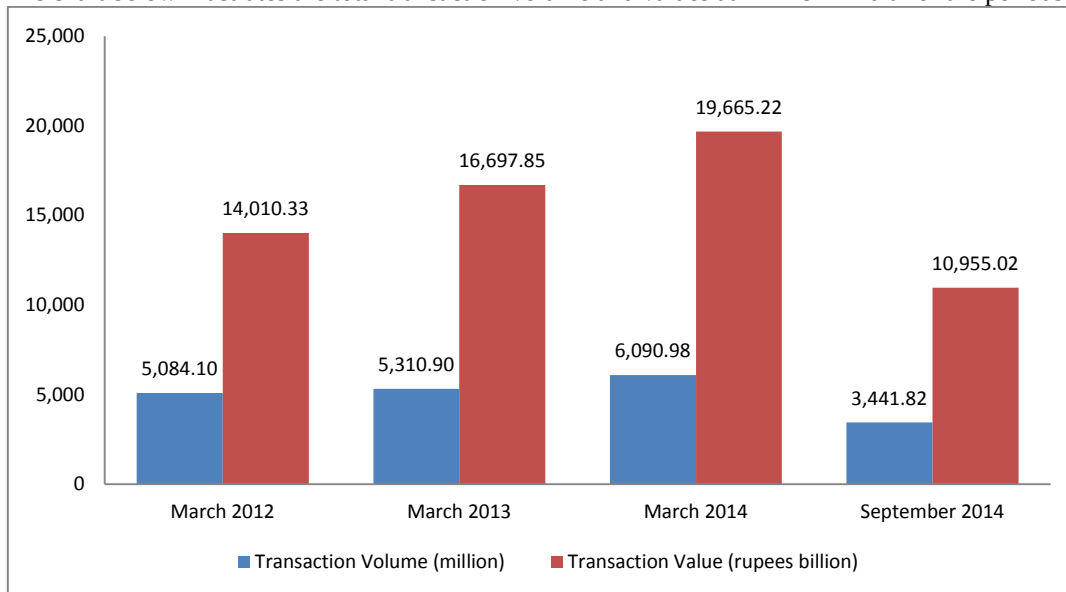
Payment Channels

Automated Teller Machines

ATMs are primarily used for performing some of the banking functions, such as withdrawal of cash or deposit of cash or cheque by using an ATM card. Each customer is provided with an ATM card with a unique personal identification number (“PIN”). Whenever a customer performs a transaction, the person has to key in the PIN, which is validated by the ATM before the machine permits any transaction. The PIN has to be kept secret by the customer to prevent any misuse or fraudulent transactions in the event of loss of the card. (Source: *Payment Systems in India*, Chapter VI: *Electronic Payment Systems*, RBI, <http://www.rbi.org.in/scripts/PublicationsView.aspx?id=159>)

Standalone ATMs were introduced in India in the early 1990s. These were mostly installed by foreign banks in their branch premises in accordance with the then existing policy. The easing of restrictions on the location of ATMs has led to their being installed at convenient places such as airports, central business districts and hospitals, among others. (Source: *Payment Systems in India, Chapter VI: Electronic Payment Systems, RBI*, <http://www.rbi.org.in/scripts/PublicationsView.aspx?id=159>)

The chart below illustrates the total transaction volume and values at ATMs in India for the periods indicated:



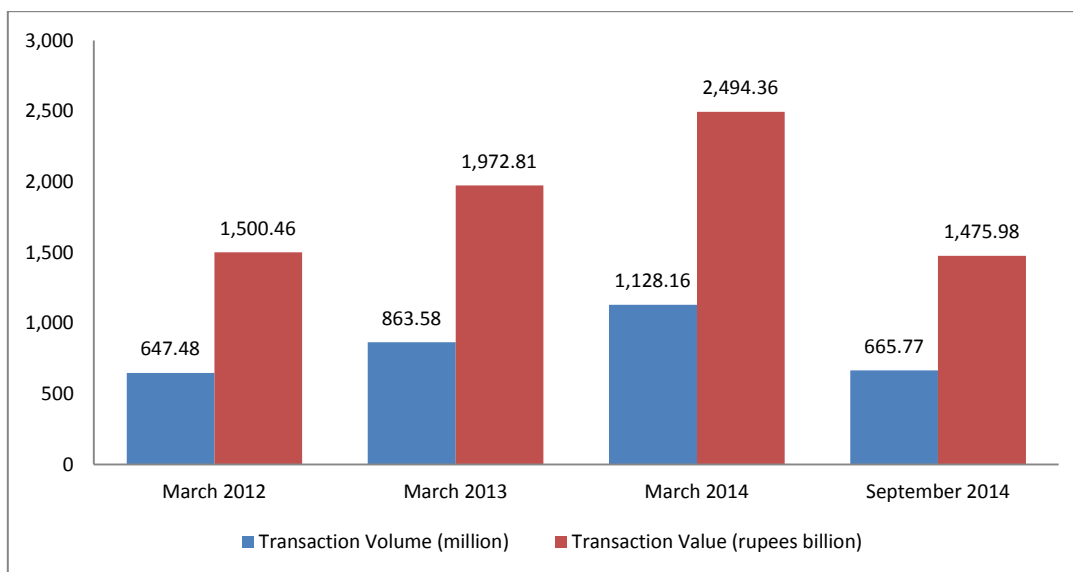
(Source: Source: Database on Indian Economy, Time-Series Publications, Monthly RBI Bulletin, 43. Payment System Indicators, <http://dbie.rbi.org.in/DBIE/dbie.rbi?site=redirectURL&r=%2FOpenDocument%2Fopendoc%2FopenDocument.jsp%3FrbiApp%3Dtrue%26iDocID%3D15358465%26sType%3Dwid%26sRefresh%3DYes>)

POS Terminals

As of September 2010, there were 524,038 POS terminals in India. All the POS terminals are interoperable with the exception of terminals belonging to American Express. Transactions at POS terminals with debit or credit cards are settled as normal card transactions with the acquiring bank routing these transactions to the VISA switch for settlement through Bank of America in the case of VISA-branded cards. For MasterCard-branded cards, transactions are routed to the MasterCard switch and settled through Bank of India. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries, Bank for International Settlements, September 2011*)

The use of debit cards at POS terminals has been increasing. Since July 2010, cash withdrawals at POS terminals have been permitted. This facility is available for all debit cards issued in India. There is a limit of ₹1,000 per day. Cash withdrawals are available whether or not the cardholder makes a purchase. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries, Bank for International Settlements, September 2011*)

The chart below illustrates the total transaction volume and values at POS machines in India for the periods indicated:



(Source: Source: Database on Indian Economy, Time-Series Publications, Monthly RBI Bulletin, 43. Payment System Indicators, <http://dbie.rbi.org.in/DBIE/dbie.rbi?site=redirectURL&r=%2FOpenDocument%2Fopendoc%2FOpenDocument.jsp%3FrbiApp%3Dtrue%26iDocID%3D15358465%26sType%3Dwid%26sRefresh%3DYes>)

Web

A payment gateway tool authenticates online transactions by providing verification steps between various parties and related banks. It is basically an encrypted channel through which transaction must pass from in order to verify the credentials of the user. India has become a rising hub of technology with more and more number of industries moving to internet based processes. Businesses such as ecommerce, fund transfers, loan management and others have been establishing an online presence to reach a wider range of customers. The Indian online payment gateway market, which stood at ₹37,800.0 million in financial year 2014, showcased a CAGR of 16.6% from financial year 2010 to financial year 2014. The market has grown on account of the increase in the number of online users and consumer confidence in making online payment because of the secure safety measures offered by the online payment gateways and the augmented use of credit/ debit cards and internet banking for making online payments. The online payment gateway market amplified, given the affordability, ease of making fast and secure online payments along with a many payment options that these gateways offer to the online customers. (Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

More internet users are expected to enter the online market with access to easy and cheap internet services. Additionally, the immediate future of online retail will be driven by the confidence in payment mechanisms after the initial experience in online travel ticketing and the increasing professionalism of the merchants. Given the fast paced penetration of credit card, the Indian online payment gateway market is poised to amplify at a CAGR of 22.2% from financial year 2015 to financial year 2019. The revenue generated in the online payment gateway in India is estimated to reach ₹102,819.2 Million in financial year 2019. (Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

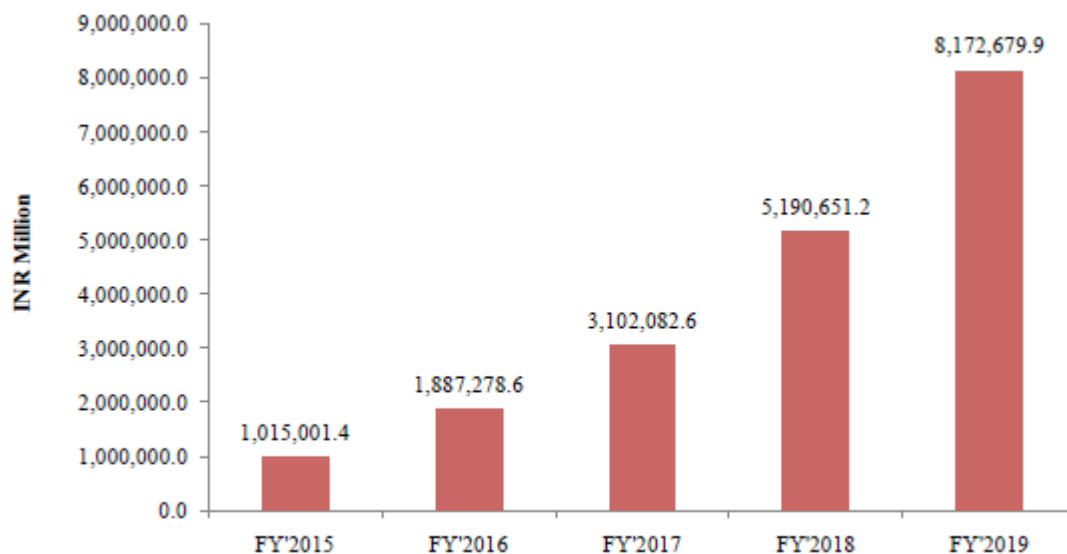
Mobile

The mobile payments market in India is currently at a nascent stage considering the high penetration of mobile phones in the country. India, with a population of 1.2 billion, has immense potential in the mobile payments market. Mobile payments allow customers to save time and makes round the clock payments. In addition, the latest technology in the mobile payments market has enabled customers to conduct seamless transactions at the click of a button. (Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

Mobile point of sale terminals would replace existing POS terminals as a mode of payment in the upcoming years. Additionally, the NDA government's initiative to increase the banked population would significantly increase the number of bank account holders in the country. As mobile wallet companies apply to become payment banks, it will lead to a rapid increase in financial inclusion. The aforementioned factors along with an increase in smart phone penetration, increase in internet penetration, fall in prices of smart phones and constant

advancements in mobile payments technology would act as major growth drivers for the Indian mobile payments market. The mobile payments market is anticipated to grow at a CAGR of 79.0%, increasing from ₹1,015,001.4 million in financial year 2015 to ₹8,172,679.9 million in financial year 2019. (Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

The chart below illustrates the future projections of the India mobile payments market for the financial years indicated:



Note: The future projections of the India mobile payment market have been calculated by summation of the future projections of mobile banking, mobile wallet and mobile POS segments.

(Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

Fund Transfer Systems

The key electronic payment systems in India include: electronic clearing service (“ECS”), regional ECS (“RECS”), electronic funds transfer (“EFT”), national EFT (“NEFT”) facility, real time gross settlement (“RTGS”) system and the national automated clearing house (“NACH”). (Source: RBI Website – Overview of Payment Systems in India: http://www.rbi.org.in/scripts/PaymentSystems_UM.aspx)

For the year ended June 30, 2014, the RTGS system processed approximately 81 million transactions valued at ₹734 trillion. As on April 30, 2014, the number of RTGS enabled bank branches was 109,506. (Source: RBI Annual Report 2013-2014, Part II, Payment and Settlement Systems and Information Technology)

NEFT and EFT transactions have showcased a robust growth both by value and volume between financial years 2009 and 2014. While by value, these transactions have increased at a CAGR of 97.6%, by volume, the transactions have grown at a CAGR of 86.5% during this period. The amount of NEFT and EFT transactions have risen sharply from ₹2,519.6 billion in financial year 2009 to ₹75,812.9 billion in financial year 2014. Similarly, the number of these transactions reached 725.0 million in financial year 2014, increasing from just 32.2 million transactions in financial year 2009. NEFT and EFT transactions in India are projected to continue to grow strongly owing to the growing penetration of public and private sector banks. The number of these transactions is expected to reach 7,138.0 million by financial year 2018 while the amount is estimated to grow to ₹689,132.4 billion in financial year 2019. (Source: India Payment Services Industry Outlook to 2019, Ken Research, March 2015)

For the year ended June 30, 2014, the ECS debit-handled 193 million transactions valued at approximately ₹1,268 billion and ECS credit processed 152 million transactions valued at approximately ₹2,493 billion. With the gradual expansion of the RECS operations, the volumes at many ECS centres have subsumed to RECS centres. There were approximately 34 ECS centres and 12 RECS centres as of June 30, 2014. (Source: RBI Annual Report 2013-2014, Part II, Payment and Settlement Systems and Information Technology)

Payment Switches

Payment switch is basically a computer network machine such as a server which creates digital data for traditional finance processing devices and processes authorized payment orders to the corresponding financial institutions. A merchant who uses payment gateway must establish a merchant facility with a bank, whereas, on using the payment switch, the switch provider facilitates the functions of the merchant facility itself. Hence there is no need for a merchant for establishing a merchant facility. It is expected that in the coming years, more switch providers will emerge with a broader range of technical functionalities, which will enable a better user experience and promote international transactions. (Source: *India Payment Services Industry Outlook to 2019*, Ken Research, March 2015)

POS Switches

Transactions undertaken at POS terminals with debit or credit cards are settled as normal card transactions, with the acquiring bank routing these transactions to the VISA switch for settlement through Bank of America in the case of VISA-branded cards. For MasterCard-branded cards, transactions are routed to the MasterCard switch and settled through Bank of India. Settlement in both cases is on a T+1 basis. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries*, Bank for International Settlements, September 2011)

ATM Switches

The ATMs of a bank are connected to the accounting platform of the bank through ATM switches. Interbank ATM networks are created by setting up apex level switches to communicate between the ATM switches of different banks. The interbank ATM networks facilitate the use of ATM cards of one bank at the ATMs of other banks for basic services like cash withdrawal and balance enquiry. (Source: *RBI: ATMs of Banks: Fair Pricing and Enhanced Access – Draft Approach Paper*, http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=1102)

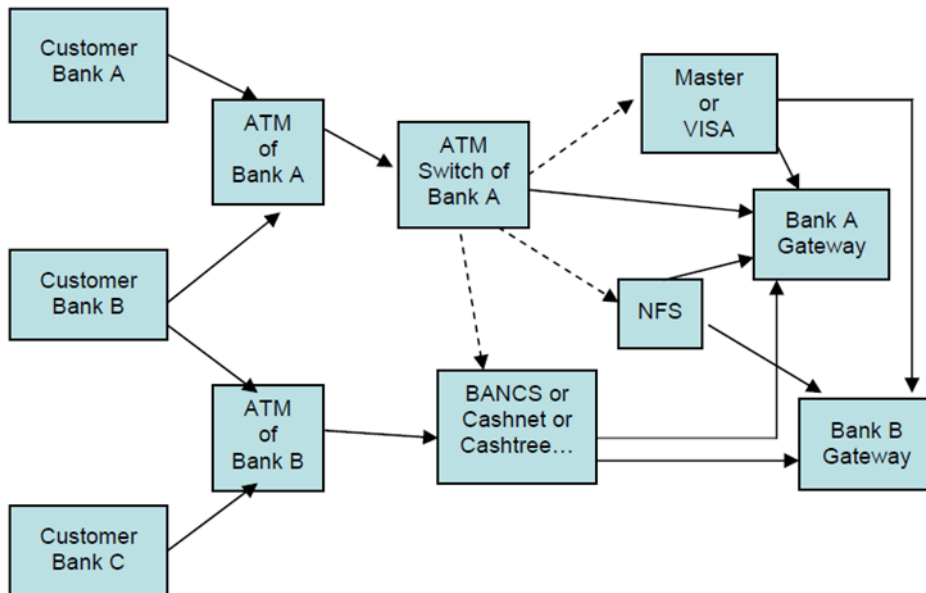
The major ATM networks in India are National Financial Switch, CashTree, BANCS, Cashnet and the SBI Group Network. Most ATM switches are also linked to VISA or MasterCard gateways. The NFS is the largest of these networks. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries*, Bank for International Settlements, September 2011)

The National Financial Switch (“NFS”) was established by Institute for Development and Research in Banking Technology to facilitate connectivity among the ATM switches of all banks, addressing the limitations of other ATM networks and creating a reliable national infrastructure. Banks can connect to NFS either from their own switches or through the switch of their group. The NFS is now operated by the National Payments Corporation of India. The Clearing Corporation of India is the settlement agency for all transactions routed through NFS. As at the end of September 2010, 46 banks participated in this service, covering a network of 62,842 ATMs. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries*, Bank for International Settlements, September 2011)

The Indian ATM Industry

On-us and Off-us Transactions

ATM networks operate in clusters or other cooperative arrangements. Where the issuing bank and acquiring bank are the same, when customer A uses its own bank ATM, the transaction is switched by the bank’s ATM switch to its own gateway. Where the issuing bank and the acquiring bank are different, customer B (of issuing bank B) uses the ATM of bank A (the acquiring bank), the transaction is routed to bank A’s switch. The bank A switch has the option to route the transaction to one of the networks (shown with the dotted lines). If bank A and B are members of the same closed user group ATM network, the transaction is routed to the issuing bank from the network switch. If banks A and B are not members of the same group, they exercise the option of routing the transactions to NFS (if bank B is a member of NFS) or the VISA or MasterCard switch for transmission to the issuing bank. A stylised transaction flow in an ATM network is illustrated below:



(Source: *Payment, Clearing and Settlement Systems in the CPSS Countries, Bank for International Settlements, September 2011*)

ATMs are mainly used for cash withdrawals and balance enquiries. Savings bank customers can use a different bank's ATM free of charge for the first five transactions (of any type, financial or non-financial) in a month; with subsequent transactions being charged (the charge is not to exceed ₹20). Customers pay no charges for using the ATMs of their own bank. (Source: *Payment, Clearing and Settlement Systems in the CPSS Countries, Bank for International Settlements, September 2011*)

Banks owning the ATMs charge a fee for providing the ATM facility to the customers of other banks. This fee, referred to as "interchange fee", is recovered by the ATM deploying bank from the card issuing banks. However the interchange fee is not fixed across banks and depends on the terms of bilateral / multilateral arrangements. Banks with larger ATM networks treat interchange fee as an important stream of revenue. An apex level switch or inter-connectivity of ATM networks provides access to the customers to use any ATM in the country irrespective of the bank with which the customer is banking. (Source: *RBI: ATMs of Banks: Fair Pricing and Enhanced Access – Draft Approach Paper*, http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=1102)

In order to reduce the cost of operations for banks, the Institute for Development and Research in Banking Technology, which is administering the NFS, has waived the switching fee that it was hitherto charging, with effect from December 3, 2007. This reduction in the transaction cost is expected to be passed on to the customers by the banks. (Source: *RBI: ATMs of Banks: Fair Pricing and Enhanced Access – Draft Approach Paper*, http://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=1102)

ATM Management and Ownership

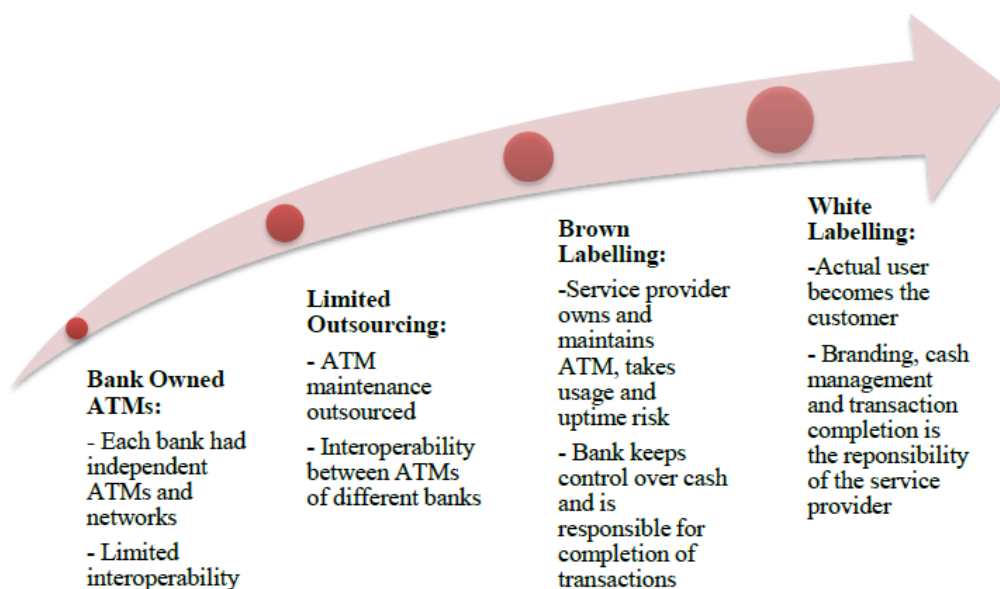
In the mid-2000s, the RBI relaxed its licensing regime to allow the participation of non-banks in the ATM sector. Companies were entitled to operate and manage ATMs, but only in partnership with a sponsor bank, whose name appears on all terminals. Such machines are known locally as "brown-label" ATMs. These ATMs are deployed primarily to meet the needs of bank customers and are indistinguishable to customers from fully bank-controlled ATMs. (Source: *Global ATM Market and Forecasts to 2019, India*)

For many years the RBI resisted permitting non-banks to own and operate ATMs autonomously, principally to ensure that it could maintain close control over the ATM sector. As the government's drive for greater financial inclusion progressed, it became clear that banks alone would struggle to meet the public's need for banking facilities and that alternatives would have to be considered. The concept of non-banks having full ownership and operational control of ATM estates is known as "white label" in India, as opposed to brown label, where non-

banks own ATMs but essentially operate as outsourcing partners for banks. (Source: *Global ATM Market and Forecasts to 2019, India*)

Outsourcing of ATMs is a recent phenomenon in India, since strict regulations in the past had prohibited non-banking companies from carrying out such operations. Over the past few years, however, the scenario has changed as banks are finding it more viable to concentrate on their core business. While off-site ATMs are increasingly being installed throughout the country, banks find it difficult to manage these ATMs that are distant from its branches. The utility of service providers comes into being in these instances. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

The chart below illustrates the evolution of ATM outsourcing in India:



(Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

Brown Label

With the relaxation of RBI norms, most banks in India are increasingly opting to outsource management of its ATM channel to third parties, with the intent of focusing on their core business operations. The outsourcing move allows quicker service and efficiency, accompanied by cost savings. Additionally, outsourcing helps banks in increasing their availability for core banking services to the customers, improve customer experience, and an overall better return on investment. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

While the outsourcing of ATM managed services started with banks asking service providers for services such as cash management, network monitoring and housekeeping, it has now evolved to the concept of complete outsourcing of ATMs. Within this, a service vendor is given the responsibility of finding a suitable site for an ATM, leasing the site, taking care of machinery and installation, and providing managed services thereof. This model is termed as “brown labelling” of ATMs. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

At first, manufacturers such as NCR and Diebold were the leading companies in the outsourcing sector but they were later joined by companies with different backgrounds. Early brown-label contracts were awarded by the SBI Group to Tata Communications Payment Solutions (“**TCPSL**”), C-Edge Technologies Ltd. and Financial Software Solutions (“**FSS**”) in 2008. (Source: *Global ATM Market and Forecasts to 2019, India*)

In 2010, Axis Bank signed deals with Prizm Payments and AGS Transact Technologies to outsource the operation of 5,000 new ATMs. These deals have accounted for essentially all of Axis Bank’s ATM growth over the past four years. ICICI Bank has formed similar partnerships with FSS, AGS Transact Technologies and

TCPSL. Other companies active in the sector include Euronet and First Data. Most large banks now deploy at least some brown label ATMs. (Source: *Global ATM Market and Forecasts to 2019, India*)

In 2012, India's public sector banks united to put a contract for the deployment of 63,000 brown-label ATMs to tender. Interested parties submitted bids on the basis of what they would charge banks for each ATM transaction made at machines under their management. The auction was coordinated by seven public sector banks, each awarding contracts for its designated regions. (Source: *Global ATM Market and Forecasts to 2019, India*)

White Label

In June 2012, the RBI announced the requirements for aspiring independent ATM deployers ("IADs") in India. A company wishing to enter the white label sector must have a net worth of at least ₹1 billion. Permission to deploy depends on certain criteria, including the proposed scale and speed of terminal installation. There are three options for prospective deployers:

- At least 9,000 ATMs, with deployment increasing over time;
- At least 15,000 ATMs, evenly spread over the period; and
- At least 50,000 ATMs, with at least half installed in the first year.

The proportion of ATMs which may be located in urban areas, which are traditionally favoured by Indian deployers, increase with the size of the proposed deployment:

- For the 9,000 ATMs option, 25%;
- For the 15,000 ATMs option, 33%; and
- For the 50,000 ATMs option, 50%.

In late June 2013, the first white label ATM was installed by TCPSL. The company, whose ATMs bear the "Indicash" brand, intends to install 15,000 ATMs by 2016. (Source: *Global ATM Market and Forecasts to 2019, India*) A total of 1,960 WLAs had been deployed as on April 30, 2014. (Source: *RBI Annual Report 2013-2014, Part II, Payment and Settlement Systems and Information Technology*)

The white label sector is considered a key growth area of the Indian ATM market and is expected to represent approximately 30% of the installed ATM base by 2019, up from 1% in 2014. 140,000 white label ATMs are anticipated by 2019, as new companies enter the sector and existing ones build up their ATM portfolios. The RBI may relax its requirements, increase interchange fees or remove licences from underperforming deployers if growth falls below expectations. (Source: *Global ATM Market and Forecasts to 2019, India*)

The majority of ATM deployment by nationalised banks going forward is expected to be under the brown label scheme. The current wave of 63,000 ATMs was purchased through a joint tender in 2012. In the future, individual banks and their outsourcing partners will make their own purchases. As many as 100,000 new ATMs are expected to be added to the public sector by the end of 2019. (Source: *Global ATM Market and Forecasts to 2019, India*)

A significant proportion of new deployments by private sector banks are expected to be brown label machines, with the number of ATMs forecasted to double to 80,000. Co-operative banks are latecomers to ATM deployment with only a small number of ATMs deployed, with India Post having yet to install any ATMs. Co-operative banks and India Post have the potential to increase ATM numbers fairly rapidly in the coming years, with a forecast of 25,000 ATMs deployed by 2019. (Source: *Global ATM Market and Forecasts to 2019, India*)

Cash Withdrawals

Between 2013 and 2019, the annual volume of ATM cash withdrawals in India is expected to treble, growing at a CAGR of 20%. One of the major challenges facing India's banks is issuing sufficient ATM withdrawal cards to meet their customers' needs, but the introduction of the RuPay scheme, and developments such as cardless withdrawals, are going a long way to addressing the issue. (Source: *Global ATM Market and Forecasts to 2019, India*)

The Indian ATM Industry

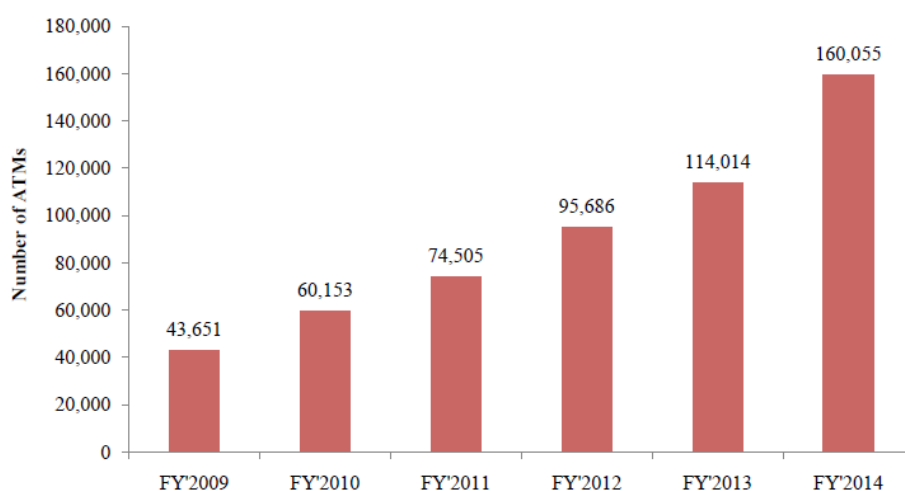
The Indian ATM industry has witnessed tremendous growth in the past decade. Economic development, growing income, especially in the urban areas, and a transition from class banking to mass banking have been the main drivers for growth of the Indian ATM industry. The number of ATMs in India increased from 43,651 in financial year 2009 to 160,055 by financial year 2014. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019*, Ken Research, dated January 2015)

The Government is taking steps to increase the penetration of ATMs in rural parts of India. The table below illustrates the number of ATMs by metropolitan, urban, semi-urban and rural areas in India for the financial years indicated:

Particulars	2009	2010	2011	2012	2013	2014
Metropolitan	15,191	20,716	25,206	33,364	38,629	54,099
Urban	14,448	19,763	24,062	31,006	36,111	50,097
Semi-urban	10,433	14,478	18,082	22,677	27,710	39,374
Rural	3,579	5,196	7,155	8,639	11,564	16,486
Total	43,651	60,153	74,505	95,686	114,014	160,055

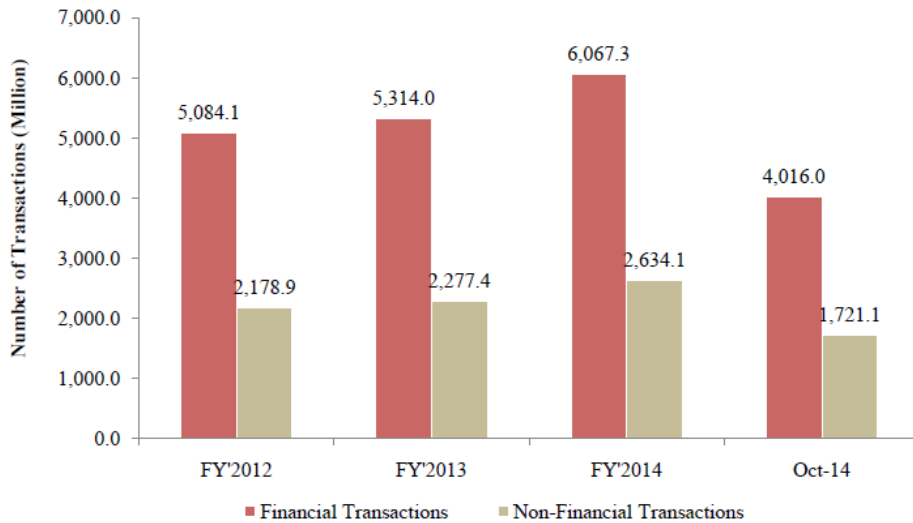
(Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019*, Ken Research, dated January 2015)

The chart below illustrates the number of ATMs in India for the periods indicated:



(Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019*, Ken Research, dated January 2015)

The chart below illustrates the Indian ATM industry market size by the number of financial and non-financial transactions in million for the periods indicated:



(Source: India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015)

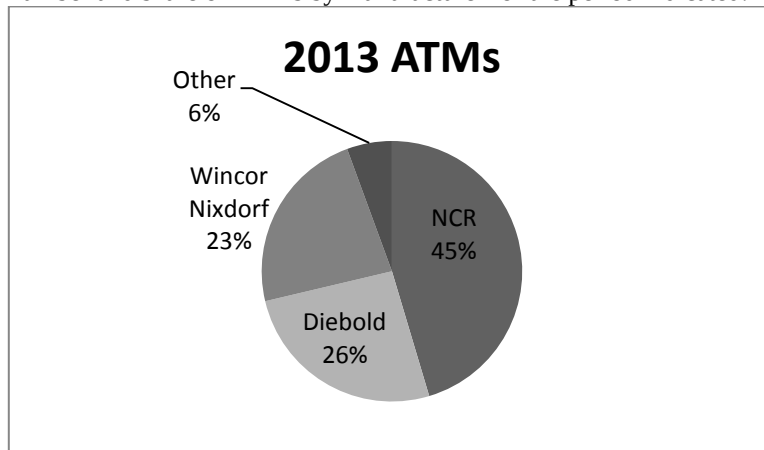
The table below illustrates the Indian ATM market segmentation by the number of on-site and off-site ATMs for the financial years indicated:

Particulars	2009	2010	2011	2012	2013	2014
On-site	24,645	32,679	40,729	47,545	55,760	83,379
Off-site	19,006	27,474	33,776	48,141	58,254	76,676
Total	43,651	60,153	74,505	95,686	114,014	160,055

(Source: India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015)

Key Companies in the ATM Industry

There are now a greater number of suppliers to the Indian ATM market than ever before, although the three largest vendors remain NCR, Diebold and Wincor Nixdorf (through its Indian distributor AGS Transact Technologies). As of December 2013, NCR had supplied 45% of the installed base, Diebold 26% and Wincor Nixdorf 23%. Nautilus Hyosung has the fourth largest share of the installed base. The chart below illustrates the number and share of ATMs by manufacturer for the period indicated:



(Source: Global ATM Market and Forecasts to 2019, India)

Service and Maintenance of ATMs

Most Indian banks outsource the cash replenishment of their off-site ATMs and the first line maintenance of both their branch and non-branch machines. Cash replenishment of branch ATMs is usually carried out by bank staff. Axis Bank and HDFC Bank outsource both functions for their branch and non-branch estates. In-house cash

replenishment is relatively common among the large nationalised banks, while smaller banks more often contract all ATM replenishment, servicing and repair to third parties. (Source: *Global ATM Market and Forecasts to 2019, India*)

Under the managed services and brown label end-to-end outsourcing models that many Indian banks have adopted, the bank's partner is responsible for tasks such as service and maintenance. Most often, cash replenishment and first line maintenance are subcontracted to a domestic company, while second line maintenance may be subcontracted to the ATMs manufacturer or its local partner. (Source: *Global ATM Market and Forecasts to 2019, India*)

Deployers commonly contract first line ATM maintenance to the same company or companies that perform cash replenishment. Less often, banks use the same company for both first and second line maintenance. Many banks, including the largest private sector deployers, use as many as five or six partners for cash replenishment and first line maintenance, with some awarding contracts on a regional basis and others doing so on a national level. (Source: *Global ATM Market and Forecasts to 2019, India*)

No ATM deployers perform second line maintenance in-house. The function is universally outsourced, usually to the machine's manufacturer or to its Indian partner. (Source: *Global ATM Market and Forecasts to 2019, India*)

Key Growth Drivers for the Indian ATM Industry

The key driver of growth in the Indian ATM market is India's agenda of financial inclusion, which involves extending banking facilities to the large parts of the country which are currently underserved, or not catered to at all. As of March 2013, 268,000 communities had received some form of banking services, up from 182,000 a year earlier. However, this leaves another 350,000 communities still to be reached. (Source: *Global ATM Market and Forecasts to 2019, India*)

The opening up of India's banking sector to new entrants is set to stimulate demand for ATMs. Although the entry of non-bank deployers has been ranked as being of only medium importance by respondents to a survey, there is no question that white-label IAD deployers will contribute significantly to ATM growth in the coming years. (Source: *Global ATM Market and Forecasts to 2019, India*)

Labour costs in India are low but migrating them from services at the counter to self-service is still a way for banks to cut their costs. An over the counter cash withdrawal costs four times as much as an ATM withdrawal. Cash recycling is now becoming a viable option for India's ATM deployers, which will facilitate further cost savings in the years ahead. (Source: *Global ATM Market and Forecasts to 2019, India*)

While new branches continue to be opened, it is the installation of ATMs in existing branches that is the more significant factor in driving growth. Over one third of India's commercial bank branches are still without ATMs, and if co-operative banks are included, the proportion is even higher. It is probable that every branch will eventually have at least one ATM. All public sector banks are also required to have at least one 24-hour ATM in each branch, a target that is still some way from being met. These factors will drive demand for ATMs. (Source: *Global ATM Market and Forecasts to 2019, India*)

Offsite deployment is expected to continue to be a major driver of growth of the industry. After most branches have been fitted with ATMs, banks will again focus heavily on non-branch deployment, and white-label ATMs are expected to be installed exclusively in off-site locations. (Source: *Global ATM Market and Forecasts to 2019, India*)

While there is nothing that is likely to prevent the Indian ATM market from continuing to grow rapidly over the next five years, there are several factors which may inhibit or slow growth somewhat. These include: red tape holding back deployers, particularly in the new white-label IAD sector; security concerns, notably robberies and direct threats to ATM users' personal safety; ATM deployer price sensitivity; high site rentals; low interchange fees; and the effect of India's climate, and of dust and dirt, upon ATM hardware. (Source: *Global ATM Market and Forecasts to 2019, India*)

The Asia Pacific ATM Industry

Between 1986 and 1999, Asia Pacific was the world's largest regional ATM market. In 1999, it was overtaken by North America. In 2004, Asia Pacific regained the lead, which it has since maintained. Since 2007, the number of ATMs in the Asia Pacific region has more than doubled. By the end of 2013, the Asia Pacific installed base reached 1,246,661 machines. This equated to 44% of the world's ATMs. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

Japan was the largest ATM market in the Asia Pacific region for 40 years until it was overtaken by China in 2009. By the end of 2003, Japan accounted for 41% of the region's ATMs and China accounted for 17%. Since 2003, the shares have almost reversed, with Japan now accounting for 17% of the region's ATMs and China accounting for 42% of ATM installations. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

During 2013, in the Asia Pacific region, India had the second largest growth in the ATM market, with an addition of 38,879 machines, representing 36% growth. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

By the end of 2019, approximately 2.1 million ATMs are expected in the Asia Pacific region. During this period, absolute growth will be strongest in China, where the installed base is expected to double in size, growing by 465,000 ATMs. Net growth in India is expected to be similar with an addition of approximately 295,000 ATMs. Over the next four years, approximately 70% of ATMs shipped to the Asia Pacific region will go to China and India. By 2019, China and India will represent approximately two thirds of Asia Pacific's installed ATM base. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

The rankings of the primary Asia-Pacific ATM markets in terms of density to population have remained virtually unchanged in recent years. In 2013, Bangladesh returned to its position below Pakistan, which it briefly overtook by this measure in 2012. There are more than 1,000 ATMs per million people in South Korea, Japan, Australia and Taiwan. South Korea has by far the highest ATM density relative to population in the world, with 2,533 machines per million residents (up from 2,482 in 2012); 1,000 more than in Japan, the country ranked second by this measure. On average, there are 319 ATMs per million people in the region in 2013, up from 277 in 2012. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

The table below illustrates the number (in thousands) of ATMs per country for the periods indicated:

Country	2009	2010	2011	2012	2013	CAGR
Australia	27.1	30.1	30.8	30.3	30.2	2.8%
China	214.9	271.1	333.8	415.6	520.0	24.7%
India	60.2	74.5	95.7	114.0	161.8	28.1%
Japan	138.8	138.2	137.8	137.3	137.9	-0.2%
Korea	101.5	110.3	118.5	122.9	124.2	5.2%
Singapore	2.1	2.4	2.5	2.6	2.6	5.3%

(Source: Bank for International Settlements (BIS): Statistics on Payment, Clearing and Settlement Systems in the CPMI countries – Figures for 2013. Published December 2014, <http://www.bis.org/cpmi/publ/d124p2.pdf>)

The table below illustrates the number of ATMs per million inhabitants in each country for the periods indicated:

Country	2009	2010	2011	2012	2013	CAGR
Australia	1,245	1,364	1,377	1,332	1,304	1.2%
China	161	203	248	308	382	24.0%
India	51	63	80	94	131	26.4%
Japan	1,084	1,079	1,078	1,077	1,083	0.0%
Korea	2,065	2,233	2,381	2,458	2,474	4.6%
Singapore	427	481	487	486	485	3.2%

(Source: Bank for International Settlements (BIS): Statistics on Payment, Clearing and Settlement Systems in the CPMI countries – Figures for 2013. Published December 2014, <http://www.bis.org/cpmi/publ/d124p2.pdf>)

Singapore has by far the smallest branch network among the primary countries surveyed in the Asia Pacific region, and the fourth highest density of ATMs relative to branches. Approximately 79% of Singapore's ATMs are deployed off-site. China and India which are ranked first and third in the world in terms of total number of bank branches (210,000 and 118,528 respectively) affect the regional average. When the regional density is calculated excluding these countries, the density of ATMs per 100 branches is 395. This figure is in excess of the global average when also adjusted to exclude the same countries. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

Key Trends in the ATM Industry

By the end of 2019, the installed base of ATMs in the Asia Pacific region is expected to exceed 2.1 million units. This is an increase of 72% from the total at the end of 2013. This would represent a CAGR of 9%, giving net growth of approximately 890,000 machines and an average annual growth of 149,000 machines. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

Over the next four years, the Indian and Chinese markets are expected to dominate ATM growth. Approximately 33% of the increase in the regional installed base will be generated by deployers in India. The next most prominent market, in terms of absolute growth, is Indonesia, which is expected to account for 5% of total growth. The installed base in India is expected to increase by approximately 295,000 and in Indonesia by 47,500. Thailand and the Philippines are the only other markets expected to contribute more than 1% of the region's ATM growth. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

Between 2014 and 2019, approximately 20% of ATMs shipped to the Asia Pacific region will go to deployers in India. Machines sent to India will be largely for new installations. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

ATM shipments will average 63,000 per year between 2014 and 2019, and will increase each year. Over the forecast period, replacements will account for 22% of shipments, and the proportion will increase with time, as the ATMs installed at the beginning of the current period of intensive growth in 2009-2011 reach the end of their lives. The proportion will be less than in most Asia-Pacific markets. (Source: *Global ATM Market and Forecasts to 2019, India*)

Over the next five years, replacements are expected to account for 50% of the ATMs shipped to deployers in the Asia Pacific region. Recently, this percentage has been decreasing as the Chinese and Indian markets have expanded. However, from 2014, it is expected to grow as the machines deployed in China in the mid-2000s start to reach the end of their working lives. (Source: *Global ATM Market and Forecasts to 2019, Asia Pacific*)

The Cash Management Industry

Cash management is the process of collecting, managing and investing cash in an ATM. Making cash available on a continuous basis is the ATM business. The current cash management cycle involves cash pick up from bank, cash movement from the bank to the ATMs' locations, grading, counting, monitoring ATMs for assessing the level of cash in an ATM, and replenishing cash in the machine accordingly. The market size of ATM cash management system in India was estimated to be ₹12,180.9 million in financial year 2011 and increased to ₹28,846.2 million in financial year 2014. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

ATM cash management in India has been predominantly concentrated among a few companies, with the top four players – CMS Info Systems, Brinks Arya, SIS Prosegur and Writer Safeguard – capturing nearly 80% of the market. Among these companies, CMS Info Systems has been the leading company with a market share of approximately 51.5% in the ATM cash management market in India for the financial year 2014. Brinks Arya, SIS Prosegur and Writer Safeguard held approximately 12.9%, 10.9% and 5.0%, respectively, of the market share for the financial year 2014. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

Overview of the Indian Retail Business

The Indian retail industry is currently ranked 20th among the top 30 developing countries. India remains an appealing, long-term retail destination for several reasons, including its demography. Half of India's population is less than 30 years of age and roughly one-third of India's population lives in cities. The disposable income of Indians is increasing – allowing them to spend more and try new products, brands and categories. (Source: http://indiaibusiness.nic.in/newdesign/index.php?param=industryservices_landing/383/3)

Market Size

India's retail market is expected to reach ₹47 trillion by 2016-2017, expanding at a CAGR of 15%. The retail market, which comprises both organised and unorganised segments, stood at ₹23 trillion in 2011-2012. Favourable demographics, increasing urbanisation, nuclearisation of families, rising affluence amid consumers, growing preference for branded products and higher aspirations are other factors which will drive retail consumption in India. (Source: http://indiaibusiness.nic.in/newdesign/index.php?param=industryservices_landing/383/3)

Further, Indian online retail market is estimated to grow over four-fold to reach US\$ 14.5 billion by 2018 on account of rapid expansion of e-commerce in the country. The online retail market is projected to grow at a CAGR of 40% to 45% between 2014 and 2018. (Source: http://indiaibusiness.nic.in/newdesign/index.php?param=industryservices_landing/383/3)

Due to changing demographics, the retail industry in India is on a growing trend. Presently, a large and growing middle class in India is not only buying luxury goods and services but also redefining the luxury market. About 40% of the luxury goods purchases in India occur from the non-metros which in itself is a healthy sign for the countries investing in this sector. (Source: http://indiaibusiness.nic.in/newdesign/index.php?param=industryservices_landing/383/3)

Government Initiatives

The Government of India has taken various initiatives to improve the retail industry in India. The Foreign Investment Promotion Board has cleared five retail proposals worth around ₹4.2 billion from companies such as Bestseller, Puma SA and Flemingo. Additionally, the board cleared three 100% single-brand retail proposals worth ₹2.23 billion, suggesting renewed interest in India's growing retail market. (Source: http://indiaibusiness.nic.in/newdesign/index.php?param=industryservices_landing/383/3)

The central Government is also in the final phase of talks with the states for the implementation of the Goods and Services Tax Bill. This bill is seen as a key to facilitating industrial growth and improving the business climate in the country. (Source: http://indiaibusiness.nic.in/newdesign/index.php?param=industryservices_landing/383/3)

Overview of the Indian Petroleum Fuel Dispensing Business

There has been considerable increase in refining capacity in India over the years, although during financial year 2014 there was no substantial capacity expansion. The refining capacity stood at 215.066 million metric tonnes ("MMT") per annum as on April 1, 2014. By the end of the Twelfth Five Year Plan, refinery capacity is expected to reach 307.366 MMT per annum. Refinery crude throughput (crude oil processed) for the year 2013-14 was about 222.497 MMT, compared with 219.212 MMT in the year 2012-13, representing a marginal increase of about 1.50%. (Source: *Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India*)

Production of petroleum products from Indian refineries has gone up from 217.736 MMT in financial year 2013 to 220.756 MMT during year 2013-14, representing a growth of 1.39%. During the year, keeping pace with the economic growth trend, the consumption of petroleum products in India has grown by only 0.73% and rose to 158.197 MMT during financial year 2014. Consumption of LPG increased by 4.71% from the year 2012-13 to the year 2013-14. (Source: *Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India*)

The table below illustrates the production and consumption of petroleum products in India for the periods indicated:

Year	Production of Petro-Products (MMT)	% Growth in Production of Petro-Products	Consumption of Petro-Products (MMT)	% Growth in Consumption of Petro-Products
2007-08	149.472	7.02	128.946	6.79
2008-09	155.148	3.80	133.599	3.61
2009-10	184.604	18.99	137.808	3.15
2010-11	194.821	5.53	141.040	2.35
2011-12	203.202	4.30	148.132	5.03
2012-13	217.736	7.5	157.057	6.02
2013-14*	220.756	1.39	158.197	0.73

*Provisional

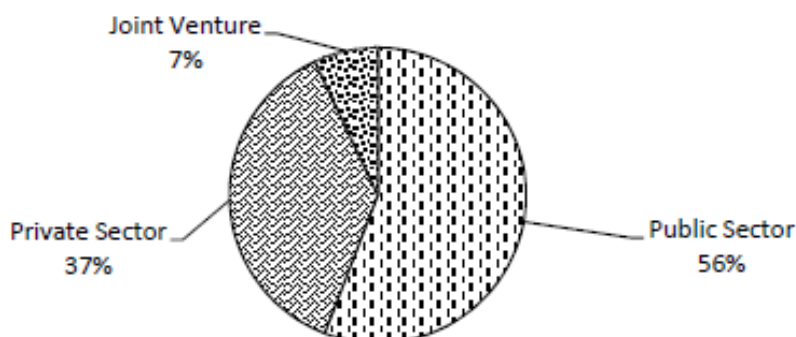
Notes:

1. Production of petroleum products includes production of petroleum products from fractionators.

2. Consumption of petroleum products excludes refinery fuels and includes imports also.

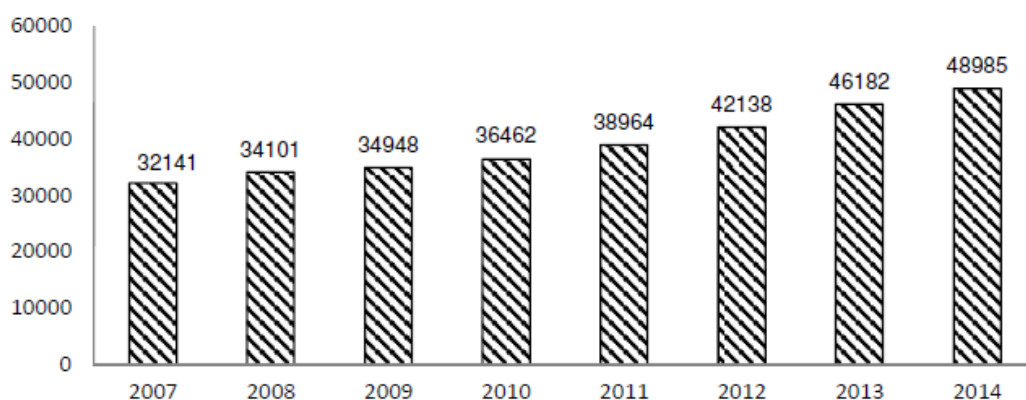
(Source: Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India)

The chart below illustrates the percentage share of India's total refining capacity as of April 1, 2014:



(Source: Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India)

Bharat Petroleum Corporation Limited (“BPCL”), Hindustan Petroleum Corporation Limited (“HPCL”) and Indian Oil Corporation (“IOCL”) are part of the Indian public sector petroleum retail market. The table and chart below illustrate the total number of petroleum retail outlets in India as of April 1 for each of the years and entities indicated:



Year	Retail Outlets	BPCL	HPCL	IOC	Total
2007	Number	7,800	7,909	16,462	32,141
	Percentage	24.3	24.6	51.1	100.0
2008	Number	8,238	8,329	17,534	34,101
	Percentage	24.2	24.4	51.4	100.0
2009	Number	8,389	8,419	18,140	34,948
	Percentage	24.0	24.1	51.9	100.0
2010	Number	8,692	9,127	18,643	36,462
	Percentage	23.8	25.0	51.1	100.0
2011	Number	9,289	10,212	19,463	38,964
	Percentage	23.8	26.2	50.0	100.0
2012	Number	10,310	11,253	20,575	42,138
	Percentage	24.5	26.7	48.8	100.0
2013	Number	11,637	12,173	22,372	46,182
	Percentage	25.2	26.4	48.4	100.0
2014	Number	12,123	12,869	23,993	48,985
	Percentage	24.7	26.3	49.0	100.0

(Source: Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India)

The table below further breaks down the number of public sector petroleum retail outlets in India by state and company as of March 31, 2014 and 2013:

State / Territory	Union	As on March 31, 2014				Total Industry	Total as on March 31, 2013
		IOCL/AOD	HPCL	BPCL	Total		
States							
Andhra Pradesh		1,958	1,429	1,121	4,508	4,710	4,302
Arunachal Pradesh		48	—	7	55	71	54
Assam		500	83	114	697	753	666
Bihar		1,269	430	551	2,250	2,316	2,101
Chhattisgarh		435	296	246	977	998	865
Delhi		199	97	107	403	403	408
Goa		27	36	46	109	109	104
Gujarat		1,175	662	619	2,456	2,910	2,301
Haryana		1,238	628	360	2,226	2,333	2,045
Himachal Pradesh		196	99	59	354	361	352
Jammu & Kashmir		218	129	122	469	469	453
Jharkhand		473	235	293	1,001	1,062	966
Karnataka		1,750	847	860	3,457	3,620	3,129
Kerala		833	556	435	1,824	1,900	1,800
Madhya Pradesh		1,161	711	797	2,669	5,873	2,425
Maharashtra		1,728	1,443	1,520	4,691	5,025	4,316
Manipur		68	—	8	76	80	69
Meghalaya		110	21	32	163	175	158
Mizoram		27	3	1	31	32	29
Nagaland		47	3	6	56	68	56
Orissa		695	285	380	1,360	1,438	1,291
Punjab		1,664	853	588	3,105	3,229	3,069
Rajasthan		1,466	924	718	3,108	3,327	2,919
Sikkim		15	7	21	43	44	42
Tamil Nadu		1,991	1,127	1,230	4,348	4,540	4,148
Tripura		59	—	1	60	63	52
Uttar Pradesh		3,156	1,278	1,211	5,645	6,013	5,317
Uttarakhand		231	152	100	483	505	461
West Bengal		1,128	466	519	2,113	2,183	2,049
Union Territories							
Andaman & Nicobar		9	—	—	9	9	9
Chandigarh		20	11	10	43	41	41
Dadra & Naga Haveli		9	10	3	22	27	20
Daman & Diu		11	10	7	28	31	23

State / Territory	Union	As on March 31, 2014				Total Industry	Total as on March 31, 2013
		IOCL/AOD	HPCL	BPCL	Total		
Lakshadweep		—	—	—	—	—	—
Puducherry		79	38	31	148	150	142
Grand Total		23,993	12,869	12,123	48,985	51,868	46,182

(Source: Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India)

The table below illustrates the consumption of petroleum products by thousand tonnes and the market share of oil companies in India for the periods indicated:

Year	Consumption	IOC	BPCL/KRL	HPCL	Other Companies	Private No.	Total
2007-08	Consumption	57,956	24,866	22,056	2,264	21,804	128,946
	Percentage	44.9	19.3	17.1	1.8	16.9	100.0
2008-09	Consumption	61,363	26,324	23,712	2,094	20,106	133,599
	Percentage	45.9	19.7	17.7	1.6	15.0	100.0
2009-10	Consumption	63,570	27,015	24,246	1,946	21,419	138,196
	Percentage	46.0	19.5	17.5	1.4	15.5	100.0
2010-11	Consumption	66,727	28,461	25,578	1,728	18,546	141,040
	Percentage	47.3	20.2	18.1	1.2	13.1	100.0
2011-12	Consumption	70,084	30,228	27,581	1,639	18,601	148,132
	Percentage	47.3	20.4	18.6	1.1	12.6	100.0
2012-13	Consumption	71,249	32,232	28,862	1,755	22,959	157,057
	Percentage	45.4	20.5	18.4	1.1	14.6	100.0
2013-14*	Consumption	70,028	32,779	30,044	1,579	23,766	158,197
	Percentage	44.3	20.7	19.0	1.0	15.0	100.0

*Provisional

Notes:

1. "Other Companies" include CPCL, GAIL, MRPL, NRL and ONGC.

2. Private data includes sales by private oil companies, own consumption and direct private imports.

(Source: Indian Petroleum and Natural Gas Statistics 2013-14, Economics and Statistics Division, Ministry of Petroleum and Natural Gas, Government of India)

OUR BUSINESS

Overview

We are one of India's leading providers of a wide spectrum of payment solutions and technology products for the banking, retail and petroleum sectors. We provide customised products and solutions comprising ATMs and other automated payment products, related maintenance and managed services, cash management services and transaction switching services. Our total revenue was ₹9,512.56 million and ₹5,790.67 million and our net profit was ₹41.13 million and ₹142.54 million, for the financial year 2014 and the six months ended September 30, 2014, respectively.

As of December 31, 2014, we had installed, maintained or managed a network of 41,569 ATMs, provided cash management services to more than 10,000 ATMs through our subsidiary, Securevalue India Limited ("SVIL"), installed more than 25,000 POS terminals, automated more than 5,000 petroleum outlets and installed more than 34,000 colour dispensing machines across India. Our operations covered more than 700 cities and towns, reaching out to more than 100,000 customer touch points across India, as of December 31, 2014.

We operate our business in the following segments:

- Banking Automation Solutions;
- Banking Payment Solutions; and
- Other Automation Solutions (for retail, petroleum and colour sectors).

Our Banking Automation Solutions segment, which commenced in 2004, comprises the supply and installation of ATMs and other automated banking products, the ATM site development and the provision of services, including maintenance, software and hardware upgrades and spare parts. As of December 31, 2014, we have supplied and installed 25,018 ATMs for more than 70 banking customers, including ICICI Bank Limited, Axis Bank Limited, HDFC Bank Limited and State Bank of India.

Our Banking Payment Solutions segment comprises ATM outsourcing and managed services, cash management services, electronic payment solutions and transaction switching services. Leveraging our banking automation solutions expertise, we began to offer ATM outsourcing and managed services in 2009. As part of our strategy to offer an integrated payments platform and to improve our operational efficiencies, we commenced offering transaction switching services in 2011, cash management services in 2012 and electronic payment solutions in 2014. As of December 31, 2014, we had more than 30 customers in our Banking Payment Solutions segment, including Axis Bank Limited, ICICI Bank Limited, HDFC Bank Limited, Ratnakar Bank Limited, BTI Payments Private Limited and Muthoot Finance Limited.

- In our ATM outsourcing and managed services businesses, we are responsible for the end-to-end management of ATMs, starting from site identification and development, followed by machine deployment, maintenance and management on behalf of our customers. While in our outsourcing services business, we own the ATMs, under our managed services business, the ownership of these machines remains with the customers themselves. As of December 31, 2014, our portfolio consisted of 9,733 ATMs and 6,818 ATMs under our outsourcing and managed services businesses, respectively.
- Our subsidiary, SVIL's cash management services include cash pick-up, cash-in-transit, cash vaulting and cash processing services for ATMs managed by us and by other operators. As of December 31, 2014, we provide cash management services through a fleet of 421 cash vans, 15 vaults and 75 spoke locations, covering 440 cities and towns in India. For the six months ended December 31, 2014, SVIL replenished a daily average amount of ₹2,959.48 million.
- We also provide transaction switching services, where we integrate a variety of payment channels, including internet payment gateways and several mobile payment systems, to route, switch and process electronic transactions. This gives us the ability to cater to the needs of banks and other financial institutions across the payment transactions value chain, including assisting banks in the issuance of new

cards, migrating their existing card base and the authorization of cards. Our in-house switch development software team also develops customized switching solutions for our customers. We launched our transaction switching services in 2011 and for the nine months ended December 31, 2014, we processed a daily average of 56,000 switching transactions.

- In June 2014, we were authorized to function as a white-label ATM operator in India, which we believe will enable us to further grow our presence while maintaining branding and operational flexibility.

We have also recently started offering Banking Automation Solutions and Banking Payment Solutions to banks and financial institutions in Singapore, Cambodia, the Philippines and Indonesia.

Our Other Automation Solutions business segment encompasses our retail, petroleum and colour operations. As part of our Other Automation Solutions segment, we supply automation products and provide implementation services, system integration, remote management and support and help desk services. Customers for our retail sector offerings include Bharti Retail Limited, DLF Brands Limited and Future Retail Limited, while customers for our petroleum sector offerings include Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited. Our colour operations primarily comprise the manufacture and supply of automatic and manual paint dispensers and the supply of engravers. Our colour sector customers include Asian Paints Limited and Berger Paints India Limited.

The following table sets out our revenue for the various segments in which we operate for the periods indicated:

Segment	Six Months ended September 30, 2014 (₹ in millions)	Financial Year		
		2014 (₹ in millions)	2013 (₹ in millions)	2012 (₹ in millions)
Banking Payment Solutions	2,949.13	4,846.20	2,740.79	1,752.48
Banking Automation Solutions	2,081.80	2,953.37	2,109.91	2,116.12
Other Automation Solutions	743.72	1,680.52	1,516.50	1,248.20

Our Competitive Strengths

Our principal competitive strengths are as follows:

End-to-End Solutions Provider of Banking Automation Solutions and Banking Payment Solutions

We provide end-to-end payment solutions and technology for the banking sector across the entire ATM value chain. We offer a diverse portfolio of high-end products and have the ability to customize, integrate, deploy, maintain and manage such products for our customers. We manage a network of ATMs across the country, facilitated by our in-house cash management capabilities and transaction switching services. We believe that we have developed in-house expertise to deal with entire product life cycle of machine deployment, including site identification, preparation, operation, maintenance and relocation (where required), and have the ability to cater to the varying service requirements of banks and white-label ATM operators. Through our extensive service and cash management infrastructure, we believe we have developed economies of scale, which allow us to provide efficient and cost-effective solutions to our customers. We believe that our ability to act as an end-to-end solution provider for our customers will enable us to grow our market share and our various service offerings (including, e.g., in bank branch automation in India).

Significant Presence in Several Consumer-oriented Sectors Leading to Cross-selling Opportunities

We install, integrate, maintain and manage specialized machines and automated solutions for customers in the consumer-oriented sectors of banking, retail, petroleum and colour. Our operations cover more than 700 cities and towns and we installed, managed or maintained more than 100,000 customer touch points across India, as of December 31, 2014. Our cross-sector experience and knowledge allows us to develop integrated automated

payment solutions and technology. By having a diversified products and services portfolio, we believe we are able to address cross-selling opportunities for our customers across different business sectors. For example, we leverage our cash management capabilities to offer cash pick-up services for our retail customers. We also offer digital signage solutions to our banking customers and currency machines to our retail customers. We believe our ability to innovate and offer tailor-made payment solutions to fit the needs of our customers across our various business segments allows us to deepen our relationships with them and enables us to target a greater share of their payment-services related requirements.

Diversified Product Portfolio, Customer Base and Revenue Streams

We derive our revenues from a variety of products and services across our business segments. In our Banking Automation Solutions segment, we have a combination of revenue from the supply of ATMs and other automated banking hardware products and service income. Further, our Banking Payment Solutions segment revenue from operations consists of revenue from ATM outsourcing services, ATM managed services (including both transaction-based and fixed monthly fee), cash management services, electronic payment solutions and transaction switching services. Revenue from Banking Automation Solutions and Banking Payment Solutions accounted for 36.1% and 51.1%, respectively, of our total revenue from operations (net) for the six months ended September 30, 2014. We have a diversified customer base of over 70 private and public sector banks. Our total portfolio of 41,569 ATMs, as of December 31, 2014, covers 20,000 private and 21,500 public sector banks ATMs. In addition, our ATMs are present across 29 states and four Union Territories in India as of December 31, 2014. While a majority of our revenues is derived from our Banking Automation Solutions and Banking Payment Solutions segments, our Other Automation Solutions segment constituted 12.8% of our total revenue from operations (net) for the six months ended September 30, 2014. Our diversified product portfolio and revenue streams enable us to mitigate the concentration risks that are associated with operations in a specific segment or geographic region.

Long-Standing Relationships with Vendors who are Leading Global Technology Providers, as well as Customers who are Leading Indian Financial Institutions, Retailers and Petroleum Companies

We have long-standing relationships with leading global technology providers, such as Wincor Nixdorf AG (together with its affiliates, “**Wincor**”). Since 2004, we have been offering Wincor ATMs, cash deposit machines, retail cash billing machines and a diverse range of Wincor’s other banking and retail-related sector hardware, associated operating systems and software products in India. We believe that our long-standing relationship with Wincor has led to effective knowledge sharing and the adoption of global best practices, thereby enabling us to improve and develop our in-house service capabilities. This tie-up has also allowed us to develop credibility as we are able to cater to our customers in a quick and effective manner. Many of our competitors also have engaged us for the supply, management or maintenance of their payment services infrastructure.

Further, we believe we have established relationships with leading Indian financial institutions, such as ICICI Bank Limited, Axis Bank Limited, HDFC Bank Limited and State Bank of India, having procured repeat orders from them in the past. In addition, we also work with leading retail chains, such as Bharti Retail Limited, DLF Brands Limited and Future Retail Limited, and petroleum companies, including Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited. We believe that the strength of our relationships with customers put us in an advantageous position for new business and cross-selling opportunities and enhances our market reputation.

Dedicated In-house Infrastructure to Offer Customers Round-the-clock Support

We believe that our ability to offer customised solutions together with our dedicated in-house infrastructure and trained personnel has enabled us to develop a large customer base, which we can leverage for future growth. As of December 31, 2014, we had 30 branch offices across the country and an operations work force of 4,800 personnel, covering more than 700 cities and towns and servicing more than 100,000 customer touch points across India. We have set up a common services platform, which includes an in-house testing and repair centre and a technology support centre, which houses our round-the-clock monitoring and help desk teams that support our engineers and field-services work force in delivering service to our customers. Our services platform supports our network of more than 1,200 engineers in 270 cities as of December 31, 2014, who are periodically trained in-

house to repair and maintain equipment across all our products and respond to customer requirements in a timely and efficient manner. We have also set up a disaster recovery centre at Bengaluru.

Experienced Senior Management

We believe that we have a strong management team with significant industry experience and established relationships with our customers. Mr. Ravi B. Goyal, the promoter of our Company, has more than 20 years of experience in the technology sector. Our key managerial personnel have an average experience of more than 10 years. Our key managerial personnel are a team of skilled and qualified professionals enables us to identify new opportunities and implement our business strategies in the manner contemplated and to continue to build on our track record of customer service and respond to market opportunities.

Our Strategy

We intend to be a leader in payment solutions by delivering secure, innovative products that engage a customer across the product value chain in a cost effective manner.

The primary elements of our business strategy are as follows:

Focus on Developing an Integrated Payments Platform for our Customers

We intend to leverage our product portfolio and our existing presence to provide customized payment solutions and to develop an integrated payments platform for our customers as set out below:

- We intend to capitalize on the growth of the e-commerce sector and the demand for mobile and web driven payments gateways by focusing on the convergence of the payment platforms across various business sectors.
- We intend to utilize our electronic transaction processing switch, which enables the inter-connectivity of banks' ATMs and other delivery channels to different payment gateways, to offer new web- and mobile-based payment services. For example, we have developed a mobile-POS solution, offering fast, secure and end-to-end transaction processing to merchants.
- We have recently started providing transaction switching services to merchant customers of one of our banking clients.
- In the petroleum sector, we have developed a product that combines our operational presence at a petroleum outlet with our retail payments offering, which in turn is integrated with our payment switch. This product enables the customer to access the right grade and quantity of fuel and monitor fuel consumption by the vehicle on a real-time basis.

We believe that by developing mobility-based payment solutions, which enables additional modes of making payments besides cash or card, we will be able to develop customized payment solutions (including mobile wallet offerings) for our customers. This we believe will enable us to grow our customer touch points, other service offerings and total revenue.

Capitalize on the Growing Banking and Payments Industry

We continue to leverage our expertise in dealing with entire product life cycle of ATM supply, deployment, maintenance and managed services to capitalize on the growing banking and payment industry in India.

The number of ATMs around the world increased from more than 2.0 million in 2009 to 2.9 million in 2014, registering a CAGR of 7.3% during the period. As of 2014, Asia Pacific accounted for the largest share of 42.2% in the total number of ATMs in the world, largely attributable to China and India. The number of ATMs in India increased from 43,651 in financial year 2009 to 160,055 by financial year 2014. The penetration of ATMs in India is quite low as compared to the other developing nations in the world. As of financial year 2014, it was estimated that there were only 13 ATMs per 100,000 people residing in India. Although the number has increased

considerably since financial year 2009, the growth has been meager as compared to the other emerging nations that have at least 90 ATMs per 100,000 people. (Source: *India ATM Managed Services and Outsourcing Market Outlook to 2019, Ken Research, dated January 2015*)

We expect transaction volume and consequently, the payment infrastructure network, including the number of ATMs and other automated banking hardware products in India, to continue to grow for a number of reasons, including:

- ATMs are being leveraged by banks to deliver other financial and non-financial products to their customers.
- White-label ATMs have also been introduced in India with the objective of increasing ATM density and also building rural and semi-urban ATM infrastructure. (Source: <http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=9170&Mode=0>)
- The issuance of new banking licenses in India.
- In August 2014, the Government of India launched the Pradhan Mantri Jan-Dhan Yojana, a plan of financial inclusion to provide banking access to all households across the country. The Government intends to initially provide households with access to bank accounts with basic banking service facilities, such as RuPay debit cards, mobile banking facilities, cash withdrawals, deposit and transfer facilities and increase services over time in a phased manner. (Source: <http://www.pmjdy.gov.in>)
- The recent RBI Guidelines on licensing of payment banks.

We also intend to leverage our existing presence in the consumer-oriented sectors to service the growing demand for products and services offered under our Other Automation Solutions business segment. For example, the number of POS infrastructure units in India increased from 320,000 units on March 31, 2007 to 1,065,000 units on March 31, 2014. (Source: <http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=9170&Mode=0>)

We believe these initiatives and measures will enable us to grow our sales of payment solutions and technology and target the expansion of our product and service offerings.

Focus on ATM Outsourcing and Managed Services

Banks have increasingly outsourced certain functions of the management of ATMs, either partially or wholly, to third parties such as us. These functions include site identification, leasing, maintenance, housekeeping, security and monitoring of ATMs and sites. We believe that banks will increasingly outsource their ATM management functions to third parties and we intend to focus on these opportunities to increase our revenues. As of December 31, 2014, out of the total 41,569 ATMs supplied, installed, maintained and managed by us, 16,551 were under the ATM outsourcing and managed services models. We intend to increase the share of such outsourced or managed ATMs in our portfolio. We believe that this model offers a greater growth opportunity for specialized service providers such as us. It allows us to focus on increasing revenue by facilitating greater number of transactions on the ATMs through our systems and processes, targeting new revenue streams from the variety of services required in the ATM products life cycle, while at the same time reducing the costs of operating such ATMs.

We also intend to continue to focus on the cash management business of SVIL and our transaction switching capabilities to capture a greater proportion of the ATM value chain. Lastly, we also aim to leverage our market share, which enables us to access sizeable usage data, and our experience, which provides us with expertise, in determining ATM sites and making other related business decisions.

Expand and Grow our Banking Automation Solutions and Banking Payment Solutions Outside India

We have recently expanded our business outside India to Singapore, Cambodia, the Philippines and Indonesia. We will continue to look for such markets where the ATM and payment services industries are in the growth phase. Our international operations currently comprise the supply and maintenance of ATMs and other automated banking products, software solutions, branch transformations and omni-channel advisory services.

Improve our Operational Efficiency

As we expand our geographic reach and scale of operations, we continue to focus on operational efficiency through the effective use of technology aimed at capitalizing on the reach of our offices and increasing our market share. Such steps to improve operational efficiency include a central information management and tracking system and a cash forecasting system for our ATMs. We believe that our continuous innovation, as well as development of technological capabilities through tie-ups with global technological leaders, will help us keep abreast of the latest demands of the ecosystem in which we operate and help us in developing our internal processes. We are creating a nucleus of software developers in order to maintain our competitiveness as we expand into the rapidly growing mobile and web-based payment solutions market. We also intend to leverage the cash management capabilities of SVIL to make our ATM management operations more efficient.

Focus on Cash Management Services

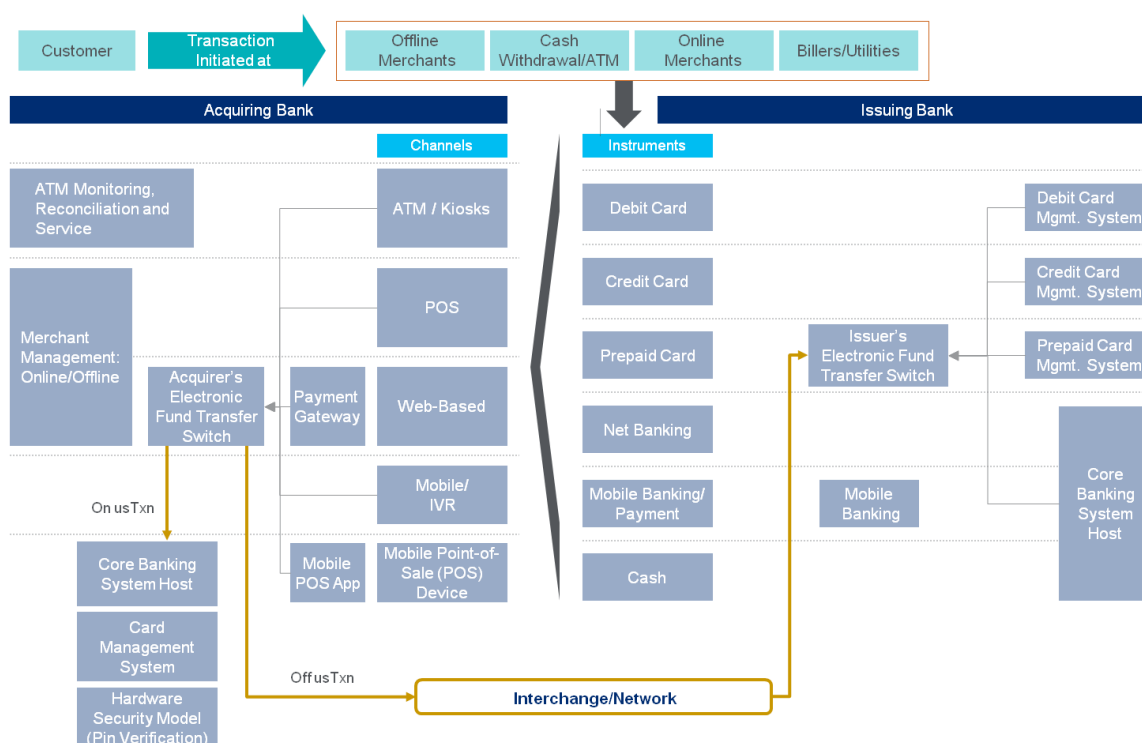
We launched our cash management business through our subsidiary SVIL in 2012 with the objective of gaining better control over an important component of our ATM outsourcing and managed services business. Having gained scale and operational efficiencies in this business, we intend to grow this business further by leveraging our experience and other factors such as the:

- increasing trend of banks outsourcing their ATM operations to third parties such as us;
- expected increase in the number of ATMs in India due to various financial inclusion initiatives of the Indian Government, such as the Pradhan Mantri Jan Dhan Yojana; and
- recent RBI initiative to enable setting up of WLAs, which we believe will require greater number of cash management service providers.

We also intend to expand the geographical scope of our cash management business and explore opportunities in new cash user segments. We will continue to focus on providing services such as cash pick-up, cash-sorting and cash-deposit services to various establishments, including retail outlets. We intend to offer such services through the use of sophisticated technology, with little or no human intervention, with an objective of enabling these establishments to reduce their working capital cycles.

DESCRIPTION OF OUR BUSINESS AND OPERATIONS

We provide payment solutions and technology for the banking, retail, petroleum and colour sectors in India and banking payment solutions in certain other geographies in Asia. The combination of our Banking Automation Solutions and Banking Payment Solutions business segments enables us to provide end-to-end payment solutions and technology to banks and financial institutions, thereby equipping them to offer a complete payments ecosystem to their end customers. The payment ecosystem that we seek to service is represented below:



Our Banking Sector Operations

We began our banking operations in 2004 by supplying and maintaining ATMs. We have since expanded our payment solutions and technology business across the payments value chain to become an end-to-end solutions provider of ATM-based payment solutions, which includes the supply, deployment, maintenance and management of such machines, and also a provider of cash management, electronic payment solutions and transaction switching services.

Our banking sector operations can be classified into two segments – Banking Payment Solutions and Banking Automation Solutions.

The following table sets out our ATM portfolio across our various business models, as of December 31, 2014:

Customer	Banking Automation Solutions	Banking Payment Solutions	
		Outsourcing Services	Managed Services
ICICI Bank	1,995	2,093	3,466
Axis Bank	697	3,752	—
HDFC Bank	1,850	587	—
State Bank Group	3,645	598	—
Others	16,831	2,703	3,352
Total	25,018	9,733	6,818

The table below sets out our ATM portfolio in the states and Union Territories in India in which we are present, as of December 31, 2014:

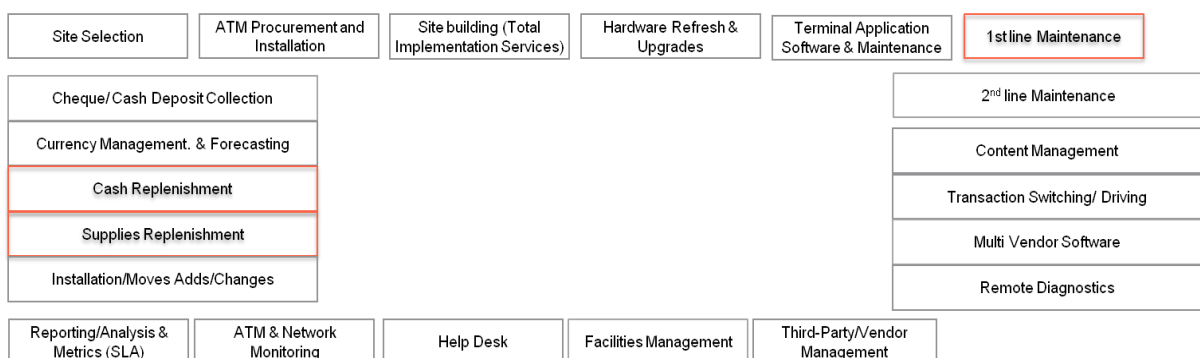
State and Union Territories	Banking Payment Solutions	Banking Automation Solutions	Total
Maharashtra	2,665	2,797	5,462
Tamil Nadu	1,675	3,193	4,868
Karnataka	1,541	2,127	3,668
Haryana	2,003	841	2,844
Uttar Pradesh	1,040	1,765	2,805
Andhra Pradesh	1,160	1,662	2,822
West Bengal	587	1,868	2,455
Telangana	87	2,059	2,146
Gujarat	791	1,295	2,086
Kerala	962	958	1,920
Delhi	430	930	1,360
Punjab	421	910	1,331
Madhya Pradesh	577	619	1,196
Rajasthan	468	616	1,084
Orissa	510	399	909
Jammu & Kashmir	63	759	822
Himachal Pradesh	580	132	712
Bihar	198	445	643
Uttarakhand	113	504	617
Chandigarh	123	283	406
Chhattisgarh	112	295	407
Jharkhand	137	249	386
Assam	135	141	276
Goa	101	105	206
Sikkim	17	20	37
Meghalaya	10	14	24
Puducherry	20	—	20
Tripura	13	6	19
Andaman & Nicobar	1	11	12
Nagaland	3	6	9
Manipur	5	3	8
Arunachal Pradesh	2	4	6
Mizoram	—	2	2
Daman & Diu	1	—	1
Grand Total	16,551	25,018	41,569

Banking Payment Solutions

Our Banking Payment Solutions segment operations comprises ATM outsourcing and managed services, cash management services (through SVIL), transaction switching services, electronic payment solutions (through our subsidiary, India Transact Services Limited (“ITSL”)) and WLA operations.

ATM Outsourcing and Managed Services

The following diagram sets out the various components of ATM Outsourcing and Managed Services:



In our ATM outsourcing services business, we offer an end-to-end ATM outsourcing model where we are generally responsible for sourcing sites and owning, deploying, maintaining and managing the ATMs and related assets set up by us. We source and select sites in consultation with our bank customers, which is often based on the deployment formats of the banks. We enter into lease agreements with the landlords of the sites, then acquire the ATMs and related assets. This is a capital intensive model, where we retain the proprietary and beneficial interest in the ATM and its related assets during the term of our agreement with our customers. Further, the upkeep and maintenance of the ATMs and the sites, along with cash management activities, such as cash forecasting, cash reconciliation and cash replenishment of the ATMs, is our responsibility. Once the ATMs are live with cash in them, we also constantly monitor the machines based on their connectivity to the applicable customer's host switch.

In contrast, under our ATM managed services business, site sourcing is not done by us. Further, while we are generally responsible for services in respect of the ATMs and the sites, the ownership of the ATMs remains with the banks' themselves.

The deployment process for an ATM begins with its site identification and selection. We have a dedicated site selection team of more than 50 employees spread across India who identify, visit and shortlist suitable sites, with the assistance of local real estate agents. Sites are shortlisted on the basis of their transaction potential and take into account both objective and subjective factors, such as in-person site visits, footfalls around the vicinity of the site, the number of transactions conducted at nearby ATMs and the approximate card base of the bank or financial institution. Once a site is internally approved and a lease with the landlord is signed, our projects rollout team conducts a detailed site study and prepares a site feasibility report. The projects rollout team also evaluates construction costs estimates submitted by third-party contractors and finalizes a vendor in conjunction with our commercial team. The third-party contractors then prepare a plan for the execution of the project and a schedule for the completion of the construction of the site. Once the construction is completed, a final quality check is conducted by both our projects rollout and site sourcing teams. ATMs and other related assets are then installed and tested for functioning and connectivity, following which the cash management team places cash, tests for a successful cash transaction and thereafter, the ATM becomes live and ready for customer use.

In both businesses, we are responsible for the upkeep and maintenance of the site (through first line and second line maintenance), along with cash management services such as cash forecasting, cash reconciliation and cash replenishment. We also ensure the ATMs are connected to their applicable host customer's switch to enable the driving, switching, authorization and processing of transactions by the host customer. We also monitor sites from both an operational and profitability perspective, and we relocate ATMs if and when required.

In both businesses, our payment terms for our services are either on a fixed monthly fee basis or on a per transaction basis. Under our contracts, a transaction could be financial, non-financial, on-us (by a card holder of the same bank or financial institution as the ATM), off-us (by a card holder of a different bank or financial institution as the ATM), or a combination of these categories. Certain of our contracts also provide for a minimum guaranteed payment to us. Under our outsourcing services contracts, upon the expiry of our agreement with the banks, the banks generally have a right to takeover and purchase the ATM and its related assets at a price calculated in accordance with the terms of our agreement. However, under one of our agreements, the bank has the right to take over the ATMs and the related assets at zero cost upon the expiry of the agreement. In few of our outsourcing services and managed services contracts, we are also required to pay an upfront fee to our customer, which is amortized over the course of the contract.

Under our outsourcing and managed services contracts, we are generally responsible for the following at the site:

- ownership of the ATM(s) and related assets (in complete outsourcing contracts only);
 - an uninterrupted power supply unit with batteries;
 - the very small aperture terminals and modems;
 - the air-conditioner(s);
 - furniture and fixture;
 - video surveillance, if applicable;
- site sourcing and the expenses involved with it;
- leasing of the entire site;
- rent deposits or rents in advance;
- electricity expenses;
- ATM monitoring and maintenance;
- help desk management;
- incident management;
- cash reporting and reconciliation;
- consumables;
- MIS reporting;
- vendor management;
- insurance of sites, ATM(s) and related assets;
- cash forecasting, management and replenishment; and
- switching services, if required by the bank.

We usually outsource the repairs and maintenance of the physical site, housekeeping and security services to housekeeping agencies. Cash management services, including cash replenishment and reconciliation services, are either sub-contracted to our subsidiary SVIL or to another service provider.

The following table sets out certain usage data for ATMs under our outsourcing and managed services contracts:

	Nine Months Ended December 31, 2014	Financial Year 2014
Number of Revenue Generating Transactions	341,995,235	381,998,195

As of December 31, 2014, 26.7% and 73.3% of our ATMs under our outsourcing and managed services business had the fixed monthly and per transaction fee structure (includes hybrid models as well), respectively.

Transaction Switching and Electronic Payment Solutions

Our transaction switching services enable us to offer an outsourced platform for providing integrated payments processing, card management and merchant acquiring solutions. Switching a transaction involves authorisation, clearing and settlement of such transaction. A switch is software which performs these functions across multiple devices and payment networks and systems. We assist our customers in routing and processing electronic transactions and also assist banks in migrating their existing card base, issuing new cards and authorizing cards. We started providing transaction switching services with the acquisition of a licence for the Postilion switch from an affiliate of ACI Worldwide in 2011. For the nine months ended December 31, 2014, we processed a daily average of 56,000 switching transactions. Our transaction switching services customers include banks and financial institutions such as Ratnakar Bank Limited, BTI Payments Private Limited and Muthoot Finance Limited.

We also provide electronic payment solutions, where we integrate a variety of payment channels, including internet payment gateways and several mobile payment systems, to route, switch and process electronic transactions. Our transaction switch acts as the backbone of our electronic payment solutions offering, which is offered through our wholly-owned subsidiary, ITSL. ITSL has been granted a license from the RBI on May 30, 2014 to issue and operate pre-paid payment instruments.

Our transaction switching services include the following functions:

- setting up an interface with the networks, including Mastercard, Visa, American Express, Cash Tree, NFS, banks ATM networks and customer services;
- integration with payment gateway portals;
- setting up an interface with the device handlers, including with ATM manufacturers and POS terminals;
- displaying marketing messages;
- setting up single PIN features across various banking channels;
- hot listing of cards;
- ATM monitoring;
- encrypting PINs and transactions;
- card embossing;
- customizing transaction slips;
- multi-currency support;
- POS management; and
- reconciliation of various associations transactions along with the issuing and acquiring transactions.

Cash Management

We undertake cash management services through our wholly-owned subsidiary, SVIL, which commenced its commercial operations in April 2012. SVIL focuses on the transit, safe keeping (in vaults) and management of currency and valuables for banks, financial institutions and retailers (including other entities dealing in cash and other valuables). SVIL also provides cash replenishing, monitoring, counting and sorting services, vaulting services and reconciliation services. We provide cash management services to banks, such as ICICI Bank Limited, Axis Bank Limited, HDFC Bank Limited and Ratnakar Bank Limited, non-bank ATM deployers, such as BTI Payments Private Limited, Muthoot Finance Limited, and large retailers, such as Future Retail Limited.

The services offered by SVIL include:

Cash in Transit Services: As part of its cash in transit services, SVIL provides for the safe transport of cash. The cash is carried in vehicles, which are monitored through an in-house GPS tracking system. These vehicles are guarded by armed security personnel and are equipped with speed jammers and geo-fencing devices. As of December 31, 2014, SVIL provided cash in transit services for more than 10,000 ATMs for several banks in India and had a fleet of 421 cash vans.

ATM Services: The ATM services offered by SVIL include ATM cash replenishment, ATM maintenance and repair, deposit pick-up and cash processing. We also train SVIL employees in providing first and second line maintenance and basic repair to ATM hardware, thereby enabling SVIL to provide complete line maintenance of ATMs for our cash management customers and minimizing ATM downtimes.

Cash Processing Services: Cash processing services offered by SVIL include counting and sorting services and reconciliation services. SVIL has trained personnel and facilities to handle large volumes of cash and ensure cash processing speed and accuracy.

Cash Vault Services: Cash vault services enable better management of cash operations and delivers a complete cash processing outsourcing solution for financial institutions. Cash vault services include currency inventory management, including maintaining currency in secure vaults and managing the inventory for cash shipment and consolidation and branch deposit processing. As of December 31, 2014, SVIL had 15 vaults and 75 spoke locations covering 440 cities and towns in India.

Cash Pick-up Services: Cash pick-up services comprises picking up cash from our customers' outlets, which include bank vaults and entities who handle large volumes of cash as part of their day-to-day operations, such as large retailers and petrol stations. SVIL picks up cash from such outlets in a safe and secure manner, processes the cash, and deposits it at the customer's designated location, such as the customer's bank.

As of December 31, 2014, SVIL employed 2,400 personnel in India. SVIL's employees go through a rigorous background check, which is carried out by an independent third-party service provider, to verify the credentials and background of employees that deal directly with cash. Due to the risks involved in its operations, SVIL maintains cash in vault, cash in transit and crime and errors and omissions insurance coverage.

Banking Automation Solutions

Our Banking Automation Solutions segment covers sale of products, including our banking automation hardware products and third-party ATM site development, and sale of services, including annual maintenance contracts, software, upgrades and spare parts.

Products

We sell ATMs and cash dispensers and other banking automation products, such as bunch note acceptors, check deposit kiosks and multi-functional information kiosks, and software related to terminal security chip reading and ATM monitoring, manufactured or offered by Wincor. We also sell our own brand of banking hardware products, such as note sorters, intelligent cash deposit machines and multi-function kiosks. We sell our Banking Automation Solutions products to banks and financial institutions, including other ATM managed service providers who compete with us, in India and in Singapore, Cambodia, the Philippines and Indonesia.

Our banking automation product offerings include:

ATMs and Cash Dispensers: ATMs and cash dispensers enable customers to access their bank accounts in order to make cash withdrawals (or credit card cash advances), cash deposits, fund transfers, check account balances and print statements. ATMs can also be used for other value-added services, which vary from bank to bank. In line with the dynamic needs of the banking industry, we offer Wincor's hardware and software ATM solutions in India with varying designs, cash management and dispensing configurations, security solutions, such as finger print sensors, and software and hardware architecture. For the financial years 2012, 2013 and 2014 and the nine months ended December 31, 2014, we sold 3,858, 5,396, 6,656 and 3,588 ATMs and cash dispensers.

Bunch Note Acceptors: Bunch note acceptors are self-service terminals that allow a bank's client to make deposits and payment transactions by cash. All successful transactions are instantly credited and clients are issued an advice slip as a confirmation of the transaction. Bunch note acceptors typically handle transactions such as cash deposit, credit card and other utility payments by cash to accounts. This also includes the cash re-cycling machines, which is a type of ATM where the cash deposited is sorted into various denominations and is used for cash dispensing. Cash re-cycling machines lower the cash handling cost by recycling the deposited cash and optimizing the cash replenishment and pick-up process.

Banking Transaction Terminals: Banking transaction terminals are a variety of automated self-service banking platforms that include:

- automated cheque deposit terminals, where cheques can be instantly scanned and deposited or cashed;
- automatic teller systems, where cash can be disbursed or accepted, personalized bank cards can be issued and credit card and loan applications processed; and
- multifunction self-service kiosks, where non-cash financial transactions like balance inquiry, mini-statement and PIN change can be conducted.

Our key self-designed banking transaction terminals include Novo iCheque, Novo iTeller and Touchpoint 200.

Note Sorters: Note sorters are widely used during the collection and sorting of large amounts of banknotes. They can simultaneously authenticate and classify banknotes, including functions such as note counting, value counting and sorting notes by denomination, fitness, orientation and face. Note sorters can also check for counterfeits by using an optical array utilizing visible infrared, as well as a mechanical system of thickness checking, to inspect notes. Note Sorters are manufactured by us.

Intelligent Cash Deposit: Intelligent cash deposit machines ("ICDs") are self-service terminals that handle cash deposits. ICDs are manufactured by us. ICDs can also identify fraudulent banknotes at the time of deposit with

real-time transaction update using remote monitoring. The deposited notes are then sealed and securely stored in a vault or bag housed inside the machine. Our primary ICD product is ICD1000.

Site Development and Sale: We develop sites, which include the deployment of ATMs and other related assets and carrying out site interior construction work. The purchasers of our ATM sites do not necessarily engage us for the maintenance and management of the ATM sites, although they have the option to do so.

Services

We provide the following banking service offerings to our customers:

Annual Maintenance: We supply and install ATMs for our customers, who then engage us to provide maintenance on such ATMs after their respective warranty periods have expired. Under our annual maintenance contracts (“AMCs”) with these customers, we provide second line maintenance for their ATMs, including the provision of remedial hardware maintenance, replacement parts, and preventative maintenance. We are generally required to maintain a minimum uptime for our customers’ ATMs. The duration of our AMCs range between one to three years, renewable at the option of the parties, and the AMC fee is paid to us in annual, semi-annual or quarterly instalments. As of December 31, 2014, we provided maintenance for more than 25,000 ATMs.

Omni Channel Transformation Services: We also act as consultants for our bank customers on how to transform and modernize their user interfaces across their customer touch points, including branches, ATMs and hand-held devices. We assist them with the planning, supply, deployment, placement and integration of electronic banking terminals within their branches and coordinate that with their digital banking strategy to expedite customer servicing times.

Queue Management: Our queue management service assists our bank customers with the regulation of customers flow in their bank branches in a structured manner through the placement of hardware kiosk and software and digital signage.

Software: We assist our banking customers with customizing the base Wincor ATM software, including the determining of interface and functions.

Upgrades: We provide our customers with hardware as well as software upgrade services. Hardware upgrades include the addition of certain components or modules to installed ATMs. Software upgrades include the addition of service offerings on ATMs, as banks seek to deliver other financial and non-financial products to their customers besides traditional ATM services.

Spare Parts: We stock spare parts for the repair of Wincor ATMs and other automated banking hardware products. Unless under warranty, spare parts used in the repair of our customers hardware systems are charged to them.

Customers

Our banking sector customers include Axis Bank Limited, HDFC Bank Limited, ICICI Bank Limited, Ratnakar Bank Limited, Dhanlaxmi Bank Limited, State Bank of India, Muthoot Finance Limited and BTI Payments Private Limited.

The following table sets out revenue derived from certain of our customers, each of which constituted more than 10% of our total revenue, for the periods indicated:

Customers	Six months ended September 30, 2014		Financial Year					
			2014		2013		2012	
	Revenue (₹ in millions)	% Revenue	Revenue (₹ in millions)	% Revenue	Revenue (₹ in millions)	% Revenue	Revenue (₹ in millions)	% Revenue
ICICI Bank Ltd.	1,372.33	23.7%	2,056.04	21.6%	1,563.17	24.5%	833.77	16.2%
Axis Bank Ltd.	1,089.63	18.8%	2,025.97	21.3%	1,059.96	16.6%	738.30	14.4%
Tata Communications Banking Infrasonolutions Limited	—	—	—	—	756.30	11.8%	—	—
Syndicate Bank	585.69	10.1%	—	—	—	—	—	—

Other Automation Solutions

We also provide technology solutions to customers in the retail, petroleum and colour sectors in our Other Automation Solutions business segment that enables them to provide technology-driven automated payments and dispensing solutions to their end customers.

Retail Sector Payment Services

Our retail sector offerings include cash and card billing hardware and software, store automation peripherals, store automation solutions and kiosks. We offer our retail sector clients products and services for automating the cash and card billing terminals at their establishments, enabling them to manage their customer check-out lanes and customer billing processes in an automated manner. Our retail sector billing solutions are designed to be integrated with multiple modes of payment systems providing payment flexibility to our retail sector clients' customers. We also offer products for the management of digital signage. We provide annual maintenance services for our customers.

Our customers include supermarkets, hospitality establishments and multiplexes, such as Aditya Birla Retail, DLF Brands Limited and Future Retail Limited.

Products

Our retail sector product offerings include:

POS Billing Terminals: We offer Wincor's POS billing terminals and solutions to our retail customers. The configuration of the POS billing terminals is dependent on the type of establishment, such as supermarket, single-brand retail stores or multiplex. We offer limited customization, such as modifying RAM and hard disks of the POS terminals in accordance with the needs of our customers. As of December 31, 2014, we have installed more than 25,000 POS terminals.

Digital Signage Software: We provide digital signage and related software, which can be used for managing digital signage, scheduling, customized marketing and information messages through these signages, managing designs, generating logs and alerts. Our key product offering in digital signage software delivers targeted messages to end customers at our customer's business location. It is a feature that captures animated content, real-time text ticker and video jukebox to make it engaging and interactive for the customers while displaying entertainment and information content.

Thin Client Systems: Thin client system is a system where there is single network server to which certain inexpensive electronic equipment is connected. Thin clients have a simpler configuration as compared to a PC.

The data and applications are installed on the server and thin clients connect to the server for accessing data and applications. This helps minimize IT cost without sacrificing efficiency and confidentiality of the data.

Services

As part of our retail sector service offerings, we provide maintenance services, software customization, hardware upgrades and spare parts for repairs of POS terminals and other automation equipment. We also provide managed services to our retail sector customers, where we manage the network of retail outlets, which include managing the retailer's information technology infrastructure in retail stores and warehouses to enable them to serve their clients.

Petroleum Sector Payment Services

Our petroleum sector operations involve the automation of downstream supply chain operations of petroleum companies, including retail outlet automation. Our offerings at the retail petroleum outlet are aimed at assisting oil companies in implementing their quality and quantity assurance initiatives for customers, enabling the outlet forecourt for an integrated loyalty and payments offering and providing an adaptive infrastructure to cater to various demands of the customers.

Our customers in this sector include petroleum companies such as Indian Oil Corporation Limited and Hindustan Petroleum Corporation Limited. As of December 31, 2014, we have automated more than 5,000 petroleum outlets across India.

Retail Outlet Automation

The key component of our retail petroleum outlet automation system deployed at an outlet is a forecourt controller, which interfaces with various dispensers and tanks in the outlet. In addition to wet-stock reconciliation, this system has additional functions such as remote site monitoring, central price changes, RFID based attendant-tagging, enabling credit and debit card transactions from the forecourt, automatic indenting of products and aggregation of data for a network of outlets into a centralized system.

Services

Our service offerings to oil companies comprise:

- Operational, implementation and support services;
- first and second line maintenance support services;
- helpdesk and remote support services;
- software upgrade and customization services; and
- site feasibility and audit services.

Colour Sector Operations

Our colour sector offerings include automatic and manual paint dispensers capable of delivering the right shade of colour, which we supply to paint companies, and flat and rotary inkjet engravers for textile printing, which we supply to textile companies. Our services include the deployment, implementation and maintenance of our products and operational and software training for our customers. Our colour sector customers include Asian Paints Limited, Kansai Nerolac Paints Limited and Berger Paints India Limited.

We have entered into a manufacturing and technology license agreement with Fast & Fluid Management B.V. and IDEX Technology (Suzhou) Co., Ltd. (together, the “**FFM Group**”) and have acquired a license to manufacture certain automatic and manual dispensers and top covers and monitor and keyboard arms of certain other models of paint dispensers. We are permitted to sell these products in India, Nepal, Bangladesh and Sri Lanka. We have also entered into a reseller agreement with IDEX Fluid & Metering Pvt. Ltd. and have the right to purchase and resell XSmart, a model of paint dispenser, and parts for XSmart in India, Nepal, Bangladesh and Sri Lanka. As of December 31, 2014, we have installed more than 34,000 dispensing machines across India.

Product

Our key products in the colour sector include:

Paint Dispenser: Paint companies have shifted to the manufacture of only white base paints and pigment concentrates, also known as colorants. Paint dispensers are able to create any shade of paint by mixing white base paint and specific combination of colorants. Paint dispensers have in-built, pre-defined software formulas, which help in dispensing the right combination of paint shades in the most economical manner.

Engraver: A device supplied to textile companies for textile printing.

Services

As part of our colour sector service offerings, we provide maintenance services, hardware upgrades and spare parts for repairs.

Our International Operations

We have recently expanded our Banking Automation Solutions and Banking Payment Solutions to Southeast Asian countries, such as, to Singapore, Cambodia, the Philippines and Indonesia. We conduct our Southeast Asian operations through our Singapore subsidiary, Novus Technologies Pte. Ltd. (“**Novus Singapore**”). Our Cambodia operations are conducted through our subsidiaries Novus Technologies (Cambodia) Company Limited and we have set up Novus Transact Philippines Corporation in Philippines.

Our operations in Singapore, Cambodia, the Philippines and Indonesia currently include the supply and maintenance of ATMs and other automated banking products, such as multi-functional kiosks, software solutions (under the YOUBANK brand) and providing branch transformation and omni channel advisory services to banks and financial institutions.

Recent Business Initiatives

As part of our continued endeavour to develop product and service offerings and cross-sell our capabilities across consumer sectors that we are present in, we have undertaken the following business initiatives recently:

Mobility Solutions: We have developed a mobile-POS solution offering a fast, secure and end-to-end transaction processing solution comprising of a mobile payment application which resides on the user’s smart phone and is connected via Bluetooth to an EMV/NFC pinpad. This solution offers users a validated payment card point-to-point encryption solution on the user’s mobile device that supports credit cards, debit cards, prepaid cards and can be used in a contactless manner or in magnetic stripe format. We intend to offer these services under the brand names, ‘YouPay’ and ‘OnGo’.

Retail Cash Pickups: We provide cash pick-up services through our subsidiary SVIL for our retail sector customers. Similar to the cash in transit and cash processing services provided to our banking customers, SVIL provides for the pick-up and safe transport of cash from retailer locations to various banks across the country. This service combines our products and services across our business segments, namely, a retail sector customer’s cash management problem is resolved using our banking automation segment product (an intelligent cash deposit unit installed at the retailer outlet). The cash deposited in such machine is picked up by SVIL for processing and depositing at the customer’s designated location.

White-Label ATMs: We were authorized by the RBI on June 30, 2014 to operate as a WLA operator, where we will install, own and operate white-label ATMs. The WLA operator model enables us to have greater flexibility with regards to the branding at ATM sites and allows us to explore different revenue models. We intend to deploy our White Label ATMs under the ‘OnGo’ brand name. We have engaged Ratnakar Bank Limited to act as a sponsor bank to provide cash and settlement related services and for resolving customer grievances in compliance with RBI’s WLA guidelines.

Fastlane: We have sourced an automatic vehicle identification systems technology from On Track Innovations Limited (“**OTI**”) and recently launched a gasoline management system aimed at transport fleet operators, such as taxi, cash van and truck and other transportation sector operators. Using advanced radio frequency identification (“**RFID**”) technology, vehicles are fitted with an RFID ring inside the fuel tank inlet and the nozzle of the fuel dispenser is equipped with a RFID reader. When the nozzle is inserted into the fuel tank inlet, the vehicle’s details, such as make, model and fuel grade required, are automatically checked. Once verified, only the pre-authorized amount of fuel is dispensed. If the nozzle is removed and put into another vehicle or into a petrol can, the authorization is not given, the fact is recorded and fuel is not dispensed, thus ensuring that only the relevant vehicle with the specified amount of fuel is fuelled. This system enables fleet operators to ensure that vehicles are filled with the right grade and quantity of fuel, to keep track of fuel consumption (through online reports) and reduce the risk of pilferage.

Our Suppliers and Technology Partners

Over the years, we have partnered with leading global players such as Wincor and FFM.

We have a long-standing relationship with Wincor since 2004 and we offer their ATMs, cash deposit machines, cash re-cycling machines, banking transaction terminals, and the entire range of Wincor’s self service terminal software. Currently, we are the only Indian payment systems company in India which offers Wincor’s products in India. We last entered into a distribution agreement with Wincor Nixdorf Pte. Limited on October 1, 2013 (“**Distribution Agreement**”), pursuant to which we acquired a non-exclusive, non-transferable right to sell Wincor’s products in India. The term of the Distribution Agreement was until September 30, 2014 and thereafter it is automatically extended for a further period of 12 months at a time, unless terminated by serving a notice three months. The Distribution Agreement also provides for premature termination by Wincor in the case of certain events such as our failure to meet certain sales targets for two consecutive years or if a competitor of Wincor acquires an interest in our Company or our Company acquires an interest in a competitor of Wincor.

We entered into a manufacturing and technology license agreement with the FFM Group and Fast and Fluid Management Australia Pty. Limited (“**FFM Australia**”) on March 2, 2013 and an amended and restated manufacturing and license agreement on September 23, 2014 (“**Technology License Agreement**”), pursuant to which FFM Australia ceased to be a party to the Technology License Agreement. Pursuant to the terms of the Technology License Agreement, we were granted a non-exclusive, non-transferable, royalty free license to use the FFM Group’s technology and manufacture certain automatic and manual paint dispensers and top covers and monitor and keyboard arms of certain other models of paint dispensers at our manufacturing facility at Daman. We have been granted the exclusive right (except with respect to the monitor and keyboard arms) to sell these products in India, Nepal, Bangladesh and Sri Lanka. We are not permitted to manufacture these products for sale to any person for use outside these territories. The term of the Technology License Agreement is one year from September 23, 2014 and thereafter automatically renewed for 12 months at a time. The Technology License Agreement provides for the immediate termination by either party upon the occurrence of certain events.

Our other service provides include OTI for our automatic vehicle identification systems technology.

Our Infrastructure Facilities

We have more than 36,900 square feet facility at Daman where we assemble, stage and conduct the testing of ATMs. Our Daman facility has the capacity to stage 1,000 ATMs every month. The facility also acts as a warehousing facility for our ATMs. From our Puducherry facility of 15,500 square feet area, we support our petroleum sector operations with respect to storage and dispatches.

We have set up a 3,400 square feet innovation centre in Mumbai where we demonstrate our end-to-end capabilities of designing, installing and integrating the hardware and software solutions that we provide. We have also set up an in-house testing and repair centre in Navi Mumbai to support all our business sectors and a technology support which is operational round-the-clock to assist our customers. We also have central warehouse facilities at Kalamboli and Bhiwandi in Maharashtra totalling 17,300 square feet.

We are also in the process of building a new office premises, to be referred to as ‘AGS House’, in Mahape, Navi Mumbai, which will have six floors and cover a total built-up area of over 8,000 square metres. These premises will house our technical support and operational teams and the related infrastructure.

Enterprise Resource Planning

We use an information management system to facilitate the flow of information among all our business functions, thereby ensuring quick decision making of key business processes and other routine functions. We aim to avoid the duplication of efforts across different departments and thereby facilitating faster processing of work, payments and invoices. We also use our information management system to assist in day-to-day management, support strategic planning and help reduce operating costs by facilitating operational coordination across functional departments. It has also helps us to streamline production, forecast raw material and finished goods requirements.

Human Resources

As of December 31, 2014, including our subsidiaries, we have 30 branch offices across India and an employee base of more than 4,800 personnel, including more than 1,200 engineers and 1,250 ATM officers, engaged in our core operations. Our employees are not unionized.

We are committed to providing continuous training and development in order to enhance the skills and competencies of our entire workforce. Employees are monitored by supervisors and supervisors can refer employees for training. The aim of training is to ensure that all the employees are given the necessary help to develop the knowledge, skills and attitude that they require to carry out their jobs efficiently and to provide every opportunity of career development. Our programmes are directed towards identifying individual motivation and linking individual aspiration to our Company’s goal. We also have in place various programmes such as an employee stock option plan, internal awards and recognitions and town hall meetings, where employees and senior management can exchange ideas and grievances, to motivate and build the loyalty of our employees.

The following table provides the breakdown of our employees by department as of December 31, 2014:

Department/Type of Personnel	Number of Employees
Management	54
ATM Officers	1,288
Engineers	1,240
Operations	1,238
Support	414
Monitoring	152
Administrative	147
Logistics	103
Help Desk	84
Software	61
Sales and Marketing	38
Total	4,819

Sales and Marketing

Our sales and marketing team comprises 38 personnel who are primarily based out of Mumbai and Delhi. We have an innovation centre designed as a virtual branch in Mumbai where we pitch and demonstrate our end-to-end payment solutions capabilities to our potential customers. Our sales and marketing strategy is focused on directing our resources to the most lucrative opportunities to increase our sales and continue to keep the competitive advantage we have created through our established relationships and our wide range of product offerings. We prepare a comprehensive sale and marketing plan periodically and the primary purpose of our sales

and marketing plan is to promote our services and to develop a better understanding of the needs and requirements of our customers. We also regularly participate in trade shows and exhibitions in India and South East Asia to gain industry name recognition and to establish relationships. We are focused particularly on securing long-term contractual arrangements and pursuing strategic relationships with our customers.

Health and Safety

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at ensuring the safety of our employees and the people working on our sites or under our management. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We have implemented work safety measures to ensure a safe working environment at our facilities and to the general public. Such measures include general guidelines for road safety and health and safety at our offices and factory, such as accident reporting, wearing safety equipment, maintaining clean and orderly work locations and looking out for and reporting of hazardous situations to supervisors as part of accident prevention. We believe that we are in compliance with applicable health and safety laws and regulations.

Insurance

Our operations are subject to certain hazards such as infidelity of our employees, risk of equipment failure, work accidents, theft, burglary, vandalism, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause injury and loss of life, severe damage to and the destruction of property, equipment or cash that is in our possession and environmental damage. Our principal types of insurance coverage include transit/marine insurance, cash insurance, ATM site insurance, stock insurance, ATM van insurance, comprehensive general liability insurance, directors and officers liability insurance, office package policy, group medical claim and accident policy, money insurance, erection all risk policy and workmen's compensation policy. Our policies may expire in the normal course of our operations and we typically renew our insurance policies periodically. Our insurance policies may not be sufficient to cover our economic loss. See *"Risk Factors – Our insurance coverage may not adequately protect us against all material hazards."*

Intellectual Property

We own a number of trademarks and 2 copyrights which we use across our operations. For further details of the intellectual property owned by us, see the section *"Government and Other Approvals – Intellectual Property"* on page 366.

Competition

The level of competition in the ATM market in India is considerably high. The charge of services by service providers fluctuates on regular intervals. This is largely done in order to remain competitive in the market. Furthermore, the existing companies in the market are rapidly expanding their ATM network across the country. Our main competitors include Prizm, FSS, TCPSL and FIS.

Property

We have entered into leave and license agreements in respect of our Registered Office with Mr. Ravi B. Goyal and Mrs. Anupama R. Goyal, which are valid until December 9, 2015 and August 15, 2015, respectively. For further details, see the section *"Our Management"* on page 169. Our Corporate Office is also located on leased premises.

We also have 30 branch offices across India and facilities at Daman, Puducherry, Kalamboli, Navi Mumbai, Bhiwandi and Kolkata.

REGULATIONS AND POLICIES

The following description is a summary of certain key regulations and policies prescribed by the Government which are applicable to our Company and the Subsidiaries in India. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

Payment and Settlement Systems Act, 2007 (the “PSS Act”)

The PSS Act and the rules made thereunder regulate and supervise the payment and settlement systems in India. Under the PSS Act, a “payment system” means a system that enables payment to be effected between a payer and a beneficiary, involving clearing, payment or settlement services or all of them and includes systems which enable credit or debit or smart card operations, money transfer operations or similar operations and a “system provider” means a person who operates an authorized payment system. The PSS Act is not applicable to stock exchanges or the clearing corporations of the stock exchanges.

Any person who wishes to operate a payment system is required to apply for an authorization from the RBI under the PSS Act. If a system provider fails to comply with the provisions of the PSS Act, the terms of the authorization and orders or directions issued by the RBI, then the RBI may revoke the authorization given to such system provider. The RBI may also impose fines and initiate criminal prosecution in case of any such non-compliance.

Guidelines on White Label ATMs

In June 2012, the RBI permitted non-bank entities incorporated in India under the Companies Act, 1956 to set up, own and operate ATMs in India, subject to compliance with certain conditions, including obtaining an authorization certificate from the RBI under the PSS Act.

The guidelines on White Label ATMs in India issued by the RBI on June 20, 2012, as amended (the “**WLA Guidelines**”) prescribe the following eligibility criteria for WLA operators:

- The memorandum of association of the applicant entity is required to cover the proposed activity of operating WLAs.
- In case of any FDI in the applicant entity, necessary approval from the competent authority as required under the policy notified by DIPP under the consolidated policy on FDI and regulations framed under the FEMA are required to be submitted while seeking authorization.
- Non-bank entities are required to have a net worth of at least ₹1,000 million as per the last audited balance sheet.
- A net worth of at least ₹1,000 million is required to be maintained at all times.

The authorization for setting up a WLA operation under the WLA Guidelines was initially valid for a period of one year. The scheme and number of WLAs sought to be installed is required to be indicated at the time of application. The details of the schemes are as set forth below:

Scheme A

- Year one: minimum of 1,000 WLAs;
- Year two: minimum of twice the number of WLAs installed in year one; and
- Year three: minimum of three times the number of WLAs installed in year two.

The ratio of 3:1 would be applicable under this scheme, *i.e.*, for every three WLAs installed in Tier III to VI centers, one WLA can be installed in Tier I to II centers. Out of the three WLAs installed in Tier III to VI centers, a minimum of 10% should be installed in Tier V and VI centers.

Scheme B

A minimum of 5,000 WLAs is required to be installed every year for three years.

The ratio of 2:1 would be applicable under this scheme, *i.e.*, for every two WLAs installed in Tier III to VI centers, one WLA can be installed in Tier I to II centers. Out of the WLAs installed in Tier III to VI centers, a minimum of 10% should be installed in Tier V and VI centers.

Scheme C

A minimum of 25,000 WLAs in the first year and at least another 25,000 in the next two years are required to be installed.

The ratio of 1:1 would be applicable under this scheme. Out of the WLAs installed in Tier III to VI centers, a minimum of 10% should be installed in Tier V and VI centers.

Certain other conditions relating to the schemes include the following:

- The authorization issued to a WLA operator cannot be assigned or transferred without prior approval of the RBI.
- No switchover of schemes is permissible. The date for determining the time line for implementation would commence 30 days after issuance of the authorization.
- WLA operators would need to seek extension of their authorization, if required, three months prior to the completion of one year for continued operation of the system.

The WLA Guidelines state that the above targets will form part of the terms and conditions of the authorization given under Section 7 of the PSS Act and are expected to be complied with. Necessary certificates indicating adherence to annual targets and ratios would be submitted by the WLA operator to the RBI within a month of completion of one year.

The WLA Guidelines also provide, *inter-alia*, that:

- WLA operators are not permitted to accept deposits;
- WLA operators are permitted to tie up with other commercial banks to supply cash at WLAs. While such cash would be owned by the WLA operator, the responsibility of ensuring the quality and genuineness of cash loaded at such WLAs would be that of the cash supplier bank;
- WLA operators are not entitled to charge any fee from the card issuer-bank other than the interchange fee that is payable to the acquirer bank, with respect to bank owned ATMs;
- while WLA operators are entitled to receive a fee from the banks for the use of ATM resources by the banks' customers, they are not permitted to charge bank customers directly for the use of WLAs;
- general guidelines governing the operation of the bank operated ATMs as well as the regulatory guidelines relating to compensation for failed transactions at bank ATMs would apply to the transactions effected at such WLAs; and
- WLAs are permitted to accept international credit, debit or prepaid cards, subject to certain conditions.

The WLA Guidelines further indicate certain roles and responsibilities of the stakeholders (the WLA operator, the sponsor bank, network operators) which include, *inter-alia*, the following:

- Taking over of ATMs operated by banks are not permitted.
- WLA operators are permitted to have more than one sponsor bank. All the transactions of WLAs services by a sponsor bank would be settled through it. WLA operators are required to ensure that there are no operational constraints particularly with reference to security and customer service while considering multiple sponsor bank relationship.

- Cash management at the WLAs will be the responsibility of the sponsor bank. While the cash would be owned by the WLA operator, the responsibility of ensuring the quality and genuineness of the cash loaded at such WLAs would be that of the sponsor bank.

Issuance and Operation of Pre-Paid Payment Instruments

Issuance and operation of pre-paid payment instruments (“**PPI**”) is currently regulated by the master circular on policy guidelines on issuance and operation of pre-paid payment instruments in India issued by the RBI on July 1, 2014, as amended (the “**PPI Master Circular**”).

The PPI Master Circular defines PPIs to mean payment instruments that facilitate the purchase of goods and services, including funds transfer, against the value stored on such instruments. The value stored on such instruments represents the value paid for by the holders by cash, by debit to a bank account, or by credit card. PPIs can be issued as smart cards, magnetic stripe cards, internet accounts, internet wallets, mobile accounts, mobile wallets, paper vouchers and any such instrument which can be used to access the pre-paid amount. PPIs that can be issued in India are classified under three categories: (i) closed system payment instruments (instruments which facilitate the purchase of goods and services from the issuer of such instrument but do not facilitate payments and settlement for third party services and do not permit cash withdrawal or redemption); (ii) semi-closed system payment instruments (instruments which can be used for purchase of goods and services, including financial services at a group of clearly identified merchant locations or establishments which have a specific contract with the issuer to accept the payment instruments and do not permit cash withdrawal or redemption by the holder); and (iii) open system payment instruments (instruments which can be used for purchase of goods and services, including financial services like funds transfer at any card accepting merchant locations (point of sale terminals) and also permit cash withdrawal at ATMs). NBFCs and persons other than banks are permitted to issue only closed system payment instruments and semi-closed system payment instruments, including mobile phone based PPIs.

The PPI Master Circular sets forth certain eligibility criteria and conditions for the operation of a payment system involving PPIs in India. The PPI Master Circular also contains a framework for the regulation and supervision of persons operating such payment systems. All persons other than banks and NBFCs, seeking authorization for issuing PPIs, are required to be incorporated in India and to maintain a minimum paid-up capital of ₹50 million and a minimum positive net worth of ₹10 million at all times. The PPI Master Circular also specifies, *inter-alia*, limits with respect to the value that can be stored on various categories of PPIs, co-branding of PPIs and applicable KYC norms.

Off-site ATMs

Pursuant to a circular dated June 12, 2009, the RBI has permitted scheduled commercial banks to install off-site ATMs without the prior approval of the RBI, subject to compliance with certain conditions. Pursuant to the master circular on branch authorization issued by the RBI on July 1, 2014, as amended (“**Branch Authorization Master Circular**”), such conditions include, *inter-alia*, the following:

- The business transacted at such ATMs is required to be recorded in the books of the respective branch, base branch, or centralized data centre;
- No person other than a security guard is permitted to be posted at such ATMs;
- The bank is required to make adequate stand-by arrangements to meet the cash requirements of such ATMs;
- The bank is required to ensure that only properly sorted and examined notes are put into circulation through such ATMs;
- Third party advertisement on the screen or network of such ATMs, including any display of products of other manufacturers, dealers or vendors is not permitted. Banks are however permitted to use such ATM screens to display their own products;
- ATMs installed in SEZs are permitted to dispense or collect only Indian Rupees; and
- The bank is required to report complete details of such ATMs to the RBI within two weeks of operationalizing such ATMs.

Banks are permitted to provide a range of services through such ATMs, including cash deposits or withdrawals, PIN changes, request for cheque books, statement of accounts, balance enquiries, inter-account transfers within the bank, inter-bank fund transfers, mail facilities to send written communication to the bank, utility payments and provide product information.

Private Security Agencies (Regulation) Act, 2005 (the “PSAR Act”)

The PSAR Act, 2005 and the rules made thereunder by State Governments regulate the operation of the private security agencies in India.

Under the PSAR Act, “private security” is defined as security provided by an individual, other than a public servant, to protect or guard any person or property and includes the provision of armoured car service and any person or body of persons other than a government agency, department or organisation providing such services is termed as a “private security agency”. The PSAR Act makes it mandatory to hold a license in order to carry out the business of a private security agency and stipulates, *inter-alia*, that a company, firm or an association of persons shall not be considered for issue of a license under the PSAR Act, if, it is not registered in India, or does not have a proprietor or a majority shareholder, partner or director, who is a citizen of India.

Information Technology Act, 2000 (the “IT Act”)

The IT Act provides legal recognition to electronic records and creates a mechanism for the authentication of electronic documentation through digital signatures. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and committing of fraudulent acts through computers. The IT Act creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability.

In April 2011, the Department of Information Technology under the Ministry of Communications & Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 under section 43A of the IT Act (the “**IT Personal Data Protection Rules**”) and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act (the “**IT Intermediaries Rules**”). The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy of the Government and the FEMA and the circulars and notifications issued thereunder.

The consolidated FDI Policy issued by the DIPP by way of circular 1 of 2014, with effect from April 17, 2014, as amended (“**Consolidated FDI Policy**”), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP.

The transfer of shares from an Indian resident to a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and such transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within applicable sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and the RBI.

The WLA Guidelines issued by the RBI require that in case an applicant seeking to obtain a certificate of authorization as a WLA operator has any FDI investment in it, then such applicant is required to submit the approval of the FIPB as required under the Consolidated FDI Policy while seeking authorization. For details, see the sections “*Regulations and Policies - Guidelines on White Label ATMs*” and “*Government and Other Approvals*” on pages 153 and 360, respectively.

Labour Laws

Our operations are subject to compliance with certain labour and industrial laws, including, but not limited to the following:

- the Contract Labour (Regulation and Abolition) Act, 1970;
- the Employees’ Compensation Act, 1923;
- the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- the Employees’ State Insurance Act, 1948;
- the Factories Act, 1948;
- the Industrial Disputes Act, 1947;
- the Industrial Employment (Standing Orders) Act, 1946;
- the Maternity Benefit Act, 1961;
- the Minimum Wages Act, 1948;
- the Payment of Bonus Act, 1965;
- the Payment of Gratuity Act, 1972;
- the Payment of Wages Act, 1936;
- the Shops and Establishments acts of various States; and
- the Trade Unions Act, 1926.

Safety and Environmental Laws

Our operations are also subject to certain safety and environmental legislations, including but not limited to the following:

- the Water (Prevention and Control of Pollution) Act, 1974;
- the Air (Prevention and Control of Pollution) Act, 1981; and
- the Environment (Protection) Act, 1986.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated in Mumbai, Maharashtra, as AGS Infotech Private Limited on December 11, 2002 under the Companies Act, 1956. Pursuant to a special resolution of the Shareholders at an extraordinary general meeting held on April 1, 2010, the name of our Company was changed to AGS Transact Technologies Private Limited to reflect the scope of services offered by our Company, i.e., provision of information technology services for all types of transactions and activities. A fresh certificate of incorporation was issued by the RoC on June 3, 2010. Subsequently, pursuant to a special resolution of the Shareholders at an extraordinary general meeting held on June 22, 2010, our Company became a public limited company and the word “private” was deleted from its name. A fresh certificate of incorporation reflecting this change was issued by the ROC on July 20, 2010.

Our Company has 15 Shareholders, as on the date of filing of this Draft Red Herring Prospectus. For further information, see the section “*Capital Structure*” on page 70.

Our Registered Office is located at 601-602 Trade World, B Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

Changes in Registered Office

There has been no change in the registered office of our Company since incorporation.

Main Objects of our Company

The main objects of our Company contained in its Memorandum of Association are as follows:

- “1. To carry on in India or abroad the business of Deploying and Performing Outsourced Managed Services in relation to third party Automated Teller Machines (ATMs), operating White-Label ATMs owned by our Company, Software Designing, Developing, Marketing, Purchasing, Selling, Importing, Exporting, Franchising, Research and Development of Graphics, Web Designing, Business Portal Development, ECommerce, M-Commerce and Businesses related to Coaching, Consultancy, Research and Development and Training and Opening Training Centres relating to Computer Hardwares and Softwares in India or Elsewhere and to Manufacture, Market, Purchase, Sell, Import, Export, Franchise or to act as Stockiest, Distributors, Agents, Traders in Graphic Equipments, Computer Parts, Components, Inputs and Peripherals, Electrical and Electronic Equipments and Machines in India or elsewhere.”*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out as well as to carry on the activities for which the funds are being raised in the Offer.

Amendments to the Memorandum of Association

Date of Shareholders' Resolution	Nature of Amendment
December 29, 2003	Authorized share capital increased from ₹1,000,000 divided into 100,000 Equity Shares of ₹10 each to ₹10,000,000 divided into 1,000,000 Equity Shares of ₹10 each
March 20, 2006	Authorized share capital increased from ₹10,000,000 divided into 1,000,000 Equity Shares of ₹10 each to ₹50,000,000 divided into 5,000,000 Equity Shares of ₹10 each
April 1, 2010	The name of our Company was changed to “AGS Transact Technologies Private Limited”
June 22, 2010	The word ‘Private’ was deleted from the name of our Company pursuant to conversion

Date of Shareholders' Resolution	Nature of Amendment
	of our Company from a private limited company to a public limited company
June 23, 2010	Authorized share capital increased from ₹50,000,000 divided into 5,000,000 Equity Shares of ₹10 each to ₹350,000,000 divided into 35,000,000 Equity Shares of ₹10 each
May 28, 2011	Re-classification of authorized share capital from existing ₹350,000,000 divided into 35,000,000 Equity Shares of ₹10 each to ₹350,000,000 divided into 27,000,000 Equity Shares of ₹10 each and 8,000,000 CCPS of ₹10 each
August 6, 2012	The main objects clause of the Memorandum of Association was amended to replace the then existing clause III(A)(1) with the new clause III(A)(1): <i>“To carry on in India or abroad the business of Deploying and Performing Outsourced Managed Services in relation to third party Automated Teller Machines (ATMs), operating White-Label ATMs owned by the Company, Software Designing, Developing, Marketing, Purchasing, Selling, Importing, Exporting, Franchising, Research and Development of Graphics, Web Designing, Business Portal Development, ECommerce, M-Commerce and Businesses related to Coaching, Consultancy, Research and Development and Training and Opening Training Centres relating to Computer Hardwares and Softwares in India or Elsewhere and to Manufacture, Market, Purchase, Sell, Import, Export, Franchise or to act as Stockiest, Distributors, Agents, Traders in Graphic Equipments, Computer Parts, Components, Inputs and Peripherals, Electrical and Electronic Equipments and Machines in India or elsewhere.”</i>
May 24, 2013	Re-classification of authorized share capital from existing ₹350,000,000 divided into 27,000,000 Equity Shares of ₹10 each and 8,000,000 CCPS of ₹10 each to ₹350,000,000 divided into 25,000,000 Equity Shares of ₹10 each and 10,000,000 CCPS of ₹10 each
February 3, 2015	Authorized share capital increased from existing ₹350,000,000 divided into 25,000,000 Equity Shares of ₹10 each and 10,000,000 Compulsorily Convertible Preference Shares of ₹10 each to ₹1,600,000,000 divided into 150,000,000 Equity Shares of ₹10 each and 10,000,000 Preference Shares of ₹10 each

Major Events

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Event
2002	Incorporation of our Company
2004	Commenced manufacturing of paint dispensers at Daman with the expertise from Fast and Fluid Management
2004	Commencement of relationship with Wincor Nixdorf. Commenced operations in our Banking Automation Solutions segment
2009	Entered into a cooperation agreement with Wincor Nixdorf for banking and retail products
2009	Commenced ATM outsourcing and managed services business (forming part of our Banking Payments Solutions segment)
2011	Introduced currency technology solutions under the brand “Genuine”
2011	Investment in our Company by TPG
2012	Investment in our Company by Oriole
2012	Commenced cash management business through SVIL
2013	Acquisition of stake by GTSL in Novus SGP
2014	ITSL received authorization from the RBI to set up and operate payment system for semi-closed pre-paid payment instruments services in India

Calendar Year	Event
2014	Our Company received authorization from the RBI to set up, own and operate payment systems for White Label ATMs

Other Details regarding our Company

For details of our Company's corporate profile, business, marketing, the description of our activities, services, products, market segment, the growth of our Company, exports and profits due to foreign operations and country-wise analysis, standing of our Company in relation to prominent competitors with reference to our products and services, environmental issues, technology, market, capacity built up, major suppliers, major customers and geographical segment, see the sections "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 134 and 275, respectively.

For details of the management of our Company and its managerial competence, see the section "*Our Management*" on page 169.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt, see the sections "*Capital Structure*" and "*Financial Indebtedness*" on pages 70 and 296, respectively.

Injunctions or restraining order against our Company

There are no injunctions or restraining orders against our Company.

Guarantees provided by our Promoter

Other than the guarantees given to our lenders and as disclosed in the section "*Financial Indebtedness*" on page 296, our Promoter has not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

Financial and Strategic Partners

Our Company does not have any financial and strategic partners as of the date of filing of this Draft Red Herring Prospectus.

Changes in the activities of our Company during the last five years

Our Company commenced its operations in the ATM outsourcing business in financial year 2010 and in the cash management business, through SVIL, in financial year 2013 (both forming part of our Banking Payments Solutions segment). Our Company also entered the South East Asian overseas markets in financial year 2014 through its step-down subsidiaries. Except as stated above, there have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Defaults or rescheduling of borrowings from financial institutions/ banks and conversion of loans into equity

No defaults have been called by any financial institution or bank in relation to borrowings from financial institutions or banks. For details of our financing arrangements, see the section "*Financial Indebtedness*" on page 296. Further, none of our loans have been rescheduled or been converted into Equity Shares.

Lock outs and strikes

There have been no lock outs or strikes at any of the units of our Company or the Subsidiaries.

Time and cost overruns

Our Company has not implemented any projects and has not, therefore, experienced any time or cost overrun in relation thereto.

Details regarding acquisition of business/undertakings, mergers, amalgamations and revaluation of assets

For details on the acquisition of certain of our Subsidiaries, see the section “*History and Certain Corporate Matters – Summary of Certain Agreements – Acquisition Agreements*” on page 168.

Except as stated above, our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets.

Awards, Certifications and Recognitions

We have received the following awards, certifications and recognitions:

Calendar Year	Award/Certification/Recognition
2007	Top Mall Intelligence Deal (Retail) from Wincor Nixdorf Asia Pacific
2008	Overall Best Sales partner (Retail) from Wincor Nixdorf Asia Pacific
2009	Recognized as a valued partner for one year by Wincor Nixdorf Asia Pacific
	Listed as one of the Best Retail Suppliers by Retailer magazine
	Silver award under the ‘newsletter’ category from the Association of Business Communicators of India (“ ABCI ”)
2010	Bronze award under the ‘newsletter’ category from ABCI
2011	Bronze award under the ‘newsletter’ category from ABCI
2012	Gold award under the ‘newsletter’ category from ABCI

Holding Company

We have no holding company.

Subsidiaries

Our Company has the following subsidiaries:

1. Securevalue India Limited;
2. India Transact Services Limited;
3. Global Transact Services Pte. Ltd.;
4. Novus Technologies Pte. Ltd.;
5. Novus Technologies (Cambodia) Company Limited; and
6. Novus Transact Philippines Corporation.

None of the Subsidiaries (i) is listed on any stock exchange in India or abroad; (ii) has become a sick company under the meaning of SICA; or (iii) is under winding up. There are no accumulated profits or losses of the Subsidiaries not accounted for by our Company.

Unless otherwise stated, the information below is as of the date of this Draft Red Herring Prospectus.

1. Securevalue India Limited

Corporate Information:

Securevalue India Limited (“**SVIL**”) was incorporated under the Companies Act, 1956 on April 24, 2012. The registered office of SVIL is currently located at 601-602, B Wing, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

SVIL is engaged in the business of, *inter-alia*, providing cash management services, including cash in transit, cash in vault, note sorting and processing and cash pick-up services.

Capital Structure:

The authorized share capital of SVIL is ₹150,000,000 divided into 15,000,000 equity shares of face value of ₹10 each. The issued, subscribed and paid-up share capital of SVIL is ₹55,500,000 divided into 5,550,000 equity shares of face value of ₹10 each.

Shareholding Pattern:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
AGSTTL*	5,550,000	100
Total	5,550,000	100

* Includes six equity shares held by nominee holders of our Company namely, Mr. Ravi B. Goyal, Mrs. Anupama R. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal, Mrs. Vimla B. Goyal, and Ms. Neha R. Goyal, holding one equity share each

2. India Transact Services Limited

Corporate Information:

India Transact Services Limited (“ITSL”) was incorporated as India Transact Services Private Limited, a private limited company under the Companies Act, 1956 on July 11, 2007. A fresh certificate of incorporation reflecting its conversion into a public limited company was issued by the RoC on March 29, 2012. The registered office of ITSL is currently located at 601-602, Trade World, B Wing, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

ITSL is engaged in the business of, *inter-alia*, creating and dealing with electronic payment systems.

Capital Structure:

The authorized share capital of ITSL is ₹150,000,000 divided into 15,000,000 equity shares of face value of ₹10 each. The issued, subscribed and paid-up share capital of ITSL is ₹93,250,000 divided into 9,325,000 equity shares of face value of ₹10 each.

Shareholding Pattern:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
AGSTTL*	9,325,000	100
Total	9,325,000	100

* Includes 2,505 equity shares held by nominee holders of our Company namely, Mr. Ravi B. Goyal (2,500 equity shares), Mrs. Anupama R. Goyal (1 equity share), Mrs. Vimla B. Goyal (1 equity share), Mr. Kiran B. Goyal (1 equity share), Mrs. Nidhi K. Goyal (1 equity share) and Ms. Neha R. Goyal (1 equity share)

3. Global Transact Services Pte. Ltd.

Corporate Information:

Global Transact Services Pte. Ltd. (“GTSL”) was incorporated as AGS Infotech Singapore Pte. Ltd. under the laws of Singapore on March 6, 2009. Its name was subsequently changed to Global Transact Services Pte. Limited on November 21, 2012. The registered office of GTSL is located at 24 Raffles Place, # 25-02A, Clifford Centre, Singapore 048 621.

GTSL is engaged in the business of *inter-alia*, providing computer software consulting services.

Capital Structure:

The authorized share capital of GTSL is SGD 3,900,100 divided into 3,900,100 ordinary shares of face value of SGD 1 each. The issued, subscribed and paid-up share capital of GTSL is SGD 3,900,100 divided into 3,900,100 equity shares of face value of SGD 1 each.

Shareholding Pattern:

Name of Shareholder	Number of Ordinary Shares	% of Issued Capital
AGSTTL	3,900,100	100
Total	3,900,100	100

4. Novus Technologies Pte. Ltd.**Corporate Information:**

Novus Technologies Pte. Ltd. (“**Novus SGP**”) was incorporated as a private company limited by shares under the laws of Singapore on February 7, 2013. The registered office of Novus SGP is located at 152 Beach Road, # 13-05 Gateway East, Singapore 189 721.

Novus SGP is engaged in the business of, *inter-alia*, designing and supplying computer software solutions to corporate customers.

Capital Structure:

The authorized share capital of Novus SGP is SGD 1,111,111 divided into 1,111,111 ordinary shares of face value of SGD 1 each. The issued, subscribed and paid-up share capital of Novus SGP is SGD 1,111,111 divided into 1,111,111 ordinary shares of face value of SGD 1 each.

Shareholding Pattern:

Name of Shareholder	Number of Ordinary Shares	% of Issued Capital
GTSL	1,000,000	90
Mr. Ricardos EL Khoury	111,111	10
Total	1,111,111	100

5. Novus Technologies (Cambodia) Company Limited**Corporate Information:**

Novus Technologies (Cambodia) Company Limited (“**Novus Cambodia**”) was incorporated as a single member private limited company with a duration of 99 years under the laws of Cambodia on August 29, 2014. The registered office of Novus Cambodia is located at No. A18-05, Block 252, Norodom Boulevard Sangkat, Tonle Bassac, Khan Chamkarmorn, Phnom Penh, Kingdom of Cambodia.

Novus Cambodia is engaged in the business of, *inter-alia*, providing services in relation to building, installing, supplying, managing, maintaining and repairing ATMs and POS machines and sites.

Capital Structure:

The registered capital of Novus Cambodia is KHR 1,200,000,000 divided into 300,000 ordinary shares of face value of KHR 4,000 each. The issued, subscribed and paid-up share capital of Novus Cambodia is KHR 1,200,000,000 divided into 300,000 ordinary shares of face value of KHR 4,000 each.

Shareholding Pattern:

Name of Shareholder	Number of Ordinary Shares	% of Issued Capital
Novus SGP	300,000	100
Total	300,000	100

6. Novus Transact Philippines Corporation**Corporate Information:**

Novus Transact Philippines Corporation (“**Novus Philippines**”) was incorporated under the laws of the Philippines with a duration of 50 years on September 15, 2014. The registered office of Novus Philippines is located at CVC Law Center, 11th Avenue, Corner 39th Street, Bonifacio Global City, Taguig City, Metro Manila, Philippines.

Novus Philippines is engaged in the business of *inter-alia*, sourcing, building, deploying and maintaining ATMs and cash dispensers and sites and provision of POS solutions.

Capital Structure:

The authorized share capital of Novus Philippines is PHP 45,000,000 divided into 450,000 shares of PHP 100 each. The issued, subscribed and paid-up share capital of Novus Philippines is PHP 11,250,000 divided into 112,500 shares of PHP 100 each.

Shareholding Pattern:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
Novus SGP	112,495	99.99
Mr. Ankur Sharma	1	0.00
Mr. Ricardos El Khoury	1	0.00
Ms. Sylvette Y. Tankiang	1	0.00
Mr. Leonardo A. Singson	1	0.00
Mr. Juanito L. Sanosa, Jr.	1	0.00
Total	112,500	100

Revenue or Profit or Asset Contribution

Except as disclosed below, there is no Subsidiary which has contributed more than 5% of revenue or profits or assets of our Company on a consolidated basis in the last period of restated financial information included in this Draft Red Herring Prospectus, *i.e.*, for the six month period ended September 30, 2014:

Name of the Subsidiary	Equity Capital	Turnover	Profit after Tax	Shareholding of AGSTTL (in %)	Listing Status
SVIL	₹55,500,000	₹366.96 million	₹23.40 million	100	Not listed

Significant Sale/Purchase between Subsidiaries and our Company

Except as disclosed in the section “*Related Party Transactions*” on page 195, none of our Subsidiaries 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.

Common Pursuits

There are no common pursuits between our Company and the Subsidiaries. However, certain of our Subsidiaries are engaged in lines of business that are similar and/or synergistic to our Company.

Business Interest between our Company and the Subsidiaries

Except as disclosed in the sections “*Our Business*” and “*Related Party Transactions*” on pages 134 and 195 respectively, none of the Subsidiaries have any business interest in our Company.

Others

Our Company is a member of the Confederation of ATM Industry.

Summary of Certain Agreements

In this section, unless otherwise defined or the context requires otherwise, defined terms used in the descriptions below have the meanings given to such terms under the respective agreements.

Share subscription and shareholders’ agreements

1. ***Share subscription agreement dated May 31, 2011 among TPG, our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal (the “TPG SSA”)***

Pursuant to the TPG SSA, TPG subscribed for (i) 5,140,929 CCPS on June 7, 2011 at a share subscription price of ₹243.15 per CCPS for a total consideration of approximately ₹1,250 million and (ii) an additional 1,850,735 CCPS on March 3, 2012 at a share subscription price of ₹243.15 per CCPS, for a total consideration of approximately ₹450 million.

The holder of such CCPS was entitled to preferential dividend at the rate of ₹0.01 per year for all the CCPS held. Each such CCPS was compulsorily convertible into one Equity Share.

The CCPS held by TPG were converted into 6,991,664 Equity Shares on February 6, 2015. For details, see the section “*Capital Structure*” on page 70.

2. ***Share purchase agreement dated May 31, 2011 among TPG, our Company and our Promoter (the “TPG SPA”)***

Pursuant to an agreement dated May 31, 2011, TPG agreed to purchase 822,549 Equity Shares from our Promoter at a price of ₹243.15 per Equity Share, for a total purchase consideration of approximately ₹200 million. For details, see the section “*Capital Structure*” on page 70.

3. ***Share subscription agreement dated August 6, 2012 among Oriole, our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal (the “Oriole SSA”)***

Pursuant to the Oriole SSA, Oriole agreed to subscribe for 3,674,500 Equity Shares and 150,000 CCPS at a share subscription price of ₹444.50 per Equity Share and per CCPS for a total consideration of approximately ₹1,700 million.

The holder of such CCPS was entitled to preferential dividend at the rate of ₹0.01 per year for all the CCPS held. Each such CCPS was compulsorily convertible into one Equity Share.

The CCPS held by Oriole were converted into 150,000 Equity Shares on February 6, 2015. For details, see the section “*Capital Structure*” on page 70.

4. ***Share purchase agreement dated August 6, 2012 among Oriole, our Company and our Promoter (the “Oriole SPA”)***

Pursuant to the Oriole SPA, Oriole agreed to purchase 1,124,853 Equity Shares from our Promoter at a price of ₹444.50 per Equity Share, for a total purchase consideration of approximately ₹500 million. For details, see the section “*Capital Structure*” on page 70.

5. ***Shareholders agreement dated August 6, 2012 among our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal, Ms. Neha R. Goyal (the “Other Shareholders”), Oriole and TPG (the “Shareholders’ Agreement”)***

The parties entered into the Shareholders’ Agreement to provide for certain matters relating to the rights of TPG, Oriole and the other shareholders, including relating to the management and operation of our Company.

Pursuant to a deed of adherence to the Shareholders’ Agreement dated March 16, 2015, the Equity Shares held by Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal were transferred to Trinity Ventures (a partnership firm, represented by its partners, Mr. Kiran B. Goyal and Mr. Vinayak R. Goyal) on March 19, 2015. The Shareholders’ Agreement was also amended pursuant to a letter agreement dated March 20, 2015 (the “**Letter Agreement**”).

Management Rights: The Board shall comprise up to nine directors. Our Promoter and the Other Shareholders shall have the right to appoint up to five Directors to the Board (each such Director a “**Promoter Nominee Director**”). Until the completion of the Offer, TPG and Oriole shall each have the right to appoint one Director to the Board (each such director, a “**TPG Nominee Director**” or an “**Oriole Nominee Director**”).

Board meetings: All decisions of the Board are required to be taken by a majority vote other than with respect to the Affirmative Vote Items which shall require the unanimous affirmative written approval of at least one TPG Nominee Director, one Oriole Nominee Director and one Promoter Nominee Director.

Affirmative vote items: Affirmative vote items include, *inter-alia*, altering the rights, preferences or privileges of any Equity Shares, Preference Shares or any other securities or options to acquire securities held in our Company (“**Company Securities**”); amending the charter documents of our Company or changing the registered office of our Company; any issuance, redemption or buy-back of our Company Securities (including equity, debt instruments or convertibles) or any capital reduction; any issuance, repurchase, redemption, alteration or reorganization of any Company Securities and any rights attached to such Company Securities; any acquisition or disposal of interests in any other person, including in any Subsidiary or the creation of a new subsidiary or the divestment of an existing Subsidiary; entering into transactions not made on an arms-length basis or in the ordinary course of business or entering into any joint-venture, partnership or similar arrangement; and approving, adopting, amending or modifying the business plan.

Transfer restrictions: Our Promoter and the Other Shareholders are restricted from transferring any Company Securities held by them without the prior written consent of TPG and Oriole (the “**Investors**”), provided however, that (i) such shareholders are cumulatively permitted to transfer up to 200,000 Equity Shares, without the prior written consent of the Investors, to any person in accordance with the Shareholders’ Agreement; (ii) our Promoter is permitted to transfer up to 966,495 Equity Shares to any affiliate, provided that such affiliate agrees to become bound to the Shareholders’ Agreement as an “Other Shareholder” and the shareholding of our Promoter and his affiliates does not fall below 80% of the equity shareholding of our Promoter and the Other Shareholders.

Each of TPG and Oriole are restricted from transferring all or any of the Company Securities held by them, to a non-financial party, without the prior written consent of a representative of our Promoter and the Other Shareholders, and of the other Investor. A non-financial party is any person who is (i) either directly or through an affiliate currently engaged in, carrying on, or proposing to carry on any competing business; or (ii) participating in the management or operations of any other person which carries out any competing business. Such non-financial parties shall not include any bank, financial institution, private equity or other investment fund, or any other person engaged in the business of making investments.

Right of first offer (“ROFO”): If at any time, our Promoter or any of the Other Shareholders proposes to transfer any Company Securities, such Promoter or Other Shareholder is required to first notify each of the Investors of the number of Company Securities proposed to be transferred by delivering a transfer notice. Each of the Investors has the right to communicate an offer to purchase all, but not less than all, of the proportionate ROFO entitlement of such Investor, within a specified period (the “**ROFO Offer Period**”). The ROFO price shall be the higher of the prices offered by each of the Investors, where both Investors choose to exercise the ROFO. If one of the Investors does not propose to exercise the ROFO, the other Investor shall have the right to offer to purchase any or all of the proportionate ROFO entitlement of the first Investor by intimating the offeror within 10 business days from the end of the ROFO Offer Period. If neither of the Investors exercises the ROFO, our Promoter or Other Shareholder, as the case may be, shall be entitled to transfer the offered securities to any third party within a period of 120 days from the completion of the ROFO Offer Period. Upon receipt of ROFO notices, our Promoter or Other Shareholder is permitted to solicit third party purchase offers and has the right to either accept the offers set out in the ROFO notices or a third party purchase offer, provided that such third party purchase offer is at a price that is at least 5% higher than the ROFO price, and on terms and conditions no less favourable and giving no better rights than those specified in the ROFO notices. The Investors shall be entitled to exercise their tag-along rights with respect to such third party purchase offers.

Tag-along rights: If the Investors do not exercise their ROFO, or such ROFO is not accepted and the Company Securities are sold to any third party purchaser, the Investors have the right to require such third party purchaser to simultaneously purchase from each Investor the Company Securities held by them, up to such Investor’s pro rata shareholding, on terms no less favourable than the terms offered to our Promoter or the Other Shareholder. Where our Promoter or the Other Shareholders propose to transfer any Company Securities to a third party purchaser and if such third party purchaser is a competitor or if such transfer will lead to a change of control of our Company, then the Investors shall have the right to require the third party purchaser to simultaneously purchase all the Company Securities held by the Investors in our Company on terms no less favourable than the terms offered to our Promoter or such Other Shareholder.

Pre-emptive rights: If our Company proposes to undertake any future issue of Company Securities (except any issue pursuant to the ESOS 2012), we are required to first offer to the Investors such number of Company Securities that the proportionate shareholding of each Investor (on a fully diluted basis) in our Company shall be maintained. The Investors shall have the right, but not the obligation to purchase any or all of the Company Securities so offered.

Qualified IPO: Our Promoter and the Other Shareholders are required to cause a qualified IPO (as defined in the Shareholders’ Agreement) of our Company to be completed on or prior to December 31, 2016.

Shareholders’ meetings: Under the terms of the agreement, all Shareholders’ meetings are required to have a quorum of at least five Shareholders and such quorum shall include at least one representative each of TPG, Oriole, our Promoter and the Other Shareholders.

Up-side sharing: If the ratio of the final exit amount realized by TPG pursuant to an upside event (whether realized through an IPO or otherwise) to the aggregate price at which Company Securities held by TPG were acquired by TPG, exceeds certain thresholds specified in the Shareholders’ Agreement, TPG shall be required to (a) sell to Trinity Ventures, for a price specified in the Shareholders’ Agreement, a certain number of Company Securities held by TPG; or (b) if it is not possible for any

reason to achieve the upside sharing in the manner prescribed in (a) above, share the upside with Trinity Ventures through such other mechanism or structure as may be mutually agreed by the parties to the Shareholders' Agreement, including payment of certain amounts to Trinity Ventures based on a formula agreed in the Shareholders' Agreement. Up-side sharing will not apply if the upside event is not completed on or prior to December 31, 2016.

Non-compete: Our Promoter and the Other Shareholders are restricted from, *inter-alia*, investing in any business entity which directly or indirectly competes with the business of our Company, directly or indirectly carrying on any competing business, utilizing the word or the name "AGS" (with limited exceptions), soliciting customers for any competing business, and soliciting employees away from our Company.

Termination: The agreement may be terminated (a) by the mutual consent of the parties in writing; (b) by the Investors (with respect to each of them) upon the occurrence of the promoter event of default; (c) by our Promoter and the Other Shareholders upon the occurrence of an Investor event of default (with respect to the Investor committing such default); (d) upon the completion of an IPO in accordance with the terms of the agreement; (d) with respect to the Investors, upon the shareholding of either Investor falling below 5% of the Equity Shares (with respect to such Investor).

Pursuant to the Letter Agreement, notwithstanding anything contained in the Shareholders' Agreement, the Shareholders' Agreement shall automatically terminate upon the commencement of listing and trading of Equity Shares on a stock exchange in India, pursuant to the Offer other than the clauses related to upside sharing, confidentiality, termination, notices, governing law and dispute resolution, independent rights and promoter representative, promoters, investor nominees (provisions related to indemnity for such nominees) and non-solicitation.

Acquisition Agreements

Share purchase agreement dated November 25, 2013 among GTSL, Novus SGP and Mr. Balasubramanian Narayan Iyer (the "Seller") ("Novus SPA")

Pursuant to the Novus SPA, GTSL agreed to acquire 1,000,000 ordinary shares from the Seller for an aggregate purchase consideration of SGD 1.02 million.

GTSL currently holds 90% of the issued and outstanding ordinary shares of Novus SGP.

OUR MANAGEMENT

Board of Directors

Under the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. Currently our Company has ten Directors.

The following table sets forth details regarding the Board as on the date of this Draft Red Herring Prospectus:

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
Mr. Ravi B. Goyal Designation: Chairman and Managing Director Term: Five years with effect from August 1, 2010 DIN: 01374288 Occupation: Business Nationality: Indian Address: C-3101, 31 st Floor, Beau Monde Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India	52	Private Companies: 1. AGS Sundyne Technologies Private Limited 2. Confederation of ATM Industry 3. Fillon Technologies India Private Limited 4. Instrument Research Associates Private Limited 5. WOW Food Brands Private Limited Public Companies: 1. India Transact Services Limited 2. Securevalue India Limited Foreign Companies: 1. Global Transact Services Pte. Ltd.
Mr. Badrinarain K. Goyal Designation: Non-Independent, Non-Executive Director Term: Not liable to retire by rotation DIN: 01679378 Occupation: Business Nationality: Indian Address: C-3101, 31 st Floor, Beau Monde Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India	74	Private Companies: 1. Fillon Technologies India Private Limited
Mrs. Anupama R. Goyal Designation: Non-Independent, Non-Executive Director	49	Nil

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
Term: Not liable to retire by rotation DIN: 02696453 Occupation: Homemaker Nationality: Indian Address: C-3101, 31 st Floor, Beau Monde Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India		
Mr. Vishwarupe Narain Designation: Nominee, Non-Executive Director Term: Liable to retire by rotation DIN: 03394320 Occupation: Professional Nationality: Indian Address: Flat 09, 9 th Floor Tytan CHS Nepean Sea Road Mumbai 400 036 Maharashtra, India	40	Private Companies: 1. Global Gene Corp Private Limited 2. Landmark Automobiles Private Limited 3. Landmark Cars Private Limited 4. Sutures India Private Limited Public Companies: 1. Flexituff International Limited 2. India Transact Services Limited 3. Securevalue India Limited
Mr. Mahesh Chhabria Designation: Nominee, Non-Executive Director Term: Liable to retire by rotation DIN: 00166049 Occupation: Professional Nationality: Indian Address: 11, Golden Beach Ruia Park, Juhu Mumbai 400 049 Maharashtra, India	50	Private Companies: 1. Actis Advisers Private Limited 2. Symbiotec Pharmed Private Limited Public Companies: 1. India Transact Services Limited 2. Kirloskar Oil Engines Limited 3. Securevalue India Limited

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
Mr. Sudip Bandyopadhyay Designation: Independent, Non-Executive Director Term: Three years with effect from March 12, 2015 DIN: 00007382 Occupation: Professional Nationality: Indian Address: 1801, 18 th Floor, Ansal Heights Block -B, Worli Naka Mumbai 400 018 Maharashtra, India	50	Private Companies: 1. Destimoney Securities Private Limited 2. Elara Finance (India) Private Limited 3. Ladder Holdings Private Limited 4. TotalStart Entrepreneurship Ecosystem Developers Public Companies: 1. India Transact Services Limited 2. Plus Paper Foodpac Limited 3. Securevalue India Limited 4. Wall Street Finance Limited
Mr. Bharat Dhirajlal Shah Designation: Independent, Non-Executive Director Term: Three years with effect from March 12, 2015 DIN: 00136969 Occupation: Service Nationality: Indian Address: Flat no. 21, Hill Park Building 2, AG Bell Marg, Malabar Hill Mumbai 400 006 Maharashtra, India	68	Private Companies: 1. Atlas Documentary Facilitators Company Private Limited 2. Faering Capital Trustee Company Private Limited 3. Salisbury Investments Private Limited Public Companies: 1. HDFC Securities Limited 2. Hexaware Technologies Limited 3. Hill Properties Limited 4. IDFC Alternatives Limited 5. India Transact Services Limited 6. Strides Arcolab Limited 7. Vanita Vishram
Mr. Jagadish Capoor Designation: Independent, Non-Executive Director Term: Three years with effect from March 12, 2015 DIN: 00002516 Occupation: Service Nationality: Indian	75	Private Companies: 1. Atlas Documentary Facilitators Company Private Limited 2. LICHFL Trustee Company Private Limited 3. Quantum Trustee Company Private Limited Public Companies: 1. Assets Care & Reconstruction Enterprise Limited 2. Entegra Limited 3. HDFC Securities Limited 4. LIC Housing Finance Limited

Name, Designation, Term, DIN, Occupation, Nationality and Address	Age (in years)	Other Directorships
Address: 1601 Brooke Ville 359, Mogul Lane, Mahim (West) Mumbai 400 016 Maharashtra, India		5. LIC Pension Fund Limited 6. Manappuram Finance Limited 7. Nitesh Estates Limited 8. Vikas Globalone Limited Foreign Companies: 1. BanyanTree Bank Limited
Mr. Sivanandhan Dhanushkodi Designation: Independent, Non-Executive Director Term: Three years with effect from March 12, 2015 DIN: 03607203 Occupation: Service Nationality: Indian Address: B-1803, Ashoka Towers Ambedkar Road, Parel Mumbai 400 012 Maharashtra, India	64	Private Companies: 1. Securus First Digital Services Private Limited 2. Securus First India Private Limited Public Companies: 1. Aquamall Water Solutions Limited 2. Eureka Forbes Limited 3. Forbes & Company Limited 4. RBL Bank Limited 5. SD Fine Chem Limited 6. United Spirits Limited
Mr. Vijay Chugh Designation: Independent, Non-Executive Director Term: Three years with effect from March 12, 2015 DIN: 07112794 Occupation: Service Nationality: Indian Address: Flat no. 32, Vasant Vihar RBI Officers Flats 85, Nepean Sea Road Malabar Hill Mumbai 400 006 Maharashtra, India	60	Public Companies: 1. India Transact Services Limited 2. Securevalue India Limited

Relationship between the Directors

Name of the Director	Relationship
Mr. Badrinarain K. Goyal	Father of Mr. Ravi B. Goyal
Mrs. Anupama R. Goyal	Wife of Mr. Ravi B. Goyal

Except as stated above, none of the Directors are related to each other.

Arrangement or Understanding with Major Shareholders

Mr. Ravi B. Goyal has been appointed as the Chairman and Managing Director of our Company pursuant to the Promoter's rights under the Shareholders' Agreement. Mrs. Anupama R. Goyal and Mr. Badrinarain K. Goyal are members of our Promoter Group.

Mr. Vishwarupe Narain and Mr. Mahesh Chhabria have been appointed as nominee Directors by TPG and Oriole, respectively.

The Shareholders' Agreement will terminate upon the commencement of listing and trading of the Equity Shares pursuant to the Offer on a stock exchange in India. For further details, see the section "*History and Certain Corporate Matters – Summary of Certain Agreements – Shareholders agreement dated August 6, 2012 among our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal, Ms. Neha R. Goyal (the "Other Shareholders"), Oriole and TPG (the "Shareholders' Agreement")*" on page 166.

Except as stated above, none of the Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

Brief Biographies

1. Mr. Ravi B. Goyal

Mr. Ravi B. Goyal is the Chairman and Managing Director of our Company. He was appointed as a Director on December 11, 2002, as the Managing Director of our Company on October 1, 2008, and was re-appointed as the Managing Director of our Company with effect from August 1, 2010. Mr. Goyal is responsible for the management of the overall operations of our Company and our Subsidiaries. He is currently also on the boards of our Subsidiaries, ITSL, SVIL and GTSL. He holds a Bachelor of Engineering degree from the Mumbai University. Mr. Goyal has over 20 years of experience in the field of technology. He has previously worked with DCM Data Systems Limited and Byte Systems Private Limited. Prior to establishing our Company, he established Advanced Graphic Systems, a proprietary concern, to market computer-aided textile designing software.

2. Mr. Badrinarain K. Goyal

Mr. Badrinarain K. Goyal is a non-independent, non-executive Director. He was appointed as a Director on December 11, 2002. He graduated in Physics from the Mumbai University. Mr. Goyal also holds a diploma in radio engineering. He has 50 years of experience in various fields of electronics such as industrial, medicals, noise and vibrations. He currently runs his own proprietorship firm, Goyal Electronics Industries.

3. Mrs. Anupama R. Goyal

Mrs. Anupama R. Goyal is a non-independent, non-executive Director. She was appointed as a Director on April 1, 2010. She resigned on September 16, 2010 and was re-appointed as a Director on August 10, 2012. Mrs. Goyal completed her school education from the Maharani Gayatri Devi School. She is associated with 'Sakhi', which promotes young women by organizing retail kiosks to give them a

platform to showcase their skills. She was also associated with Arya Vidya Mandir, Bandra as a mentor, imparting creative techniques and skills.

4. Mr. Vishwarupe Narain

Mr. Vishwarupe Narain is a nominee, non-executive Director. He was appointed as a Director on June 7, 2011. He is also a director on the boards of our Subsidiaries, ITSL and SVIL. He holds a Master of Business Administration (MBA) degree from the Leland Stanford Junior University, U.S.A. He has been employed with TPG Capital India Private Limited since April 2007.

5. Mr. Mahesh Chhabria

Mr. Mahesh Chhabria is a nominee, non-executive Director. He was appointed as a Director on November 22, 2012. He is also a director on the board of our Subsidiaries, ITSL and SVIL. He holds a Bachelor of Commerce degree from the Mumbai University. He is a Chartered Accountant certified by the ICAI. He has over nine years of experience in the field of private equity investment. Mr. Chhabria is currently a director at Actis Advisers Private Limited. He has previously worked with 3i India Private Limited.

6. Mr. Sudip Bandyopadhyay

Mr. Sudip Bandyopadhyay is an independent, non-executive Director. He was appointed as a Director on September 16, 2010 and designated as an independent Director under the Companies Act, 2013 on March 12, 2015. He is also a director on the boards of our Subsidiaries, ITSL and SVIL. He is a Chartered Accountant certified by the ICAI and a Cost and Works Accountant certified by the Institute of Cost and Works Accountants of India. Mr. Bandyopadhyay has also been the managing director and chief executive officer of Destimoney Securities Private Limited since March 2011. He has previously worked with Reliance Securities Limited.

7. Mr. Bharat Dhirajlal Shah

Mr. Bharat Dhirajlal Shah is an independent, non-executive Director. He was appointed as a Director on March 12, 2015. He is also a director on the board of our Subsidiary, ITSL. He has completed a course in applied inorganic, organic and physical chemistry and technology of metal finishing at the Borough Polytechnic, London. Mr. Shah has also completed a certified executive development programme in financial management at the Jamnalal Bajaj Institute of Management Studies, Mumbai University. He was appointed as a director of HDFC Securities Limited in July 2001 and has been its chairman since July 2007. Mr. Shah has previously worked as an executive director with HDFC Bank Limited between December 1994 and February 2007.

8. Mr. Jagadish Capoor

Mr. Jagadish Capoor is an independent, non-executive Director. He was appointed as a Director on March 12, 2015. He holds a Bachelor of Commerce degree and a Master of Commerce degree from the Agra University. Mr. Capoor has over 52 years of experience in the field of banking. He is currently the chairman of Assets Care and Reconstruction Enterprise Limited, Manappuram Finance Limited and Quantum Trustee Company Private Limited. He was the Deputy Governor of the RBI between January 1997 and June 2001. He was also a director and the chairman of the BSE between August 2005 and March 2010 and the chairman of HDFC Bank Limited between July 2001 and July 2010. Mr. Capoor is the recipient of an honorary fellowship from the Indian Institute of Banking and Finance.

9. Mr. Sivanandhan Dhanushkodi

Mr. Sivanandhan Dhanushkodi is an independent, non-executive Director. He was appointed as a Director on March 12, 2015. He holds a Master of Arts in Economics degree from the University of Madras. He is currently the chairman of Securus First India Private Limited and a part-time security advisor to the RBI. He has previously served as the Director General of Police of Maharashtra between

May 2010 and February 2011.

10. Mr. Vijay Chugh

Mr. Vijay Chugh is an independent, non-executive Director. He was appointed as a Director on March 12, 2015. He is also a director on the boards of our Subsidiaries, ITSL and SVIL. He holds a Bachelor of Arts degree from the Delhi University and a Master of Arts degree from the University of Rajasthan. Mr. Chugh also holds a Post Graduate Diploma in Business Administration from the KC College of Management Studies, Mumbai. He is a Certificated Associate of the Indian Institute of Bankers and has been awarded an Advanced Certificate for Executives in Management, Innovation and Technology from the Sloan School of Management, Massachusetts Institute of Technology, U.S.A. He has over 32 years of experience in the fields of supervision and regulation of commercial banks, payment and settlement systems and core banking solutions. He is a former Principal Chief General Manager, Department of Payment and Settlement Systems of the RBI. He has previously been a nominee of the RBI on the boards of directors of the State Bank of Patiala and the United Bank of India and has also been the chief vigilance officer of the Industrial Investment Bank of India Limited. Mr. Chugh was associated with the South East Asian Central Banks Conference of Directors of Payment and Settlement Systems: “Challenges in Promoting Safe and Efficient Payment Systems” held at Kuala Lumpur, Malaysia in 2013.

Confirmations

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE.

None of the Directors is or was a director of any listed company that has been or was delisted from any recognised stock exchange in India.

Except for Mr. Kiran B. Goyal (brother of Mr. Ravi B. Goyal, son of Mr. Badrinarain K. Goyal and brother-in-law of Mrs. Anupama R. Goyal) who has been appointed as a consultant to our Company pursuant to a professional services agreement dated April 27, 2012, no relative of any of the Directors has been appointed to an office or place of profit in our Company or its Subsidiaries.

Terms of Appointment of the Executive Directors

Mr. Ravi B. Goyal

Mr. Ravi B. Goyal was appointed as one of the first Directors with effect from December 11, 2002, the date of incorporation of our Company. He is also the Chairman of our Company. Mr. Goyal was re-appointed as Managing Director of our Company with effect from August 1, 2010 for a period of five years pursuant to a resolution passed by the Shareholders on September 20, 2010. The following are some of the principal terms of remuneration of Mr. Goyal as the Managing Director of our Company, as specified in the Employment Agreement dated June 1, 2011 between our Company and Mr. Goyal, and as approved by resolutions of the Board and the Shareholders, each dated June 7, 2011:

1. Our Company is required to pay Mr. Ravi B. Goyal, on a total cost to company basis, remuneration of ₹1.5 million per month aggregating ₹18 million per annum, including any payment of rent towards his residential premises payable by our Company to Mr. Goyal, with an authority to the Board and Shareholders to increase such remuneration payable to him from time to time, although not before two years.
2. Mr. Ravi B. Goyal is entitled to the following perquisites:
 - (a) Medical insurance in accordance with the policies of our Company;
 - (b) Gratuity in accordance with the policies of our Company;

- (c) Company car for official duties;
- (d) Club fees;
- (e) Phone and communication facilities at residence;
- (f) Leave travel for self and family;
- (g) Other entitlements in accordance with the policies of our Company; and
- (h) Airfare entitlements, hotel accommodation, *per diem* and other entitlements/allowances in accordance with our Company's travel rules in force.

The aggregate value of such perquisites shall not exceed 10% of the remuneration payable to Mr. Goyal.

Payment or Benefit to Directors

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 the executive Directors except the normal remuneration for services rendered as a Director of our Company.

The sitting fees/other remuneration paid to the Directors for financial year 2014 are as follows:

1. Remuneration to Executive Directors:

Mr. Ravi B. Goyal was paid remuneration of ₹18 million during financial year 2014.

2. Remuneration to Non-Executive Directors:

Each Director, other than the Managing/Whole-Time Director, is entitled to receive sitting fees for attending meetings of the Board or any of its committees. The TPG Nominee Directors and the Oriole Nominee Directors have voluntarily waived the receipt of sitting fees for attending meetings of the Board and any of its committees. Further, the Independent Directors are entitled to receive profit related commission in accordance with the terms of their respective appointment letters, within the limits specified under the Companies Act, 2013. The details of the sitting fees and other payments paid to the non-executive Directors during financial year 2014 are as follows:

S. No.	Name of Director	Sitting Fees Paid (₹ in million)
1.	Mr. Sudip Bandyopadhyay	0.1
2.	Mr. S.P. Chaudhry*	0.13
3.	Mr. Badrinarain K. Goyal	0.02

**Additionally, Mr. S.P. Chaudhry was also paid a professional consultancy fee of ₹500,000 per month for the period between April 1, 2013 and September 30, 2013.*

No remuneration has been paid, or is payable, to the Directors by the Subsidiaries.

Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Red Herring Prospectus.

Service Contracts entered into with the Directors

Our Company has not entered into any service contracts, pursuant to which, the Directors are entitled to benefits upon termination of employment.

Bonus or Profit-Sharing Plan with the Directors

None of our Directors are a party to any bonus or profit sharing plan by our Company.

Shareholding of the Directors

The Articles of Association do not require the Directors to hold any qualification Equity Shares in our Company. The following are the details of the shareholding of the Directors as of the date of this Draft Red Herring Prospectus:

S. No.	Name of the Director	No. of Equity Shares Held	% of Pre-Offer Share Capital
1.	Mr. Ravi B. Goyal	66,460,312	55.20
2.	Mr. Badrinarain K. Goyal	750,000	0.62
3.	Ms. Anupama R. Goyal	16	Negligible
	Total	67,210,328	55.83

None of the Directors have been granted employee stock options under ESOS 2012 or ESOS 2015.

For details of shareholding of our Directors in the Subsidiaries, see the section “*History and Certain Corporate Matters - Subsidiaries*” on page 161.

Borrowing Powers of the Board

In accordance with the Articles of Association, the Board may, from time to time, at its discretion, receive deposits or loans from members either as an advance of call or otherwise and generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of our Company and may secure the payment of any sums of money so received, raised or borrowed.

Pursuant to a special resolution of the Shareholders passed at the extraordinary general meeting held on July 8, 2014, the Board has been authorized to borrow, from time to time, such sums of money as the Board may deem fit for the purpose of the business of our Company, whether secured or unsecured, by mortgage, charge, hypothecation, lien or pledge of our Company’s properties, whether moveable, immovable or stock in trade and work in progress, and all or any of the undertakings of our Company, present and future, notwithstanding that the monies to be borrowed, together with the monies already borrowed, will exceed the aggregate of the paid-up capital and free reserves of our Company provided that the total amount which may be borrowed by the Board, and outstanding at any time, shall not exceed ₹5,000 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.

Corporate Governance

The provisions of the Listing Agreement with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations, including the Listing Agreement, the Companies Act and the SEBI Regulations, in respect of corporate governance. The Board has been constituted in compliance with the Companies Act and the Listing Agreement. Our corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company's executive management provides the Board with detailed reports on its performance periodically.

Currently the Board has ten Directors, of which the Chairman is an executive Director. In compliance with the requirements of Clause 49 of the Listing Agreement, we have one executive Director and eight non-executive Directors, including five independent Directors and one woman Director, on the Board.

Committees of the Board

The Committees of the Board include the following committees constituted in accordance with the Listing Agreement and the Companies Act, 2013:

1. *Audit Committee*

The members of the Audit Committee are:

1. Mr. Sudip Bandyopadhyay (Chairman);
2. Mr. Ravi B. Goyal;
3. Mr. Sivanandhan Dhanushkodi;
4. Mr. Bharat Dhirajlal Shah;
5. Mr. Jagadish Capoor; and
6. Mr. Mahesh Chhabria.

The Audit Committee was constituted by the Board at its meeting held on September 16, 2010. The Audit Committee was last reconstituted by the Board at its meeting held on March 12, 2015. The terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Pursuant to Clause 49 of the Listing Agreement, the powers of the Audit Committee also include the power to:

- a. Investigate any activity within its terms of reference;
- b. Seek information from any employee;
- c. Obtain outside legal or other professional advice; and
- d. Secure attendance of outsiders with relevant expertise, if it considers necessary.

Pursuant to Clause 49 of the Listing Agreement, the Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. Appointment, removal and terms of remuneration of the chief internal auditor.

The Audit Committee is required to meet at least four times in a year under Clause 49 of the Listing Agreement.

2. *Nomination and Remuneration Committee*

The members of the Nomination and Remuneration Committee are:

1. Mr. Bharat Dhirajlal Shah (Chairman);
2. Mr. Ravi B. Goyal;
3. Mr. Sudip Bandyopadhyay; and
4. Mr. Sivanandhan Dhanushkodi.

The Nomination and Remuneration Committee was constituted by the Board at its meeting held on September 16, 2010. The Nomination and Remuneration Committee was last reconstituted by the Board at its meeting held on March 12, 2015. The terms of reference of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

3. *Stakeholders Relationship Committee*

The members of the Stakeholders Relationship Committee are:

1. Mr. Sudip Bandyopadhyay (Chairman);
2. Mr. Jagadish Capoor; and
3. Mr. Bharat Dhirajlal Shah.

The Stakeholders Relationship Committee was constituted by the Board at its meeting held on March 12, 2015. The terms of reference of the Stakeholders' Relationship Committee are in accordance with Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

4. *Corporate Social Responsibility Committee*

The members of the Corporate Social Responsibility Committee are:

1. Mr. Sivanandhan Dhanushkodi (Chairman);
2. Mr. Ravi B. Goyal; and
3. Mr. Bharat Dhirajlal Shah.

The Corporate Social Responsibility Committee was constituted by the Board at its meeting held on July 8, 2014. The Corporate Social Responsibility Committee was last reconstituted by the Board at its meeting held on March 12, 2015. The terms of reference of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act, 2013.

5. *Risk Management Committee*

The members of the Risk Management Committee are:

1. Mr. Jagadish Capoor (Chairman);
2. Mr. Bharat Dhirajlal Shah;
3. Mr. Sivanandhan Dhanushkodi.

The Risk Management Committee was constituted by the Board at its meeting held on March 12, 2015. The terms of reference of the Risk Management Committee are in accordance with Clause 49 of the Listing Agreement.

In addition, the Board has also constituted an IPO Committee on March 12, 2015, which is authorized to approve and decide upon all activities in connection with the Offer, including, but not limited to, to approve the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the Offer, including the Price Band and the Offer Price, 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.

Interest of Directors

All Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them. Further, the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by them with any company in which they hold directorships or any partnership firm in which they are partners.

All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to them, out of the present offer in terms of the Red Herring Prospectus and also to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

The Directors have no interest in any property acquired by our Company within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as of the date of this Draft Red Herring Prospectus.

Mr. Vishwarupe Narain, Mr. Mahesh Chhabria, Mr. Sudip Bandyopadhyay, Mr. Bharat Dhirajlal Shah and Mr. Vijay Chugh are also interested to the extent of the remuneration and/or sitting fees payable to them in their capacity as a director of ITSL and SVIL, as applicable.

Mr. Ravi B. Goyal is interested in our Company in addition to the above to the extent of (a) deposit provided by our Company for the use of 601 Trade World, B Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 which is a part of our Registered Office; and (b) deposit provided by, and rent received from, our Company for the use of our factory located in Daman.

Mrs. Anupama R. Goyal is interested in our Company in addition to the above to the extent of deposit provided by, and rent received from, our Company for the use of 602 Trade World, B Wing, Kamala Mill Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 which is a part of our Registered Office.

Except as stated in the section “*Our Promoter, Promoter Group and Group Entities - Interest of Promoter and Common Pursuits*” (with respect to the Managing Director, Mr. Ravi B. Goyal), the Directors do not have any other interest in the promotion of our Company.

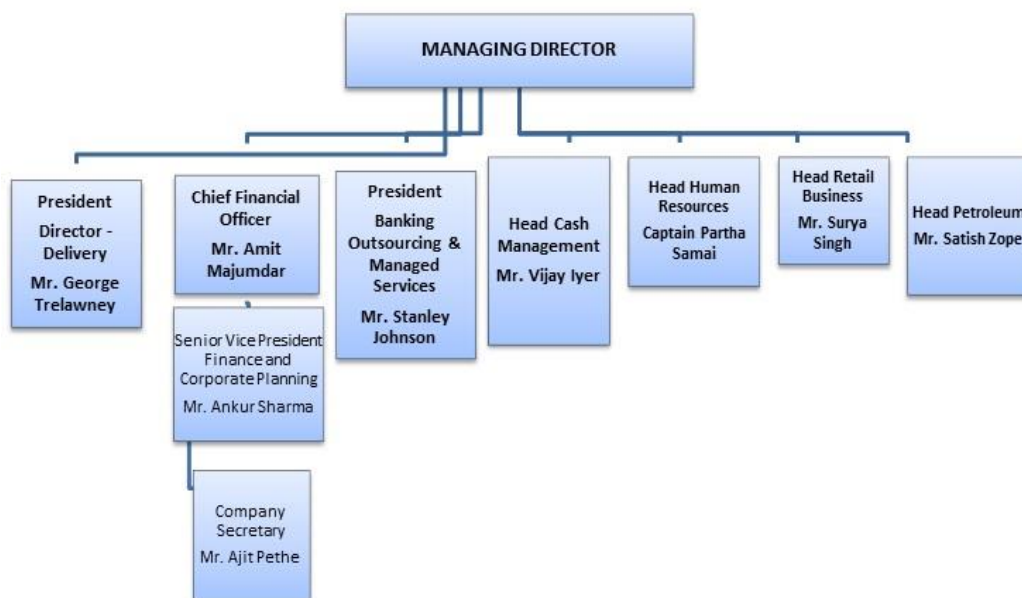
Except as stated in the section “*Related Party Transactions*” on page 195 and described herein, the Directors do not have any other interest in our business.

Changes in the Board during the Last Three Years

Name	Date of Appointment/Cessation	Reason
Mr. Bharat Dhirajlal Shah	March 12, 2015	Appointment
Mr. Jagadish Capoor	March 12, 2015	Appointment
Mr. Sivanandhan Dhanushkodi	March 12, 2015	Appointment
Mr. Vijay Chugh	March 12, 2015	Appointment
Mr. Sudip Bandyopadhyay	March 12, 2015	Re-appointment
Mr. Nicholas Charles Luckock	March 12, 2015	Resignation
Mr. S.P. Chaudhry	January 16, 2015	Resignation
Mr. Manas Tandon	January 9, 2015	Resignation
Mr. Nicholas Charles Luckock	July 30, 2013	Re-appointment
Mr. Nicholas Charles Luckock	July 30, 2013	Resignation
Mr. Manas Tandon	May 24, 2013	Appointment
Mr. Varun Kapur	May 24, 2013	Resignation
Mr. Mahesh Chhabria	November 22, 2012	Appointment
Mr. N. Srinivasan	November 22, 2012	Resignation

Name	Date of Appointment/Cessation	Reason
Mr. N. Srinivasan	August 10, 2012	Appointment
Mr. Nicholas Charles Luckock	August 10, 2012	Appointment
Mrs. Anupama R. Goyal	August 10, 2012	Appointment

Management Organisation Structure



Key Management Personnel

The details of the key management personnel, in addition to the Managing Director of our Company, as of the date of this Draft Red Herring Prospectus are as follows:

- **Mr. Amit Majumdar**

Mr. Amit Majumdar, aged 42 years, is the Chief Financial Officer of our Company. He has been associated with our Company since January 27, 2015. Mr. Majumdar holds a Bachelor of Commerce degree from the Mumbai University. He is a Chartered Accountant certified by the ICAI. He has over 17 years of experience in the fields of finance and strategy. Prior to joining our Company, he was associated with Angel Broking Private Limited. Mr. Majumdar has also worked with Ambit Corporate Finance Pte. Limited, Rabo India Finance Private Limited, S.R. Batliboi & Co. LLP and Chohung Bank. As Mr. Majumdar joined our Company in January 2015, no remuneration was paid to him in financial year 2014.

- **Mr. Ankur Sharma**

Mr. Ankur Sharma, aged 35 years, is the Senior Vice President, Finance and Corporate Planning of our Company. He has been associated with our Company since February 1, 2011. Mr. Sharma holds a Post-Graduate Diploma in Business Management from the Infinity Business School. He also holds a Bachelor of Business Studies degree from the University of Delhi. He has over 10 years of experience in the fields of business strategy/restructuring and capital markets. Prior to joining our Company, he was associated with Reliance Securities Limited. He has also worked with Reliance Capital Asset Management Limited and R Trade Securities Limited. Mr. Sharma is a recipient of the Ernst and Young Scholarship from the Infinity Business School. The remuneration paid to him during financial year 2014 was ₹4.78 million.

- **Captain Partha Samai**

Captain Partha Samai, aged 38 years, is the Senior Vice President, Group Head - Human Resources of our Company. He has been associated with our Company since June 1, 2011. Captain Samai holds a Bachelor of Arts degree from the Dr. Babasaheb Ambedkar Marathwada University and a Master of Arts degree from the Gokhale Institute of Politics and Economics. He also holds a Post Graduate Diploma in Business Administration from the Symbiosis Centre for Distance Learning. He has over 13 years of experience in the field of human resources development. Prior to joining our Company, he was associated with Tikona Digital Networks Private Limited. Captain Samai has also worked with Tata Teleservices Limited, Bharti Tele Ventures Limited and served in the Indian army. He has received the Motorola University Six Sigma Green Belt by Tata Teleservices Limited in recognition of effective utilization of statistical, problem solving and quality tools. Captain Samai has also participated in the 'Train the Trainer' program of Dale Carnegie and Associates and the National HRD Network Strategic Human Resource Leadership Programme. The remuneration paid to him during financial year 2014 was ₹4.08 million.

- **Mr. George Trelawney**

Mr. George Trelawney, aged 52 years, is the President, Director – Delivery of our Company. He has been associated with our Company since July 26, 2011. Mr. Trelawney holds a Bachelor of Commerce degree from the Rani Durgavati Vishwavidyala, Jabalpur. He is a Certificated Associate of the Indian Institute of Bankers. Mr. Trelawney has over 29 years of experience in the field of banking (IT related to banking and outsourcing/payments/ATM/cards/ATM switch space). Prior to joining our Company, he was associated with Euronet Services Private Limited. Mr. Trelawney has also worked with HMA STARware Limited, Dena Bank Limited and Opus Software Solutions Private Limited. The remuneration paid to him during financial year 2014 was ₹11.43 million.

- **Mr. V.C. Gupte**

Mr. V.C. Gupte, aged 70 years, is a consultant to and the Head – Colour Business of our Company. He has been associated with our Company since November 1, 2011 and is responsible for the sales and service functions of the colour business of our Company. Mr. Gupte has been appointed as a consultant to our Company pursuant to a consultancy agreement for a period of one year until March 31, 2015. Mr. Gupte holds a Master of Science degree from the Mumbai University. He has over 28 years of experience in the field of colour. He is currently also associated with Advanced Graphics Systems as a Consultant. Prior to joining our Company, he was associated with Milton Roy (Deutschland) GmbH. Mr. Gupte has also worked with Mafatlal Consultancy Services (India) Limited. He has received a silver medal for significant contribution to the advancement of color measurement in India, awarded by the Society of Dyers and Colourists. The consultancy fee paid to him during financial year 2014 was ₹3.3 million (exclusive of service tax).

- **Mr. Saurabh Lal**

Mr. Saurabh Lal, aged 34 years, is Vice President, Finance and Accounts of our Company. He has been associated with our Company since April 19, 2012. Mr. Lal is a Chartered Accountant certified by the ICAI. He has over seven years of experience in the financial service industry. Prior to joining our Company, he was associated with the Universal Commodity Exchange Limited. Mr. Lal has also worked with Green Invest Limited and ICICI Bank Limited. The remuneration paid to him during financial year 2014 was ₹2.59 million.

- **Mr. Stanley Johnson**

Mr. Stanley Johnson, aged 41 years, is the Head - Outsourcing of our Company. He has been associated with our Company since August 16, 2010. Mr. Johnson holds a Bachelor of Science degree from Mumbai University. He also holds a Master of Computer Application degree from The International University, U.S.A. He has over 20 years of experience in the field of payment industry. Prior to joining our Company, he was associated with FIS Payments Solutions and Telesoft Systems. Mr. Johnson is a

recipient of the Chairman's Award from the eFunds Corporation in 2006. The remuneration paid to him during financial year 2014 was ₹11.12 million.

- **Mr. Surya Singh**

Mr. Surya Singh, aged 44 years, is the Head - Retail of our Company. He has been associated with our Company since September 3, 2007. Mr. Singh holds a Diploma in Instrumentation and a Diploma in Computer Technology, each issued by the Board of Technical Examinations, Maharashtra. He has over 17 years of experience in the field of information technology solutions. Prior to joining our Company, he was associated with HCL Infosystems Limited. Mr. Singh has completed a course in internal auditor training in quality management system organized by Bradma of India Limited. The remuneration paid to him during financial year 2014 was ₹7.15 million.

- **Mr. Vijay Iyer**

Mr. Vijay Iyer, aged 38 years, is the Senior Vice President, Head - Cash Management of our Company. He has been associated with our Company since May 13, 2009. Mr. Iyer holds a Bachelor of Commerce degree from the Mumbai University. He has over 18 years of experience in the field of cash management. Prior to joining our Company, he was associated with Brinks Arya India Private Limited. The remuneration paid to him during financial year 2014 was ₹4.51 million.

- **Mr. Satish Zope**

Mr. Satish Zope, aged 51 years, is the Executive Vice President, Petroleum of our Company. He has been associated with our Company since August 1, 2010. Mr. Zope holds a Master of Commerce degree from the University of Poona. He has over 19 years of experience in the field of sales and business development. Prior to joining our Company, he was associated with Mountain Technologies Pty Limited. Mr. Zope has also worked with Teledirect Informatics India Limited. The remuneration paid to him during financial year 2014 was ₹6.98 million.

- **Mr. Ajit Pethe**

Mr. Ajit Pethe, aged 40 years, is the Company Secretary of our Company. He has been associated with our Company since January 30, 2015. Mr. Pethe holds a Bachelor of Commerce degree from the Mumbai University. He is a certified Company Secretary. He has over seven years of experience as a company secretary in Indian and multinational companies. Prior to joining our Company, he was associated with Infracore Technologies Limited. Mr. Pethe has also worked with Loop Telecom Limited and Percept Limited. As Mr. Pethe joined our Company in January 2015, no remuneration was paid to him in financial year 2014.

Other than Mr. V.C. Gupte who is a consultant, all the key management personnel are permanent employees of our Company.

None of the above mentioned key management personnel are related to each other and neither are they related to our Promoter or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the key management personnel were selected as members of our senior management.

All the key managerial personnel retire at the age of 60 years, in accordance with the policies of our Company. If the services of any of the key managerial personnel are terminated without notice, then such personnel are entitled to three months' basic salary.

Shareholding of Key Management Personnel

Other than Mr. V.C. Gupte who holds 46,000 Equity Shares, none of the key management personnel hold any Equity Shares. Mr. Ankur Sharma holds one equity share in our Subsidiary, Novus Philippines.

Certain of the key management personnel have also been granted employee stock options under ESOS 2012.

For further details, see the section “*Capital Structure – Notes to Capital Structure - Employee Stock Option Plans*” on page 80.

Loans to Key Management Personnel

The details of the loans given by our Company to key management personnel and the amount outstanding as on December 31, 2014 is as follows:

Name	Principal Amount (₹ in million)	Amount outstanding as on December 31, 2014 (₹ in million)
Mr. Saurabh Lal	2.50	1.30
Mr. Surya Singh	0.87	0.65
Mr. Satish Zope	1.40	0.90

Bonus or Profit-Sharing Plan of the Key Management Personnel

There is no profit sharing plan for the key management personnel. Our Company makes bonus payments to the key management personnel at the end of every financial year, as per the terms of their appointment. Certain key management personnel are also paid a performance linked incentive at the end of each financial year.

Interests of Key Management Personnel

The key management personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and the employee stock options or Equity Shares held, if any. 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 as disclosed, none of the key management personnel has been paid any consideration of any nature from our Company, other than their remuneration.

Other than as disclosed in the section “*Related Party Transactions*” on page 195, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors.

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
Mr. Ajit Pethe	Company Secretary	January 30, 2015	Appointment
Mr. Amit Majumdar	Chief Financial Officer	January 27, 2015	Appointment
Ms. Rashmi Omprakash Savita	Company Secretary	July 31, 2014	Resignation
Mr. Anand Agarwal	Group CFO	March 31, 2014	Resignation
Ms. Rashmi Omprakash Savita	Company Secretary	December 5, 2012	Appointment

Name	Designation	Date of Change	Reason for Change
Ms. Rashmi Sarvaiya	Company Secretary	October 31, 2012	Resignation

Employee Stock Option Plans

For details of our Company's employee stock option plans, see the section "*Capital Structure – Notes to Capital Structure - Employee Stock Option Plans*" on page 80.

Payment or Benefit to Officers of our Company

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

OUR PROMOTER, PROMOTER GROUP AND GROUP ENTITIES

Promoter

Mr. Ravi B. Goyal is the Promoter of our Company.



For a complete profile of Mr. Ravi B. Goyal, i.e., his age, residential address, educational qualifications, professional experience, positions / posts held in the past and other directorships and special achievements, see the section “*Our Management*” on page 169.

His driving license number is MH01 19800003824 and his voter identification number is TDW5049713.

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Interest of Promoter and Common Pursuits

Except as disclosed in this Draft Red Herring Prospectus, our Promoter is interested in our Company to the extent that he has promoted our Company and to the extent of his shareholding in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by him. For further information on shareholding of our Promoter in our Company, see the sections “*Capital Structure - Details of Promoter’s Contribution and Lock-in*” and “*Our Management - Shareholding of the Directors*” on pages 73 and 177, respectively.

Further, Mr. Ravi B. Goyal is the Managing Director of our Company and may be deemed to be interested to the extent of the remuneration and other compensation provided by our Company. For further details, see the section “*Our Management*” on page 169.

Except the related party transactions entered into by our Company as disclosed in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements which are not in the ordinary course of business during the preceding two years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoter is directly or indirectly interested and no payments have been made to him in respect of the contracts, agreements or arrangements which are proposed to be made with him. For further details of related party transactions, as per Accounting Standard 18, see the section “*Related Party Transactions*” on page 195.

Our Promoter has no interest in any property acquired within the two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as disclosed in this Draft Red Herring Prospectus, our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Our Promoter does not have any direct interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as disclosed in the section “*Related Party Transactions*” on page 195, our Promoter is not related to any of the sundry debtors of our Company.

Payment of benefits to our Promoter or Promoter Group

Except as stated in “*Related Party Transactions*”, “*Our Management*” and “*Our Promoter, Promoter Group and Group Entities*” on pages 195, 169 and 186, respectively, there has been no payment of benefits to our Promoter or Promoter Group during the two years preceding the date of filing of this Draft Red Herring Prospectus, nor is there any intention to pay or given any benefit to our Promoter or Promoter Group.

Confirmations

Our Promoter has not been declared as a wilful defaulter by the RBI or any other government authority. Further, there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against him.

Our Promoter and Promoter Group entities have not been debarred from accessing or operating in capital markets 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 Promoter.

Our Promoter is not and has never been a promoter, director or person in control of any other company which is debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter is not interested in any entity which holds any intellectual property rights that are used by our Company.

Companies with which our Promoter has disassociated in the last three years

Except as disclosed below, our Promoter has not disassociated himself as a promoter from any company during the three years preceding the date of this Draft Red Herring Prospectus.

S. No.	Name of the Entity	Reason for Disassociation	Date of Disassociation
1.	Ecopower Systems Private Limited	Sale of shares	September 29, 2012

Promoter Group

The constitution of the Promoter Group is set forth below:

In addition to the Promoter named above, the natural persons who form part of our Promoter Group are set forth below:

S. No.	Name of the Individual	Relationship with our Promoter
1.	Mrs. Anupama R. Goyal	Spouse of Mr. Ravi B. Goyal
2.	Mr. Badrinarain K. Goyal	Father of Mr. Ravi B. Goyal
3.	Mrs. Vimla B. Goyal	Mother of Mr. Ravi B. Goyal
4.	Mr. Kiran B. Goyal	Brother of Mr. Ravi B. Goyal
5.	Ms. Raksha Kanodia	Sister of Mr. Ravi B. Goyal
6.	Mr. Vinayak R. Goyal	Son of Mr. Ravi B. Goyal
7.	Ms. Neha R. Goyal	Daughter of Mr. Ravi B. Goyal
8.	Mrs. Bimla Poddar	Mother-in-law of Mr. Ravi B. Goyal
9.	Mr. Purushottam Poddar	Brother-in-law of Mr. Ravi B. Goyal
10.	Mrs. Sarita Choudhary	Sister-in-law of Mr. Ravi B. Goyal
11.	Mrs. Smriti Nagewala	Sister-in-law of Mr. Ravi B. Goyal

In addition, Mrs. Nidhi K. Goyal (Sister-in-law of Mr. Ravi B. Goyal) is also being considered as a member of the Promoter Group of our Company.

The entities forming part of the Promoter Group are set forth below:

- (i) AGS Sundyne Technologies Private Limited
- (ii) Fillon Technologies India Private Limited
- (iii) Instrument Research Associates Private Limited
- (iv) WOW Food Brands Private Limited
- (v) Genuus Brand Advisory Private Limited
- (vi) Midas Touch Limited
- (vii) Advanced Graphic Systems (proprietorship firm)
- (viii) Goyal Electronics Industries (proprietorship firm)
- (ix) Poddar Brothers (partnership firm)
- (x) Vastra Kala Udyog (partnership firm)
- (xi) Choudhary Fashions (partnership firm)
- (xii) Poddar Exports (partnership firm)
- (xiii) NU FAB (partnership firm)
- (xiv) Goeltronics (partnership firm)
- (xv) Trinity Ventures (partnership firm)

The Hindu Undivided Families forming part of our Promoter Group are set forth below:

- (i) Badrinarain Kunjbihari Goyal HUF
- (ii) Late Kunjbihari Shriniwas Goyal HUF

Additionally, the K.S. Goyal Charitable Trust is also part of our Promoter Group.

Group Entities

Unless otherwise specified, all information in this section is as of the date of this Draft Red Herring Prospectus.

The following are our Group Entities:

- 1. AGS Sundyne Technologies Private Limited (“**AGS Sundyne**”);
- 2. Fillon Technologies India Private Limited (“**Fillon**”);
- 3. Instrument Research Associates Private Limited (“**IRA**”);
- 4. WOW Food Brands Private Limited (“**WOW Food**”);
- 5. Advanced Graphic Systems; and
- 6. K.S. Goyal Charitable Trust (“**K.S. Trust**”).

The details of our Group Entities are provided below:

1. AGS Sundyne

Corporate Information

AGS Sundyne was incorporated as a private limited company on April 26, 2006. The registered office of AGS Sundyne is situated at 601-602 Trade World, B Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

AGS Sundyne is engaged in the business of, *inter-alia*, software designing, developing, marketing, purchasing, selling, importing, exporting, franchising, research and development of graphics and web designing and E-Commerce.

Interest of Promoter

Mr. Ravi B. Goyal, our Promoter is interested to the extent of equity shares held by him in AGS Sundyne. Further, our Promoter is also the chairman of the board of directors of AGS Sundyne. In addition, Mr. Kiran B. Goyal (brother of Mr. Ravi B. Goyal) is a director as well as a shareholder of AGS Sundyne.

The shareholding pattern of AGS Sundyne is as follows:

Name	Number of equity shares	Percentage of shareholding (%)
Mr. Kiran B. Goyal	9,000	90
Mr. Ravi B. Goyal	1,000	10
Total	10,000	100

Financial Information

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31		
	2012	2013	2014
Equity Capital	0.1	0.1	0.1
Reserves (excluding revaluation reserves) and surplus	(26.298)	(49.164)	(39.216)
Sales/Turnover (Income, excluding other income)	29.518	13.479	35.085
Profit/(Loss) after tax	(2.784)	(22.867)	9.948
Earnings per share (face value ₹10) (basic) (in ₹)	(278.41)	(2286.69)	994.83
Earnings per share (face value ₹10) (diluted) (in ₹)	(278.41)	(2286.69)	994.83
Book value per equity share (in ₹)	(2619.70)	(4906.40)	(3911.57)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

2. Fillon

Corporate Information

Fillon was incorporated as a private limited company on March 6, 2003. The registered office of Fillon is situated at 601/2 Trade World, B Wing, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

Fillon is a joint venture between Mr. Ravi B Goyal and Fillon Investissment, a French firm. Fillon is engaged in the business of, *inter-alia*, to manufacture, build, assemble, alter, construct, deal, develop, display, demonstrate, remodel, import, export, market, trade, lease, hire, let on hire, install, repair, modify, service, operate, handle, process and acquire powered mechanical paint stirrers, home appliance manufacturing industries and body building industries. It provides a complete range of equipment for car body shops.

Interest of Promoter

Mr. Ravi. B. Goyal, our Promoter, is interested to the extent of equity shares held by him in Fillon. He is also a director of Fillon and receives remuneration as a director from Fillon. Mr. Badrinarain K. Goyal (father of Mr. Ravi B. Goyal) is a director of Fillon.

The shareholding pattern of Fillon is as follows:

Name	Number of equity shares	Percentage of shareholding (%)
Fillon Investissment	300,000	60
Mr. Ravi B. Goyal	200,000	40
Total	500,000	100

Financial Information

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31		
	2012	2013	2014
Equity Capital	5.00	5.00	5.00
Reserves (excluding revaluation reserves) and surplus	24.762	23.687	24.133
Sales/Turnover (Income, excluding other income)	71.008	86.280	91.139
Profit/(Loss) after tax	4.533	4.775	1.910
Earnings per share (face value ₹10) (basic) (in ₹)	9.07	9.55	3.82
Earnings per share (face value ₹10) (diluted) (in ₹)	9.07	9.55	3.82
Book value per equity share (in ₹)	59.523	57.37	58.27

There are no significant notes of the auditors in relation to the aforementioned financial statements.

3. IRA

Corporate Information

IRA was incorporated as a private limited company on June 27, 1984. The registered office IRA is situated at A-201, KSSIIDC Complex, Electronic City, Hosur Road, Bangalore 560 100, Karnataka, India.

IRA is engaged in the business of, *inter-alia*, R&D organizers, consultants, experts, buyers, sellers, resellers, repairers, assemblers, distributors, agents, sole concessionaire, importers, exporters and dealers in general in all types of electronic and electrical testing, measuring, calibration and control equipment.

Interest of Promoter

Mr. Ravi B. Goyal, our Promoter, is interested to the extent of equity shares held by him in IRA. He is also a director of IRA. Mr. Badrinarain K. Goyal (father of Mr. Ravi B. Goyal) is a shareholder of IRA.

The shareholding pattern of IRA is as follows:

Name	Number of equity shares	Percentage of shareholding (%)
Mr. Ravi B. Goyal	74,982	99.98
Mr. Badrinarain K. Goyal	18	0.02
Total	75,000	100

Financial Information

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31		
	2012	2013	2014
Equity Capital	7.5	7.5	7.5
Reserves (excluding revaluation reserves) and surplus	(23.918)	(22.342)	(17.473)
Sales/Turnover (Income, excluding other income)	174.116	219.546	252.826
Profit/(Loss) after tax	1.214	1.576	4.869
Earnings per share (face value ₹100) (basic) (in ₹)	16.19	21.01	64.92
Earnings per share (face value ₹100) (diluted) (in ₹)	16.19	21.01	64.92
Book value per equity share (in ₹)	(16.42)	(197.89)	(132.97)

There were instances when IRA delayed payments of statutory dues. However, such dues were subsequently paid off. Except as disclosed above, there are no significant notes of the auditors in relation to the aforementioned financial statements.

4. WOW Food

Corporate Information

WOW Food was incorporated as a private limited company on April 4, 2012. The registered office of WOW Food is situated at 601-602, B-Wing, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra, India.

WOW Food is engaged in the business of, *inter-alia*, to manufacture, produce, process, prepare, disinfect, fermentate, compound, mix, clean, wash, concentrate, crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, boil, sterilize, improve, extract, refine, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, handle, manipulate, market, supply and to act as agent, broker, liasioner, middleman, export house, job worker, chain store or otherwise to deal in all types, descriptions, tastes, uses and packs of consumer food items, their byproducts, ingredients, derivatives and residue.

Interest of Promoter

Mr. Ravi B. Goyal, our Promoter, is interested to the extent of equity shares held by him in WOW Food. He is also a director of WOW Food. Ms. Neha R. Goyal (daughter of Mr. Ravi B. Goyal) is a shareholder and a director of WOW Food.

The shareholding pattern of WOW Food is as follows:

Name	Number of equity shares	Percentage of shareholding (%)
Mr. Ravi B. Goyal	1,000	10
Ms. Neha R. Goyal	9,000	90
Total	10,000	100

Financial Information*(₹ in million, unless otherwise stated)*

Particulars	For the year ended March 31		
	2012	2013	2014
Equity Capital	N.A.	0.1	0.1
Reserves (excluding revaluation reserves) and surplus	N.A.	(1.354)	(10.643)
Sales/Turnover (Income, excluding other income)	N.A.	NIL	4.258
Profit/(Loss) after tax	N.A.	(1.354)	(9.289)
Earnings per share (face value ₹10) (basic) (in ₹)	N.A.	(135.36)	(928.94)
Earnings per share (face value ₹10) (diluted) (in ₹)	N.A.	(135.36)	(928.94)
Book value per equity share (in ₹)	N.A.	(125.36)	(1,054.30)

Since WOW Food was incorporated on April 4, 2012, the first financial year of WOW Food was 2012-2013. Except as disclosed above, there are no significant notes of the auditors in relation to the aforementioned financial statements.

5. Advanced Graphic Systems

Advanced Graphic Systems is a sole proprietary concern started by our Promoter in 1992. The proprietary concern is engaged in the business of providing color solutions, traders of colour matching machines and servicing of the same. The principal office of Advanced Graphic Systems is situated at 601-602 Trade World, B Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

Interest of Promoter

Mr. Ravi B. Goyal is the sole proprietor of Advanced Graphic Systems.

Financial Information*(₹ in million, unless otherwise stated)*

Particulars	For the year ended March 31		
	2012	2013	2014
Total Sales including professional income	232.85	207.35	142.74
Net Profit (Loss) Transferred to Capital A/c	228.827	511.576	35.133
Capital Contribution	358.235	804.858	786.812

6. K.S. Trust

The K.S. Trust was created by (Late) Mr. Kunjbihari Shriniwas Goyal in terms of a trust deed dated January 15, 2003. The trust was created for the following purpose: (i) advancement of education, (ii) towards medical aid, (iii) providing relief and rehabilitation of widows and other women without support, orphans, the aged and poor, and (iv) for other charitable and public causes. The registered office of the trust is situated at 601-602 Trade World, B Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India.

Interest of Promoter

Mr. Ravi B. Goyal is a trustee of the K.S. Trust. Mr. Badrinarain K. Goyal (father of Mr. Ravi B. Goyal) is also a trustee of the K.S. Trust.

Financial Information

(₹ in million, unless otherwise stated)

Particulars	For the year ended March 31		
	2012	2013	2014
Gross Total Income	1.793	2.238	2.062
Surplus (Deficit)	1.782	2.217	(18.062)
Trust Fund	20.301	22.30	22.40

Certain Confirmations

None of the Group Entities mentioned above has made any capital issue in the last three years. No winding up petition has been filed against them. Except as disclosed below, none of the Group Entities have a negative net worth. The Group Entities are not sick industrial companies within the meaning of SICA. None of the Group Entities are listed on any stock exchange.

Group Entities with negative net worth

The following Group Entities have negative net worth:

1. AGS Sundyne;
2. IRA; and
3. WOW Food.

For details on the financial information of the above referenced entities, please see “– Group Entities” on page 188.

Loss making Group Entities

WOW Food and the K.S. Trust have each incurred losses in the last financial year. For details on the financial information of WOW Food, please see “– Group Entities” on page 188.

Nature and Extent of Interest of Group Entities

In the promotion of our Company

None of our Group Entities have any interest in the promotion or any business interest or other interests in our Company.

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 Entities is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus.

In transactions for acquisition of land, construction of buildings and supply of machinery

None of our Group Entities is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Other Interest

Mr. Ravi B. Goyal who has promoted our Group Entities is also our Promoter, holds 66,460,312 Equity Shares of our Company and is the Chairman and Managing Director of our Company. Further, Mr. Goyal is a nominee shareholder on behalf of our Company in and is a director of our wholly-owned subsidiaries, ITSL, GTSL and SVIL.

Mr. Kiran B. Goyal, a director of AGS Sundyne, is a nominee/beneficial shareholder on behalf of our Company in our wholly-owned subsidiaries, ITSL and SVIL. Further, Mr. Kiran B. Goyal also receives consultancy fees from our Company.

Mr. Badrinarain K. Goyal, a director of Fillon and IRA, holds 750,000 Equity Shares and is a Director of our Company.

Ms. Neha R. Goyal, a promoter and director of WOW Food, is a nominee shareholder on behalf of our Company in our wholly-owned Subsidiaries, ITSL and SVIL.

Each of AGS Sundyne and IRA has also availed an unsecured loan from Mr. Ravi B. Goyal. Further, WOW Food has availed unsecured loans from Mr. Ravi B. Goyal and Ms. Neha R. Goyal.

Common Pursuits

Except as disclosed in this Draft Red Herring Prospectus, our Promoter does not have any interest in any venture that is involved in any activities similar to those conducted by our Company or any member of our Group Entities. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Related Business Transactions within the Group Entities and significance on the financial performance of our Company

For details of related business transactions within the Group Entities, see the section “*Related Party Transactions*” on page 195.

Defunct Group Entities

There are no defunct Group Entities and no applications have been made to any registrar of companies for striking off the name of any of the Group Entities, in the five years preceding the filing of the Draft Red Herring Prospectus.

Significant Sale/Purchase between Group Entities and our Company

None of our Group Entities 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.

Business interest between our Company and the Group Entities

Except as disclosed in the section “*Related Party Transactions*” on page 195, none of the Group Entities have any business interest in our Company.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five financial years and the six month period ended September 30, 2014, as per the requirements under Accounting Standard 18 '*Related Party Disclosures*', see the sections "*Financial Statements – Annexure XII – Restated Unconsolidated Statement of Related Party Transactions*" and "*Financial Statements – Annexure XII – Restated Consolidated Statement of Related Party Transactions*" on pages 227 and 268, respectively.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares will be recommended by our Board and approved by our 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 our Company's profits, capital requirements and overall financial condition.

No dividend on Equity Shares has been declared by our Company during the last five financial years.

The details of dividend on CCPS declared by our Company during the last five financial years are detailed in the following table:

Financial Year	Dividend for CCPS	Amount (₹ in million)
2014	0.1%	0.07
2013	0.1%	0.07
2012	0.1%	0.07
2011	-	-
2010	-	-

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Report of auditors on the Restated Unconsolidated Summary Statement of Assets and Liabilities as at September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and Profits and Losses and Cash Flows for the six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 of AGS Transact Technologies Limited (collectively, the “Restated Unconsolidated Summary Statements”)

The Board of Directors
AGS Transact Technologies Limited
601-602, B-Wing, Trade World Kamala City
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013, India

Dear Sirs,

1. We have examined the Restated Unconsolidated Summary Statements of AGS Transact Technologies Limited (the “Company”) as at September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and for the six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 annexed to this report for the purpose of inclusion in the offer document (collectively the “Restated Unconsolidated Financial Information”) prepared by the Company in connection with its proposed Initial Public Offer (“IPO”). Such financial information, which has been approved by the Board of Directors of the Company, has been prepared by the Company in accordance with the requirements of:
 - a. Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and
 - b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
2. We have examined such restated unconsolidated financial information taking into consideration:
 - a. the terms of our engagement agreed with you vide our engagement letter dated February 13, 2015, requesting us to carry out work on such restated financial information, proposed to be included in the offer document of the Company in connection with the Company’s proposed IPO; and
 - b. the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.
3. The Company proposes to make an IPO of its equity shares of Rs.10 each at such premium, arrived at by book building process (referred to as the “Issue”), as may be decided by the Company’s Board of Directors.
4. The Restated Unconsolidated Financial Information has been compiled by the management from:
 - a. the audited unconsolidated interim financial statements of the Company as at and for the six months period ended September 30, 2014 prepared in accordance with accounting principles generally accepted in India (“Indian GAAP”) at the relevant time, and which have been approved by the board of directors on March 12, 2015;
 - b. the audited unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2014, 2013 and 2012 prepared in accordance with Indian GAAP at the relevant time, and which have been approved by the board of directors on September 12, 2014, July 30, 2013 and September 21, 2012, respectively; and

- c. the audited unconsolidated financial statements of the Company, as at and for each of the years ended March 31, 2011 and 2010 prepared in accordance with Indian GAAP at the relevant time and which have been approved by the board of directors on July 14, 2011 and September 1, 2010, respectively and books of account and other records considered necessary, for the presentation of the Restated Financial Information under the requirements of the Schedule III of the Act and/or Revised Schedule VI of the Companies Act, 1956, as the case may be.
5. In relation to unconsolidated financial statements referred in Para 4 (a) to (c) above:
 - a. We have audited the interim unconsolidated financial statements of the Company as at and for the six months ended September 30, 2014, in respect of which we have issued our auditor's report dated March 12, 2015. Further, we have also audited the unconsolidated financial statements of the Company as at and for the year ended March 31, 2014, in respect of which we have issued our auditor's report dated September 12, 2014.
 - b. In respect of the unconsolidated financial statements of the Company as at and for the years ended March 31, 2013 and 2012, we have placed reliance on auditors' reports dated July 30, 2013 and September 21, 2012, respectively issued by SRBC & Co LLP. In respect of the unconsolidated financial statements of the Company for the years ended March 31, 2011 and 2010, we have placed reliance on auditors' reports dated July 14, 2011 and September 1, 2010, respectively issued by Shah & Co.
6. In accordance with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act, read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Regulations and terms of our engagement agreed with you, we report that, read with paragraph 4 and 5 above, we have examined the Restated Unconsolidated Financial Information as at and for the six month period ended September 30, 2014 and as at and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 as set out in Annexures I to XVIII.
7. Based on our examination and the audited financial statements of the Company for the six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010, we report that:
 - a. The restated unconsolidated profit have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure V to this report;
 - b. During the six months period ended September 30, 2014, the Company changed the accounting policy whereby the Company changed the basis of identification of segments based on the vertical business centers and the risk and rewards and identified "Banking Payment Solutions", "Banking Automation Solutions" and "Other Automation Solutions" as the primary reportable segments. The changes arising on account of change in accounting policy adopted by the Company are applied with retrospective effect in the restated unconsolidated financial information to the extent applicable;
 - c. Adjustments for the material amounts in the respective financial years/period to which they relate have been adjusted in the attached Restated Unconsolidated Summary Statements;
 - d. There are no extraordinary items which need to be disclosed separately in the Restated Unconsolidated Summary Statements;
 - e. There are no qualifications in the auditors' reports on the unconsolidated interim financial statements of the Company as at and for the six months ended September 30, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 which require any adjustments to the Restated Unconsolidated Summary Statements; and
 - f. Other audit qualifications included in the annexure to the audit report on the financial statements for the years ended March 31, 2014, 2013, 2012, 2011 and 2010, which do not require any corrective adjustment in the financial information, are as follows:

A. For the year ended March 31, 2014

Clause (ix) (a)

Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *except in case of payment of provident fund, profession tax, work contract tax, tax deducted at source and service tax where there has been delays in certain cases. However, such delays in deposit have not been serious.*

Clause (ix) (b)

According to the information and explanations given to us, *undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:*

<i>Nature of the Statue</i>	<i>Nature of Dues</i>	<i>Amount (Rs. in Million)</i>	<i>Period to which amount related</i>	<i>Due Date</i>	<i>Date of Payment</i>
<i>The Income Tax Act, 1961</i>	<i>Self assessment tax</i>	<i>1.98</i>	<i>April – September 2013</i>	<i>Various due dates</i>	<i>September 12, 2014</i>
<i>Profession tax</i>	<i>Profession tax</i>	<i>1.13</i>	<i>Various months</i>	<i>Various due dates</i>	<i>Not paid yet</i>

Clause (xxi)

We have been informed by the management of *certain cases of attempted burglary / thefts of items at various ATM sites by third parties amounting to Rs. 5.87 Million. The Company has filed the complaint with the concerned Regulatory authorities and also filed the insurance claims for the recovery of amounts. The Company has charged off the entire amount of losses Rs. 5.87 Million in these financial statements.*

B. For the year ended March 31, 2013

Clause (v) (b)

In respect of transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lacs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, *we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.*

Clause (ix) (a)

Undisputed statutory dues including provident fund, wealth-tax, customs duty, excise duty cess and other material statutory dues have been deposited regularly *except in case of sales tax, service tax, income tax, employees' state insurance and works contract tax which have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.* The provisions of investor education and protection fund are not applicable to the Company.

Clause (xxi)

We have been informed by the management of *certain cases of attempted burglary / thefts of items at various ATM sites by third parties amounting to Rs. 2.42 Million. The Company has filed the complaint with the concerned Regulatory authorities and also filed the insurance claims for the recovery of amounts. Wherever the amounts are not recoverable, the respective amount has been appropriately charged off.*

C. For the year ended March 31, 2012

Clause (i) (a)

The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, *except for certain fixed assets having gross block of Rs 62.75 Million (Previous year Rs 62.75 Million) and net block of Rs 39.50 Million (Previous year 50.85 Million as at March 31, 2012 where the company is in the process of updating the records.*

Clause (iii) (b)

In our opinion, and according to the information and explanations given to us, the rate of interest and other terms and conditions on which interest free loan have been granted to one firm covered in the register maintained under section 301 of the Companies Act, 1956 are prima facie prejudicial to the interest of the Company.

Clause (v) (b)

In respect of transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five Lakhs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, *we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.*

Clause (ix) (a)

Undisputed statutory dues including provident fund, wealth-tax, Customs duty, excise duty, cess and other material statutory dues have been deposited regularly *except in case of sales tax, service tax, income tax, employee's state insurance which have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.* The provisions of investor education and protection fund are not applicable to the Company.

Clause (ix) (b)

According to the information and explanations given to us, *undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows.* The provisions of investor education and protection fund are not applicable to the Company.

Name of the statute	Nature of dues	Amount (Rs. In Million)	Period to which the amount relates	Due date	Date of payment
Central Sales Tax Act, 1956	Sales tax	4.43	April 2011 to August 2011	Various	August 03, 2012
Work Contract Tax Act, 1989	Works contract	0.01	July 2011	August 21, 2011	June 20, 2012
Employee State Insurance Act, 1948	Employer and employee contribution	2.14	July 2010 till September 2011	Various	May 03, 2012
Income Tax Act, 1961	Tax Collection at Source	0.01	February 2011	March 07, 2011	Not paid
The Finance Act, 1994	Service tax	15.42	April 2011 till September 2011	Various	September 11, 2012

D. For the year ended March 31, 2011

Clause (iii) (b)

The Company has granted unsecured loans to one party covered in the register maintained under section 301 of the Companies Act, 1956. The amount of loans granted during the year amounts to Rs 19,700,000 and the amount outstanding at the year-end is Rs 19,700,000. *In our opinion, rate of interest and other terms and conditions on which loans have been granted companies, firms, or related parties listed in register maintained under section 301 of the Companies Act, 1956 are prima facie prejudicial to the interest of the Company.*

E. For the year ended March 31, 2010

Clause (ix) (a)

The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities during the year *except delay in few cases.*

8. We have not audited or reviewed any financial statements of the Company as of any date or for any period subsequent to September 30, 2014. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2014.

Other Financial Information:

9. At the Company's request, we have also examined the following unconsolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the six months period ended September 30, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010:
- a. Restated Unconsolidated Statement of Long term and Short Term Borrowings – Annexure VI
 - b. Statement of Principal Terms of Secured Borrowings outstanding as at September 30, 2014 - Annexure VII
 - c. Restated Unconsolidated Statement of Trade Receivables - Annexure VIII
 - d. Restated Unconsolidated Statement of Contingent Liabilities - Annexure IX
 - e. Restated Unconsolidated Statement of Revenue - Annexure X
 - f. Restated Unconsolidated Statement of Other Income - Annexure XI
 - g. Restated Unconsolidated Statement of Related Party Transactions - Annexure XII
 - h. Restated Unconsolidated Statement of Accounting Ratios - Annexure XIII
 - i. Unconsolidated Statement of Capitalisation - Annexure XIV
 - j. Restated Unconsolidated Statement of Tax Shelter - Annexure XV
 - k. Restated Unconsolidated Statement of Segment Information - Annexure XVI
 - l. Restated Unconsolidated Statement of Loans and advances - Annexure XVII
 - m. Statement of Dividend Paid - Annexure XVIII
10. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexures IV and IV A and after making adjustments and regroupings as considered appropriate and disclosed in Annexure V, have been prepared in accordance with the relevant provisions of the Act and the Regulations.
11. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the 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. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No: 106406
Mumbai
March 12, 2015

AGS Transact Technologies Limited
Annexure I - Restated Unconsolidated Summary Statement of Assets and Liabilities

(Rs. in million)

	Particulars	As at					
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Equity and liabilities						
A	Shareholders' funds						
	Share capital	295.66	295.66	295.66	257.42	187.50	50.00
	Reserves and surplus	4,219.18	4,058.85	3,911.99	2,225.94	544.77	628.48
	Total of Shareholders' funds	4,514.84	4,354.51	4,207.65	2,483.36	732.27	678.48
B	Non-current liabilities						
	Long-term borrowings	2,088.14	2,198.65	665.53	111.34	157.56	-
	Other long-term liabilities	63.92	35.82	9.70	5.11	-	-
	Long-term provisions	71.18	54.46	36.25	19.03	14.88	8.00
	Total of Non-current liabilities	2,223.24	2,288.93	711.48	135.48	172.44	8.00
C	Current liabilities						
	Short-term borrowings	2,964.59	1,365.56	997.27	1,846.19	1,075.28	710.80
	Trade payables	1,541.19	1,508.80	1,476.16	642.91	728.49	496.99
	Other current liabilities	1,553.37	1,492.70	574.87	354.61	269.67	111.18
	Short-term provisions	111.72	81.38	65.54	34.02	13.27	26.73
	Total of Current liabilities	6,170.87	4,448.44	3,113.84	2,877.73	2,086.71	1,345.70
	Total A + B + C	12,908.95	11,091.88	8,032.97	5,496.57	2,991.42	2,032.18
D	Assets						
	Non - current assets						
	Fixed assets						
	Tangible assets	3,039.95	3,070.52	2,045.90	1,305.80	586.47	147.44
	Intangible assets	144.90	120.15	152.08	125.65	23.99	23.24
	Capital work-in-progress	346.64	363.59	407.24	105.30	45.39	74.54
	Intangible assets under development	-	29.04	-	-	-	-
		3,531.49	3,583.30	2,605.22	1,536.75	655.85	245.22
	Non-current investments	317.44	249.09	101.00	0.50	0.50	0.00
	Deferred tax assets (net)	131.72	54.96	43.98	23.42	14.55	14.55
	Loans and advances	1,450.40	1,550.22	1,064.73	707.64	206.10	96.10
	Other non-current assets	221.90	247.10	3.91	10.87	23.21	16.13
	Total of Non - current assets	5,652.95	5,684.67	3,818.84	2,279.18	900.21	372.00
E	Current assets						
	Inventories	2,159.11	1,488.78	1,332.99	887.98	627.53	644.24
	Trade receivables	3,560.99	2,557.73	2,316.35	1,714.15	965.43	728.40
	Cash and bank balances	300.15	54.17	98.43	176.52	90.78	69.94
	Loans and advances	527.56	653.41	462.97	435.76	405.30	217.07
	Other current assets	708.19	653.12	3.39	2.98	2.17	0.53
	Total of Current assets	7,256.00	5,407.21	4,214.13	3,217.39	2,091.21	1,660.18
	Total of D + E	12,908.95	11,091.88	8,032.97	5,496.57	2,991.42	2,032.18

Notes:

1) The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

For S.R. Batliboi & Associates LLP

ICAI Firm Registration No.: 101049W

Chartered Accountants

per Kalpesh Jain

Partner

Membership No.: 106406

Place: Mumbai

Date: March 12, 2015

AGS Transact Technologies Limited
Annexure II - Restated Unconsolidated Summary Statement of Profits and Losses

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue						
Revenue from operations (gross)	5,762.77	9,720.94	6,583.22	5,262.42	2,542.95	2,776.97
Less: Excise duty	(97.81)	(240.96)	(216.13)	(146.11)	(109.77)	(82.83)
Revenue from operations (net)	5,664.96	9,479.98	6,367.09	5,116.31	2,433.18	2,694.14
Other income	15.89	32.37	15.74	16.10	12.54	86.50
Total revenue	5,680.85	9,512.35	6,382.83	5,132.41	2,445.72	2,780.64
Expenses						
Cost of raw materials and components consumed	2,355.82	3,098.44	2,504.72	2,014.97	1,325.68	2,099.41
Purchase of traded goods	78.91	227.91	157.11	217.00	42.09	64.07
(Increase) / decrease in inventories of finished goods and traded goods	(533.66)	(86.71)	(123.12)	88.22	194.94	(244.08)
Employee benefit expenses	349.68	682.09	568.36	427.35	263.61	136.27
Other expenses	2,512.35	4,187.60	2,571.29	1,758.67	356.30	368.19
Total expenses	4,763.10	8,109.33	5,678.36	4,506.21	2,182.62	2,423.86
Earnings before interest, tax, depreciation and amortisation (EBITDA)	917.75	1,403.02	704.47	626.20	263.10	356.78
Finance costs	298.68	552.77	246.41	281.68	116.41	68.65
Depreciation and amortisation	363.40	612.28	344.76	176.57	56.76	10.82
Restated profit before tax	255.67	237.97	113.30	167.95	89.93	277.31
Tax expense						
Current tax	171.00	102.00	51.00	70.00	36.14	77.00
Deferred tax (credit)	(76.40)	(10.98)	(20.56)	(8.87)	-	(1.25)
Total tax expenses	94.60	91.02	30.44	61.13	36.14	75.75
Restated profit after tax	161.07	146.95	82.86	106.82	53.79	201.56

Notes:

1) The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No.: 106406

Place: Mumbai
Date: March 12, 2015

AGS Transact Technologies Limited
Annexure III - Restated Unconsolidated Summary Statement of Cash Flows

(Rs. in million)

	Particulars	Six month period ended	For the year ended				
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Cash flow from operating activities:						
	Profit before tax (as restated)	255.67	237.97	113.30	167.95	89.93	277.31
	Adjustments for:						
	Finance costs	263.47	517.94	246.41	281.68	116.41	68.65
	Amortization of premium on forward contracts	35.21	34.83	-	-	-	-
	Interest income	(1.35)	(5.22)	(6.96)	(8.61)	(4.34)	(3.87)
	Dividend income	-	-	(2.12)	-	-	-
	Depreciation and amortisation	363.40	612.28	344.76	176.57	56.76	10.82
	Provision for warranty	6.01	18.11	20.42	13.84	1.13	2.25
	Net gain on sale of current investments	-	-	(0.02)	-	-	-
	Provision for doubtful trade receivables	65.13	-	43.92	7.93	10.76	-
	(Write back) / provision for diminution in value of inventories	39.84	(42.53)	42.53	21.90	-	-
	Inventories written off	-	129.25	-	-	-	-
	Liabilities for earlier written back	-	-	-	(1.66)	(0.09)	(2.08)
	Bad debts written off (net)	-	65.41	0.15	46.73	-	-
	Unrealised foreign exchange rate (gain) / loss	2.22	(6.19)	(6.85)	1.67	1.28	(14.86)
	Preliminary expenses written off	-	-	-	-	-	0.25
	Operating profit before working capital changes	1,029.60	1,561.85	795.54	708.00	271.84	338.47
	Movements in working capital:						
	(Increase) / decrease in inventories	(710.17)	(218.19)	(466.88)	(282.35)	16.71	(232.43)
	(Increase) / decrease in trade receivable	(1,068.38)	(306.91)	(646.21)	(803.39)	(247.79)	257.91
	Decrease / (Increase) in deposit given for acquisition of ATM's	44.00	(714.10)	(121.90)	-	-	-
	Decrease / (increase) in other loans and advances	40.78	85.91	(100.95)	(448.76)	(270.81)	(155.24)
	(Increase) in other current assets	(55.41)	(638.16)	-	-	-	-
	(Increase) in other non-current assets	13.83	(248.95)	-	-	-	-
	Increase / (decrease) in trade payable	30.18	74.62	809.36	(85.60)	230.31	36.15
	Increase in long-term liabilities	17.34	26.11	4.61	5.11	-	-
	Increase / (decrease) in other current liabilities	3.70	523.96	87.78	78.10	116.88	(124.77)
	Increase / (decrease) in provisions	13.61	15.93	28.32	10.99	14.21	13.92
	Cash flow from operations	(640.92)	162.07	389.67	(817.90)	131.35	134.01
	Direct taxes (paid) / (net of refund wherever applicable)	40.21	(91.19)	(158.78)	(147.70)	(63.82)	(86.96)
	Net cash generated from / (used in) operating activities (A)	(600.71)	70.88	230.89	(965.60)	67.53	47.05
B	Cash flow from investing activities:						
	Purchase of fixed assets (Including capital work-in-progress)	(357.07)	(1,648.38)	(1,422.97)	(1,072.57)	(467.40)	(217.76)
	Additional investment in subsidiaries	(68.34)	(148.09)	(100.50)	-	(0.50)	(0.00)
	Purchase of current investments	-	-	(420.00)	-	-	-
	Sale of current investments	-	-	420.02	-	-	-
	Interest received	1.68	7.49	6.42	7.79	2.71	4.02
	Dividend received	-	-	2.12	-	-	-
	Loan given to subsidiary companies	(39.18)	(58.06)	(100.08)	(0.15)	(18.30)	-
	Repayment of loan from subsidiary companies	47.50	-	65.03	-	-	-
	Loan given to other related parties	-	-	(50.85)	-	-	-
	Repayment of loan by other related parties	-	0.85	52.14	-	-	-
	Fixed deposits (placed) / matured during the year	4.14	23.32	(23.15)	9.55	(7.03)	(6.46)
	Net cash (used in) investing activities (B)	(411.27)	(1,822.87)	(1,571.82)	(1,055.38)	(490.52)	(220.20)
C	Cash flow from financing activities:						
	Proceeds from issuance of equity share capital	-	-	1,633.32	-	-	-
	Proceeds from issuance of compulsory convertible preference share capital (CCPS)	-	-	66.68	1,700.00	-	-
	Proceeds from long-term borrowings	217.50	2,212.13	784.80	-	193.81	-
	Repayment of long-term borrowings	(260.33)	(307.02)	(103.14)	(36.25)	-	-
	Proceeds / (repayment) from short-term borrowings - secured (net)	1,599.03	378.47	(848.93)	929.62	220.65	249.59
	Proceeds / (repayment) from short-term borrowings - unsecured (net)	-	-	-	(158.71)	143.83	(11.62)
	Dividend paid on CCPS including tax	-	(0.08)	(0.08)	-	-	-
	Share issue expenses	-	-	(58.49)	(55.64)	-	-
	Interest paid	(246.47)	(438.07)	(220.56)	(246.69)	(114.43)	(66.69)
	Other finance charges paid	(58.99)	(106.31)	(20.87)	(28.40)	-	-
	Net cash generated from financing activities (C)	1,250.74	1,739.12	1,232.73	2,103.93	443.86	171.28
	Net increase / (decrease) in cash and cash equivalents (A) + (B)	238.75	(12.87)	(108.20)	82.95	20.88	(1.87)
	+ (C)						
	Cash and cash equivalents at the beginning of the period / year	31.04	43.91	152.11	69.16	48.28	50.15
	Cash and cash equivalents at the end of the period / year	269.79	31.04	43.91	152.11	69.16	48.28

AGS Transact Technologies Limited
Annexure III - Restated Unconsolidated Statement of Cash Flows (continued)

		(Rs. in million)					
	Particulars	Six month period ended	For the year ended				
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Cash and cash equivalents comprises of:						
	Cash on hand	0.93	0.97	1.18	0.31	0.53	0.10
	Cheques on hand	-	-	3.43	-	-	-
	With banks - on current account	264.47	27.79	9.79	90.29	6.34	3.26
	- on deposit account	4.39	2.28	29.51	61.51	62.29	44.92
	Total	269.79	31.04	43.91	152.11	69.16	48.28

Notes:

1) The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No.: 106406

Place: Mumbai
Date: March 12, 2015

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Unconsolidated Summary Statements

1. Company overview

AGS Transact Technologies Limited (the 'Company') is a company domiciled in India and incorporated under the provisions of the Companies Act 1956. The Company is in the business of supplying, installing and managing technology-based automation products and providing related services to its customers present in the Banking, Petroleum, Colour and Retail sectors. The Company also provides complete ATM Outsourcing and Managed Services and transaction switching and processing services to various Banks and financial institutions. It got converted from being a private company to a public company with effect from July 20, 2010.

2. Basis of preparation

The Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and the related Restated Unconsolidated Summary Statement of Profits and Losses and Restated Unconsolidated Summary Statement of Cash Flows for the six month ended September 30, 2014 and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 and other Financial Information (herein collectively referred to as 'Restated Unconsolidated Summary Statements') have been derived by the Management from the then Audited Financial Statements of the Company for the corresponding years / period.

The audited financial statements were prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') at the relevant time. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Act, 1956 and wherever applicable, read with the General Circular 08/2014 dated April 04, 2014 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Company for all the years presented and are consistent with those used for the purpose of preparation of financial statements as at and for the period ended September 30, 2014, except for changes in accounting policies detailed in '3.16 Segment reporting' section in significant accounting policies.

These Restated Statements and other Financial Information have been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

- a. Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act 2013 (the "Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and
- b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

These Statements and Other Financial Information have been prepared after incorporating adjustments for the material amounts in the respective years / period to which they relate. There are no changes in accounting policies (except change in accounting policy detailed in '3.16 Segment reporting' section in significant accounting policies), incorrect accounting policies or auditors' qualification which require adjustment.

3. Significant accounting policies

3.1. Presentation and disclosure of financial statements

During the year ended March 31, 2012, the Revised Schedule VI notified under the Companies Act, 1956, became applicable to the Company for preparation and presentation of its financial statements. Accordingly the Company has presented the interim financial statements for the six month ended September 30, 2014 and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 following the requirements of Revised

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Schedule VI. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements.

The Company has prepared these Restated Summary Statements along with related notes in accordance with the requirements of the Revised Schedule VI and has reclassified figures accordingly.

3.2. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.3. Fixed assets and depreciation

(a) Tangible fixed assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable cost related to the acquisition and installation of the respective assets. Further, pre-operative expenses such as salaries, rent, octroi charges, brokerage, legal and professional fees, etc. incurred during installation period are capitalized under the respective asset head as part of the indirect installation cost, to the extent to which the expenditure is allocable/ apportioned to the asset-head. In case of composite contract involving acquisition of tangible assets and providing services, the tangible assets are capitalized at respective fair value of the asset acquired.

(b) Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

(c) Depreciation and amortization

Change in accounting estimate

Pursuant to the Act being effective from April 01, 2014, the Company has revised the depreciation rates on certain tangible fixed assets as per the useful life specified in Part 'C' of Schedule II to the Act.

(a) Useful lives / depreciation rates

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV of the Companies Act, 1956 were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Act prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher / lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

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Considering the applicability of Schedule II being effective from April 01, 2014, the management has re-estimated useful lives and residual values of all its fixed assets. The Company has revised the depreciation rates of certain tangible fixed assets as per the useful life specified in Part 'C' of Schedule II to the Act.

For certain tangible fixed assets, the management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in are different from lives prescribed under Schedule II.

As a result of this change, the depreciation charge for the six months period ended September 30, 2014 is higher by Rs.10.89 million. In respect of assets whose useful life is already exhausted as on April 01, 2014, depreciation of Rs. 0.70 million (net of deferred tax impact of Rs. 0.36 million) has been adjusted against the opening reserves in accordance with the requirement of Schedule II of the Act.

From April 1, 2009 to March 31, 2014, depreciation on fixed assets were provided using Straight Line basis ('SLM') and Written down basis ('WDV') using the rates based on the useful lives estimated by the management or those prescribed in schedule XIV to the Companies Act, 1956 whichever was higher.

From April 1, 2014, depreciation on fixed assets except ATM sites is provided on written down basis using the rates arrived at based on the useful lives of the assets estimated by the management.

The Company has used the following rates to provide depreciation on its fixed assets.

Category	Method of depreciation	Erstwhile Life		Revised Life
		Rate (%)	Useful lives (years)	Useful lives (years)
Buildings – freehold	WDV	5.00	58 years	60 years
ATM Sites	SLM	14.28	7 years	7 years
Plant and machinery	WDV	13.91	20 years	15 years
Furniture and fixtures	WDV	18.10	15 years	10 years
Office equipment's, electrical installations and air conditioners	WDV	13.91	20 years	5 - 10 years
Computers	WDV	40.00	5 years	3 – 6 years
Vehicles	WDV	25.89	9 years	8 years
Software	SLM	25.00	4 years	4 years
Technical Know How	SLM	14.28	7 years	7 years

Leasehold improvements are amortized over the primary period of lease i.e. lease period which ranges from 3 to 9 years as per the agreement or the life of respective assets, whichever is lower.

Non-Compete Fees are amortised over the period of the contract i.e. 3 years.

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

- ATM sites are depreciated over the estimated useful lives of 7 years, which is lower than the life indicated in schedule II.

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3.4 Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.5. Revenue recognition

- (a) Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer usually on delivery of the goods. Revenue from sale of ATM sites is recognised based on customer acceptance received on completion of the ATM sites. The Company collects sales tax and value added taxes on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.
- (b) Revenue from services is recognised on rendering of respective services to customers as per the agreements entered into with the respective customers. Revenue from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The Company collects service tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. The revenue from ATM management services is disclosed net off one time / upfront fees charged to the statement of profit and loss. The one time / upfront fees paid to customer are amortized over the period of the respective contract.
- (c) Dividend income is recognized when the right to receive dividend is established by the reporting date.
- (d) Interest income is recognized on the time proportion basis.

3.6. Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss.

3.7. Inventories

- (a) Raw materials, finished goods, stores, spares, traded items and consumables are carried at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis.
- (b) In determining cost of raw materials, traded items, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

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- (c) Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- (d) Cost of finished goods includes the cost of raw materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

3.8. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However, provision for diminution in the value, if any is made to recognize decline other than temporary in the value of investments.

3.9. Transactions in foreign currency

- (a) **Initial recognition**
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- (b) **Conversion**
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.
- (c) **Exchange difference**
All other exchange differences are recognized as income or as expenses in the period in which they arise.
- (d) **Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability**
The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/ income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period.

3.10. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a gratuity plan. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each reporting date. The actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

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Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains or losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

3.11. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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3.12. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty provisions

Provision for warranty-related costs is recognized when the related product is sold or service provided. Provision is based on technical estimates which are based on historical experience. The estimates of such warranty-related costs are reviewed and revised annually.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3.13. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.14. Measurement of EBITDA

As permitted by the Guidance Note issued by the Institute of Chartered Accountants of India ('the ICAI') on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense. Finance cost includes interest on borrowings, amortization of premium on forward contracts and exchange difference to the extent considered as an adjustment to borrowing costs.

3.15. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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3.16. Segment reporting

Change in accounting policy

Identification of Segments:

In accordance with Accounting Standard - 17 - "Segment Reporting" notified by Companies (Accounting Standard) Rules, 2006 (as amended), the Company presented its segmental information adopting business segment as the primary reporting format and geographical segment as the secondary reporting format.

Till the previous year ended March 31, 2014, the Company recognised two business segments, namely, Retail Automation Solutions and Outsourcing Business.

Effective April 01, 2014, the Company evaluated and changed the basis of identification of segments based on the vertical business centers and the risks and rewards and has identified 'Banking Payment Solutions', 'Banking Automation Solutions' and 'Other Automation Solutions' segments as the primary reportable segments.

The segment disclosure for the earlier years have also been prepared and disclosed in accordance with the revised segment policy in these Restated Unconsolidated Summary Statements.

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services and serves different markets.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

3.17. Employee stock compensation cost

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments by the ICAI, the cost, if any, of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that year and is recognized in employee benefits expense.

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Annexure IVA - Notes to Restated Unconsolidated Summary Statements

1. Other expenses

The major heads forming part of other expenses are as under:

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Cash management expenses	746.80	1,244.07	756.75	518.27	34.27	2.38
Rent and taxes	458.64	884.31	439.57	276.98	41.10	15.26
Caretaker and housekeeping expenses	487.27	555.02	389.07	203.90	10.68	-
Electricity expenses	133.82	266.41	150.79	72.16	14.17	2.43
Subcontracting expenses	113.12	220.99	111.10	36.64	-	-
Communication expenses	103.49	130.06	101.69	63.51	28.74	15.53
Others	469.21	886.74	622.32	587.21	227.34	332.59
Total	2,512.35	4,187.60	2,571.29	1,758.67	356.30	368.19

2. Capital commitments:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Estimated amount of contracts remaining to be executed on capital account and not provided for	81.48	52.47	1,547.87	67.68	-	-
	81.48	52.47	1,547.87	67.68	-	-

3. Leases:

Operating leases: Company as a lessee

The Company has entered into operating lease agreements for ATM Sites and office premises. The leases have an average life of 2.5 to 9 years. Future minimum lease rentals payable under non - cancellable operating leases are as follows:

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Not later than 1 year	157.37	144.29	129.07	65.50	7.45	3.83
Later than one year and not later than five years	323.65	382.50	400.91	242.30	20.29	15.64
Later than 5 years	7.36	4.77	-	1.59	-	-
Total	488.38	531.56	529.98	309.39	27.74	19.47

Operating leases: Company as a lessor

The Company has provided ATM to its customers on operating lease basis. Lease rentals are payable monthly by the customer. Future minimum lease rentals receivable under non - cancellable operating leases are as follows:

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Not later than one year	-	-	0.73	6.65	6.65	5.70
Later than one year and not later than five years	-	-	-	0.73	4.63	8.66
Later than 5 years	-	-	-	-	-	-
Total	-	-	0.73	7.38	11.28	14.36

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Annexure V - Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements

A. The summary of results of restatement made in the audited unconsolidated financials statements for the respective years and its impact on the profit of the Company is as follows :

(Rs. in million)							
Particulars	Notes	Six month	For the year ended				
		period ended	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Net profit as per audited financial statements		161.07	146.10	79.46	73.63	56.34	206.79
Restatement adjustments:							
a. Material items relating to previous years							
Prior period expenses	1	-	-	-	-	-	9.06
Provision for doubtful trade receivables / trade receivables written off	2	-	-	-	32.79	-	-
Provision for inventories	3	-	-	-	12.06	-	-
Short / (excess) provision of current taxes	4	-	0.85	3.40	2.88	(2.55)	(14.29)
b. Deferred tax impact of the above adjustments	5	-	-	-	(14.54)	-	-
Total impact of restatement adjustments (a + b)		-	0.85	3.40	33.19	(2.55)	(5.23)
Net profit as per restated financial statements		161.07	146.95	82.86	106.82	53.79	201.56

B. Explanatory notes:

- Expenses of Rs. 9.06 million recognised as a prior period item in the year ended March 31, 2010 was adjusted in these restated financial statements in the opening retained earnings as at April 1, 2009 as it relates to periods prior to April 1, 2009.
- Provision for doubtful trade receivables / trade receivables written off recognised as a prior period item in the audited financial statements for the year ended March 31, 2012 has been adjusted in these restated financial statements in the opening retained earnings as at April 1, 2009 as it relates to periods prior to April 1, 2009.
- Provision for inventories recognised as a prior period item in the audited financial statements for year ended March 31, 2012 has been adjusted in these restated financial statements in the opening retained earnings as at April 1, 2009 as it relates to periods prior to April 1, 2009.
- Short or excess provision of taxes in audited financial statements have been adjusted in these restated financial statements in the respective financial years for which the taxes were under or over provided.
- Deferred tax effects of restatement adjustments has been adjusted in the respective years.

C. Restatement adjustments made in the audited opening balance of net surplus in the statement of profit and loss as at April 1, 2009

(Rs. in million)		
Particulars	Notes	Amount
Net Surplus in the Statement of Profit and Loss as at April 1, 2009 as per audited financial statements		456.59
Restatement Adjustments:		
Material items relating to previous years		
Prior period expenses	1	(9.06)
Provision for doubtful trade receivables / trade receivables written off	2	(32.79)
Provision for inventories	3	(12.06)
Short / (excess) provision of current taxes	4	9.71
Deferred tax impact of the above adjustments	5	14.54
Total impact of adjustments		(29.66)
Net Surplus in the Statement of Profit and Loss as at April 1, 2009 (as restated)		426.93

D. Change in accounting policy:

During the period ended September 30, 2014, the Company changed its accounting policy of identification of segments based on the vertical business centers and the risks and rewards and has identified 'Banking Payment Solutions', 'Banking Automation Solutions' and 'Other Automation Solutions' segments as the primary reportable segments.

In the financial statements for the period ended September 30, 2014, this change in identification of segments has been identified as change in accounting policy.

The disclosure of segment information for the earlier years presented have also been restated and disclosed in accordance with the revised segment policy in these Restated Unconsolidated Summary Statements.

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Annexure V - Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements (continued)

E. Premium on purchase of assets:

During the year ended March 31, 2014, the Company had entered into an agreement with one of the customers for providing ATM Management Services and as a part of the agreement, the Company acquired existing ATM sites from the same customer for lump sum consideration. The tangible fixed assets acquired under the agreement were recognised at the respective fair value and the difference between fair value of tangible assets and total consideration was recognised as premium on purchase of assets which would be amortised over the period of the contract and adjusted against the revenue. During the year ended March 31, 2014, the amortisation of such premium of Rs 13.83 million was disclosed under the heading depreciation and amortisation in the statement of profit and loss. During the period ended September 30, 2014 the Company rectified the accounting treatment and the amortisation of premium for the period ended September 30, 2014 was adjusted against the revenue. For the purpose of restatement, the amortisation of premium for the year ended March 31, 2014 is also adjusted against the revenue for the year.

F. Non-adjusting items

Audit qualifications for the respective years, which do not require any adjustments in the restated unconsolidated financial information are as follows:

I. Annexure to auditor's report for the financial year ended March 31, 2014

1. Clause ix (a)

Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *except in case of payment of provident fund, profession tax, work contract tax, tax deducted at source and service tax where there has been delays in certain cases. However, such delays in deposit have not been serious.*

2. Clause ix (b)

According to the information and explanations given to us, *undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:*

<i>Name of the Statute</i>	<i>Nature of Dues</i>	<i>Amount (Rs. in million)</i>	<i>Period to which amount related</i>	<i>Due Date</i>	<i>Date of Payment</i>
<i>The Income Tax Act, 1961</i>	<i>Self assessment tax</i>	<i>1.98</i>	<i>April to September 2013</i>	<i>Various due dates</i>	<i>September 12, 2014</i>
<i>Profession tax</i>	<i>Profession tax</i>	<i>1.13</i>	<i>Various months</i>	<i>Various due dates</i>	<i>Not paid yet</i>

3. Clause xxi

We have been informed by the management of *certain cases of attempted burglary / thefts of items at various ATM sites by third parties amounting to Rs. 5.87 million. The Company has filed the complaint with the concerned Regulatory authorities and also filed the insurance claims for the recovery of amounts. The Company has charged off the entire amount of losses Rs. 5.87 million in these financial statements.*

II. Annexure to auditor's report for the financial year ended March 31, 2013

1. Clause (v) (b)

In respect of transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lacs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, *we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.*

2. Clause ix (a)

Undisputed statutory dues including provident fund, wealth-tax, customs duty, excise duty cess and other material statutory dues have been deposited regularly *except in case of sales tax, service tax, income tax, employees' state insurance and works contract tax which have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.* The provisions of investor education and protection fund are not applicable to the Company.

3. Clause xxi

We have been informed by the management of *certain cases of attempted burglary / thefts of items at various ATM sites by third parties amounting to Rs. 2.42 million. The Company has filed the complaint with the concerned Regulatory authorities and also filed the insurance claims for the recovery of amounts. Wherever the amounts are not recoverable, the respective amount has been appropriately charged off.*

AGS Transact Technologies Limited

Annexure V - Statement of Restatement Adjustments to Audited Unconsolidated Financial Statements (continued)

III. Annexure to auditor's report for the financial year ended March 31, 2012

1. Clause (i) (a)

The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, *except for certain fixed assets having a gross block of Rs. 62.75 million (previous year Rs. 62.75 million) and net block of Rs. 39.50 million (previous year Rs. 50.85 million) as at March 31, 2012 where the Company is in the process of updating the records.*

2. Clause (iii) (a) & (b)

(a) The Company has granted an interest free loan to one firm covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 19.70 million and the year-end balance of loans granted to such parties was Rs. 19.70 million.

(b) *In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are prima facie prejudicial to the interest of the Company.*

3. Clause (v) (b)

In respect of transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lacs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, *we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.*

4. Clause ix (a)

Undisputed statutory dues including provident fund, wealth-tax, customs duty, excise duty cess and other material statutory dues have been deposited regularly *except in case of sales tax, service tax, income tax, employees' state insurance which have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.* The provisions of investor education and protection fund are not applicable to the Company.

5. Clause ix (b)

According to the information and explanations given to us, *undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows.* The provisions of investor education and protection fund are not applicable to the Company.

Name of the Statute	Nature of dues	Amount (Rs. in million)	Period to which the amount relates	Due date	Date of payment
Central Sales Tax Act, 1956	Sales tax	4.43	April 2011 to August 2011	Various	August 03, 2012
Work Contract Tax Act, 1989	Works contract	0.01	July 2011	August 21, 2011	June 20, 2012
Employee State Insurance Act, 1948	Employer and employee contribution	2.14	July 2010 till September 2011	Various	May 03, 2012
Income Tax Act, 1961	Tax Collection at Source	0.01	February 2011	March 07, 2011	Not paid
The Finance Act, 1994	Service tax	15.42	April 2011 till September	Various	September 11, 2012

IV. Annexure to auditor's report for the financial year ended March 31, 2011

1. Clause (iii)(b)

The Company has granted unsecured loan to one party covered in the register maintained under section 301 of the Companies Act, 1956. The amount of loan granted during the year amounts to Rs. 19.70 million and the amount outstanding at the year-end is Rs. 19.70 million. *In our opinion, rate of interest and other terms and conditions on which loans have been granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies act, 1956 are prima facie prejudicial to the interest of the Company.*

V. Annexure to auditor's report for the financial year ended March 31, 2010

1. Clause ix (a)

The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities during the year *except delay in few cases.* There are no undisputed statutory dues outstanding as on March 31, 2010 for the period of more than six months.

AGS Transact Technologies Limited
Annexure VI - Restated Unconsolidated Statement of Long-term and Short-term Borrowings

Long-term borrowings

(Rs. In million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Term loans - secured						
From banks	828.63	766.66	467.38	111.34	157.56	-
From others	1,259.51	1,431.99	198.15	-	-	-
Total	2,088.14	2,198.65	665.53	111.34	157.56	-

Short-term borrowings

(Rs. In million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Secured						
From banks:						
Buyers credit	1,344.14	497.10	188.73	166.12	114.66	325.87
Working capital loans	450.00	200.00	500.00	170.00	120.00	146.12
Packing credit	200.00	180.00	-	-	-	-
Cash credit	970.45	488.46	308.54	1,474.34	674.04	223.93
Vendor finance	-	-	-	35.73	7.87	-
Unsecured						
From banks	-	-	-	-	150.00	-
From related parties	-	-	-	-	8.71	14.88
Total	2,964.59	1,365.56	997.27	1,846.19	1,075.28	710.80

Notes:

- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.
- Refer annexure VII for terms and conditions of secured loans stated above.
- Following are the amounts due to Directors / Promoter / Promoter Group Companies / Group Companies / Relatives of Promoter / Relatives of Directors / Subsidiary Companies:

(Rs. In million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Mr. Ravi B. Goyal	-	-	-	-	3.16	14.88
Fillon Technologies India Private Limited	-	-	-	-	3.00	-
Goyal Electronic Industries	-	-	-	-	0.86	-
Ms. Neha R. Goyal	-	-	-	-	1.69	-

- The list of persons / entities classified as 'Promoter' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors.

AGS Transact Technologies Limited

Annexure VII – Unconsolidated Statement of Principal Terms of Secured Borrowings outstanding as at September 30, 2014

a) Long - term Borrowings

(Rs. in million)

Sr. No.	Lender	Nature of facility	Loan currency	Amount outstanding as at September 30, 2014	Rate of interest (%)	Repayment terms	Security / Principal terms and conditions
1	L & T Finance Limited	Term Loan	INR	1,353.14	12.80%	Quarterly	1.Exclusive charge by hypothecation on Axis ATM sites under the Takeover and Management Agreement. 2. Exclusive charge on Axis Bank receivables under the takeover and management agreement. 3. Designated account and other bank accounts relating to the purpose of the facility and all rights, title, interest and claims of the Company under such accounts. 4. All amounts owing to and receivable by the Company, charged book debts, both present and future. 5. Exclusive charge on the security deposit of the sum of Rs. 880 million deposited by the Company with Axis Bank. 6. All rights, title, interest and claims of the Company in respect of insurance contracts and policies required in relation to the Takeover and Management Agreement. 7. The tenor for the loan is upto 72 months with a moratorium of 6 months. 8. Prepayment charges are 1% of the pre-paid amount if the facility is refinanced, NIL if closed from internal accruals / own funds.
2	South Indian Bank	Term Loan	INR	500.00	12.00%	Quarterly	1.Exclusive charge with other term lending institutions on movable fixed assets, both present and future, located at the entire ATM sites with the security cover of 1.25 times during the pendency of the facility. 2. Second pari passu charge over the entire receivables of the Company, both present and future, due from banks who are utilizing the ATMs financed from the proceeds of the facility. (first charge being with the working capital financing banks) 3.The tenor for the loan is 72 months. (including moratorium of 12 months) 4. Prepayment charges are 2% of the pre-paid amount if closed through take-over by other banks, NIL if closed from own sources or on account of interest reset due to change in base rate.
3	ICICI Bank	Term Loan	INR	343.75	12.50%	Quarterly	1.First pari passu charge on the ATMs to be set up under the outsourcing contracts entered / to be entered into between the Company and various banks and to be acquired and setup out of the facility under, both present and future. 2. Second pari passu charge on receivables of the Company from various banks in relation to the ATMs ranking subservient to the charge created in favour of other banks. 3. Exclusive charge by hypothecation on the debt service reserve account to be opened and maintained by the Company. 4. An unconditional and irrevocable personal guarantee of the Promoter guaranteeing all obligations of the Company under the facility. 5.The tenor for the loan is 5 years (including moratorium of 12 months). 6. No Prepayment charges if prepaid within 90 days of reset of Interest margin. Prepayments made on any date other than the Reset date shall be subject to prepayment premium as determined by ICICI Bank.
4	GE Capital Services India	Term Loan	INR	251.33	12.45%	Monthly	1. Exclusive charge over the ATMs and related assets to be installed under the Department of financial services ('DFS') contracts. 2.Exclusive charge of receivables and cash flows related to the assets under the DFS contracts. 3. Exclusive charge over the escrow account opened with HDFC Bank Limited. 4.The tenor is 66 months from the date of each drawdown having moratorium for the first six months. 5. Prepayment fee of 1.25% of the amount being prepaid. No Prepayment charges on reset of Interest margin subject to 25 days prior notice to Lender.
5	HDFC Bank	Term Loan	INR	217.50	11.80%	Quarterly	1. First exclusive charge by hypothecation over ATMs and other related assets installed under the outsourcing model with HDFC Bank. 2.The tenor is 63 months including moratorium of 3 months.
6	Standard Chartered Bank	Term Loan	INR	35.77	12.50% & 13.00%	Monthly	1. First and exclusive charge on movable fixed assets being the ATM sites (including ATM machines and allied equipment) provided by the Company to Dhanlaxmi Bank and Dena Bank. 2. First and exclusive charge on receivables of the Company from the contracts of ATM outsourcing with Dhanlaxmi Bank and Dena Bank. 3. Lien on fixed deposit of Rs.10.50 million. 4. Maximum tenor is 60 months including a moratorium of six months. 5. All prepayments shall be subject to conditions stipulated by the bank including payment of prepayment charges.
Total				2,701.49			

Notes:

- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.
- The rate of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters.
- The above includes long-term borrowings disclosed under Annexure VI and the current maturities of long-term borrowings included in other current liabilities.

AGS Transact Technologies Limited

Annexure VII - Statement of Principal Terms of Secured Borrowings outstanding as at September 30, 2014 (continued)

b) Short-term borrowings

(Rs. in million)

Sr. No.	Lender	Nature of facility	Loan currency	Amount outstanding as at September 30, 2014	Rate of interest (%)	Repayment terms	Security / Principal terms and conditions
1	Citibank N.A.	Buyers credit	USD	326.48	LIBOR + Applicable Spread	178 to 180 days	1.First pari passu charge by hypothecation on all existing and future current assets of the Company except receivables specifically charged on term loan lenders. 2. The tenor is not more than 180 days. 3.Prepayment charges of 2% of sanction amount or principal outstanding whichever is higher.
2	Standard Chartered Bank	Buyers credit	USD	311.17	LIBOR + Applicable Spread	177 to 180 days	1.First pari passu charge on all present and future book debts and stock in trade of the Company except receivables specifically charged to term loan lenders. 2.The tenor is not more than 180 days.
3	Kotak Mahindra Bank	Working Capital Demand Loan	INR	300.00	11.15%	120 Days	1.First pari passu hypothecation charge to be shared with all secured working capital banks on all existing and future current assets of the Company, including book debts, receivables, stock of raw materials and goods in process, but excluding the following: a) Receivables arising from ATM contract with Dena Bank and Dhanlaxmi Bank (charged to SCB); b) Receivables under the Takeover and Management Agreement between the Company and Axis Bank (charged to L&T); and c) Receivables of banks in the public sector unit (charged to GE). 2.Tenor is maximum 180 days. 3.Prepayment charge of 1% on the outstanding loan amount.
4	HDFC Bank	Cash Credit	INR	277.86	13.10%	On Demand	First pari passu charge over present and future current assets of the Company, along with certain other banks except receivables specifically charged on term loan lenders.
5	ICICI Bank	Buyers credit	USD	257.28	LIBOR + Applicable Spread	147 to 179 days	1. First pari passu charge on current assets of the Company, including stocks of raw materials, goods-in-progress, semi-finished and finished goods and other movables such as book debts, bills, both present and future except receivables specifically charged on term loan lenders. 2.The tenor shall not exceed more than 270 days from the date of shipment.
6	Ratnakar Bank	Buyers credit	USD	255.54	LIBOR + Applicable Spread	88 to 90 days	1. First charge by hypothecation on all the current assets of the Company, present and future, ranking pari passu with other working capital lenders, except receivables exclusively charged to term loan lenders. 2.The tenor of Letter of Credit and Letter of undertaking shall not be more than 180 days.
7	Standard Chartered Bank	Cash Credit	INR	217.09	12.35%	On Demand	First pari passu charge on all present and future book debts and stock in trade of the Company except receivables specifically charged to term loan lenders.
8	Standard Chartered Bank	Packing Credit	INR	200.00	11.75%	90 Days	1.First pari passu charge on all present and future book debts and stock in trade of the Company except receivables specifically charged to term loan lenders. 2. Tenor is maximum 90 days. 3.All prepayments shall be subject to conditions stipulated by the bank including payment of prepayment charges.
9	Ratnakar Bank	Cash Credit	INR	171.64	13.50%	On Demand	First charge by hypothecation on all the current assets of the Company, present and future, ranking pari passu with other working capital lenders, except receivables exclusively charged to term loan lenders.
10	DBS Bank	Working Capital Demand Loan	INR	150.00	12.75%	37 to 50 days	1.First pari passu charge on the entire current assets of the Company (both present and future) excluding receivables exclusively charged to term loan lenders. 2.Tenor is maximum 180 days. 3. Any prepayment shall entail a prepayment penalty unless prepaid on interest reset date.
11	Axis Bank	Buyers credit	USD	126.91	LIBOR + Applicable Spread	178 to 180 days	1.First pari passu charge over entire current assets (except project specific receivables charged to term loan lenders) of the Company, present and future 2.Tenor of the facility is maximum one year from the date of shipment, including tenor of letter of credit
12	Citibank N.A.	Cash Credit	INR	110.63	13.00%	On Demand	First pari passu charge by hypothecation on all existing and future current assets of the Company except receivables specifically charged on term loan lenders.
13	DBS Bank	Cash Credit	INR	99.37	14.00%	On Demand	First pari passu charge on the entire current assets of the Company (both present and future) excluding receivables exclusively charged to term loan lenders.
14	Yes Bank	Cash Credit	INR	77.89	13.25%	On Demand	First pari passu charge over entire current assets of the Company (except charge on receivables exclusive to term loan lenders).
15	Yes Bank	Buyers credit	USD	66.75	LIBOR + Applicable Spread	87 to 90 days	1.First pari passu charge over entire current assets of the Company (except charge on receivables exclusive to term loan lenders). 2.The tenor is maximum upto 12 months.

16	Axis Bank	Cash Credit	INR	13.26	12.00%	On Demand	First pari passu charge on entire current assets of the Company (except project specific receivables charged to term loan lenders), present and future.
17	Kotak Mahindra Bank	Cash Credit	INR	2.72	11.75%	On Demand	First pari passu hypothecation charge to be shared with all secured working capital banks on all existing and future current assets of the Company, including book debts, receivables, stock of raw materials and goods in process, but excluding the following: a) Receivables arising from ATM contract with Dena Bank and Dhanlaxmi Bank (charged to SCB); b) Receivables under the Takeover and Management Agreement between the Company and Axis Bank (charged to L&T); and c) Receivables of banks in the public sector unit (charged to GE).
18	ICICI Bank	Cash Credit	INR	-	13.50%	On Demand	First pari passu charge on current assets of the Company, including stocks of raw materials, goods-in-progress, semi-finished and finished goods and other movables such as book debts, bills, both present and future except receivables specifically charged on term loan lenders.
			Total	2,964.59			

Notes:

1. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.
3. The rate of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters.

AGS Transact Technologies Limited
Annexure VIII - Restated Unconsolidated Statement of Trade Receivables

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Trade Receivables (Unsecured)						
Outstanding for a period exceeding six months from the date they are due for payment						
Considered good	580.72	492.99	434.91	212.77	134.11	35.84
Considered doubtful	65.13	-	43.92	51.49	43.55	32.79
Less : Provision for doubtful trade receivables	(65.13)	-	(43.92)	(51.49)	(43.55)	(32.79)
	580.72	492.99	434.91	212.77	134.11	35.84
Others						
Considered good	2,980.27	2,064.74	1,881.44	1,501.38	831.32	692.56
Total	3,560.99	2,557.73	2,316.35	1,714.15	965.43	728.40

Notes:

- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.
- Following are the amounts due from Directors / Promoter / Promoter Group Companies / Group Companies / Relatives of Promoter / Relatives of Directors / Subsidiary Companies:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Advanced Graphic Systems	-	0.87	-	-	-	14.31
Instrument Research Associates Private Limited	38.47	49.23	48.34	32.91	6.78	3.01
AGS Sundyne Technologies India Private Limited	-	0.03	0.07	0.04	0.20	-
Fillon Technologies India Private Limited	0.58	0.30	0.37	-	-	-
India Transact Services Limited	2.90	-	-	10.05	10.05	10.05
Securevalue India Limited	-	10.14	-	-	-	-

- The list of persons / entities classified as 'Promoter' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors.

AGS Transact Technologies Limited
Annexure IX - Restated Unconsolidated Statement of Contingent Liabilities

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Guarantees given on behalf of subsidiary	275.02	183.71	50.00	-	-	-
Income tax matters	-	-	-	-	-	1.50
Excise duty matters	5.16	5.16	5.16	5.16	-	-
Customs duty matters	-	-	311.36	311.86	133.09	133.09
Sales tax matters	9.30	9.30	9.30	2.54	-	-
Service tax matters	0.47	0.47	0.47	0.47	0.47	0.47

Notes:

a) In relation to the matters of income tax, excise duty, customs duty, sales tax and service tax listed above, the Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

AGS Transact Technologies Limited
Annexure X - Restated Unconsolidated Statement of Revenue

(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue from operations:						
Sale of products						
Sale of traded goods						
- Automation products	87.13	285.75	231.91	226.52	49.51	271.93
Sale of manufactured goods						
- Automation products	723.86	1,178.24	1,182.62	892.65	1,087.68	2,416.51
- ATM and ATM sites	1,560.28	2,412.23	1,657.38	1,837.44	978.36	-
Less: Excise duty	(97.81)	(240.96)	(216.13)	(146.11)	(109.77)	(82.83)
Total (A)	2,273.46	3,635.26	2,855.78	2,810.50	2,005.78	2,605.61
Sale of services						
AMC services	476.16	1,006.00	770.63	550.66	224.90	82.78
ATM management services	2,969.33	5,058.94	2,973.60	1,995.13	209.52	5.75
Less: amortisation of one time upfront fees and premium on purchase of assets	(53.99)	(220.22)	(232.92)	(239.98)	(7.02)	-
Total (B)	3,391.50	5,844.72	3,511.31	2,305.81	427.40	88.53
Total (A + B)	5,664.96	9,479.98	6,367.09	5,116.31	2,433.18	2,694.14

Notes:

1. The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

AGS Transact Technologies Limited
Annexure XI - Restated Unconsolidated Statement of Other Income

(Rs. in million)

Particulars	Nature (Recurring / Non-recurring)	Related / Not related to business activity	Six month period ended 30-Sep-14	For the year ended				
				31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Interest income								
-On bank deposits	Non-recurring	Non Related	1.35	5.22	6.84	8.61	4.34	3.87
-Others	Non-recurring	Non Related	-	11.22	0.70	4.23	-	-
Insurance claims received	Non-recurring	Related	12.54	13.48	5.81	1.60	0.56	7.76
Gain on foreign exchange transactions/translations	Non-recurring	Related	-	-	-	-	6.89	59.02
Liabilities / provisions no longer required written back	Recurring	Related	-	0.00	0.25	1.66	0.09	2.08
Dividend income	Non-recurring	Non Related	-	-	2.12	-	-	-
Gain on sale of investments	Non-recurring	Non Related	-	-	0.02	-	-	-
Refund of special additional duty of customs	Non-recurring	Related	-	-	-	-	-	10.19
Other income	Non-recurring	Related	0.10	-	-	-	0.66	3.58
Scrap sale	Non-recurring	Related	1.90	2.45	-	-	-	-
Total			15.89	32.37	15.74	16.10	12.54	86.50

Notes:

1. The classification of other income as recurring / non-recurring, related / not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The amounts disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
3. The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

AGS Transact Technologies Limited
Annexure XII - Restated Unconsolidated Statement of Related Party Transactions

a) Names of related parties and description of relationship:

Particulars	Name of the related party
1) Related party where controls exist Subsidiaries	Global Transact Services Pte. Limited. India Transact Services Limited (w.e.f. April 01, 2010) Securevalue India Limited (w.e.f. April 24, 2012) Novus Technologies Pte. Limited. (w.e.f. November 26, 2013) Novus Transact Philippines Corporation (w.e.f. September 15, 2014) Novus Technologies (Cambodia) Company Limited. (w.e.f. August 29, 2014)
2) Key management personnel	Mr. Ravi B. Goyal
3) Relatives of key management personnel	Mr. Badrinarain K. Goyal (Father of Mr. Ravi B. Goyal) Mrs. Anupama R. Goyal (Wife of Mr. Ravi B. Goyal) Ms. Neha R. Goyal (Daughter of Mr. Ravi B. Goyal) Mr. Kiran B. Goyal (Brother of Mr. Ravi B. Goyal) Mrs. Vimla B. Goyal (Mother of Mr. Ravi B. Goyal)
4) Enterprises owned or significantly influenced by key management personnel or their relatives	Advanced Graphic Systems Goyal Electronic Industries AGS Sundyne Technologies India Private Limited Fillon Technologies India Private Limited Instrument Research Associates Private Limited K.S. Goyal Charitable Trust AGS Mega Automation Private Limited

b) Summary of transactions with the above related parties are as follows:

(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sales of goods and services						
Advanced Graphic Systems	0.18	0.79	1.35	1.18	49.05	36.10
Instrument Research Associates Private Limited	2.55	13.48	25.77	26.25	6.78	0.21
AGS Sundyne Technologies India Private Limited	-	-	0.03	0.16	0.20	0.13
Fillon Technologies India Private Limited	0.52	1.23	1.25	0.74	-	-
India Transact Services Limited	2.76	-	-	-	-	0.62
Securevalue India Limited	-	9.06	-	-	-	-
Sale of fixed assets						
Securevalue India Limited	-	-	18.71	-	-	-
Purchase of goods and services						
AGS Sundyne Technologies India Private Limited	7.60	20.31	9.40	24.73	11.75	6.92
Instrument Research Associates Private Limited	6.46	16.21	17.05	5.44	1.69	5.29
Advanced Graphic Systems	-	1.19	3.64	5.94	1.09	-
Fillon Technologies India Private Limited	1.58	2.36	1.75	1.70	-	-
Securevalue India Limited	334.40	264.39	27.30	-	-	-
Purchase of fixed assets						
Advanced Graphic Systems	-	-	1.50	-	-	-
Mr. Ravi B. Goyal	-	-	-	-	43.88	-
Deposits given						
Mr. Ravi B. Goyal	-	-	-	-	-	27.50
Mrs. Anupama R. Goyal	-	-	-	-	2.00	-
Remuneration						
Mr. Ravi B. Goyal	9.00	18.00	18.00	16.70	4.60	-
Licence fees						
Mr. Ravi B. Goyal	-	-	-	0.60	8.60	-
Rent expense						
Mr. Ravi B. Goyal	0.22	0.44	0.44	0.41	0.02	-
Ms. Anupama R. Goyal	0.75	1.50	1.50	1.50	0.81	-
Rent income						
India Transact Services Limited	-	-	0.76	-	-	-

AGS Transact Technologies Limited
Annexure XII - Restated Unconsolidated Statement of Related Party Transactions (continued)

b) Summary of transactions with the above related parties are as follows: (continued)

(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Donation						
K.S. Goyal Charitable Trust	-	-	-	5.00	-	5.00
Interest Paid						
Goyal Electronic Industries	-	-	-	0.03	0.11	0.12
Ms. Neha R. Goyal	-	-	-	0.06	0.03	-
Mr. Ravi B. Goyal	-	-	-	1.83	-	-
Mrs. Anupama R. Goyal	-	-	-	-	0.09	-
Legal and professional fees						
Mr. Kiran B. Goyal	1.20	5.40	2.48	2.20	2.40	0.40
Mr. Kiran B. Goyal - Refund of fee	-	-	(2.52)	-	-	-
Investments during the year						
Global Transact Services Pte. Limited.	68.34	100.34	-	-	-	0.00
India Transact Services Limited	-	22.75	70.00	-	0.40	-
SecureValue India Limited	-	25.00	30.50	-	-	-
Purchase of Business						
Advanced Graphic Systems	-	-	-	-	0.05	-
Shares purchased of subsidiary company						
Mr. Ravi B. Goyal	-	-	-	-	0.05	-
Mr. Badrinarain K. Goyal	-	-	-	-	0.05	-
Loans taken						
Mr. Ravi B. Goyal	-	-	-	177.29	109.06	20.84
Advanced Graphic Systems	-	-	-	-	0.79	-
Goyal Electronic Industries	-	-	-	-	1.20	-
Fillon Technologies India Private Limited	-	-	-	1.60	18.46	5.20
Mrs. Anupama R. Goyal	-	-	-	-	1.39	-
Mrs. Neha R. Goyal	-	-	-	0.14	1.72	-
AGS Sundyne Technologies India Private Limited	-	-	-	-	2.22	-
Repayment of loans taken						
Goyal Electronic Industries	-	-	-	1.03	0.29	0.70
Fillon Technologies India Private Limited	-	-	-	4.60	15.46	5.20
Mrs. Vimla B. Goyal	-	-	-	-	-	1.00
Mr. Ravi B. Goyal	-	-	-	180.45	113.14	29.09
Advanced Graphic Systems	-	-	-	-	0.34	-
Mrs. Anupama R. Goyal	-	-	-	0.09	1.39	-
Mr. Kiran B. Goyal	-	-	-	-	0.36	-
Ms. Neha R. Goyal	-	-	-	1.89	-	-
AGS Sundyne Technologies India Private Limited	-	-	-	-	2.22	-
India Transact Services Limited	-	-	-	-	-	1.67
Loans given						
India Transact Services Limited	39.18	11.36	16.58	0.55	18.52	-
Securevalue India Limited	-	46.70	82.67	-	-	-
Global Transact Services Pte. Limited.	-	-	0.83	-	-	-
AGS Mega Automation Private Limited	-	-	0.85	-	-	-
Instrument Research Associates Private Limited	-	-	-	-	19.70	3.01
Repayment of loans given						
AGS Mega Automation Private Limited	-	0.85	-	-	-	-
India Transact Services Limited	-	-	35.03	0.40	0.23	-
Securevalue India Limited	47.50	-	30.00	-	-	-
Instrument Research Associates Private Limited	-	-	2.02	-	-	-
Expenses paid on behalf of Related Party						
India Transact Services Limited	0.08	0.21	-	-	-	-
Securevalue India Limited	3.79	6.38	-	-	-	-
Instrument Research Associates Private Limited	0.13	0.43	-	-	-	-
AGS Sundyne Technologies India Private Limited	-	0.09	-	-	-	-
Advanced Graphic Systems	0.10	-	-	-	-	-
Fillon technologies India Private Limited	0.04	-	-	-	-	-

AGS Transact Technologies Limited
Annexure XII - Restated Unconsolidated Statement of Related Party Transactions (continued)

c) Summary of balance receivable / (payable) from / to the above related parties are as follows:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sales of goods and services						
Advanced Graphic Systems	-	0.87	-	-	-	14.31
Instrument Research Associates Private Limited	38.47	49.23	48.34	32.91	6.78	3.01
AGS Sundyne Technologies India Private Limited	-	0.03	0.07	0.04	0.20	-
Fillon Technologies India Private Limited	0.58	0.30	0.37	-	-	-
Securevalue India Limited	-	10.14	-	-	-	-
India Transact Services Limited	2.90	-	-	-	-	-
Purchase of goods and services						
AGS Sundyne Technologies India Private Limited	2.35	-	(0.99)	-	(9.45)	(1.80)
Instrument Research Associates Private Limited	0.74	(2.82)	-	(0.82)	1.33	-
Advanced Graphic Systems	-	-	-	-	(1.09)	-
Fillon Technologies India Private Limited	-	(0.09)	(0.42)	-	-	-
Securevalue India Limited	(162.23)	(61.81)	(7.03)	-	-	-
Deposits given						
Mr. Ravi B. Goyal	62.50	62.50	62.50	62.50	62.50	62.50
Mrs. Anupama R. Goyal	2.00	2.00	2.00	2.00	2.00	-
Remuneration						
Mr. Ravi B. Goyal	-	(0.12)	-	-	-	-
Rent income						
India Transact Services Limited	0.77	0.77	0.86	-	-	-
Rent expense						
Mr. Ravi B. Goyal	(0.04)	-	-	-	-	-
Legal and professional fees						
Mr. Kiran B. Goyal	(0.20)	(0.20)	(0.20)	(0.19)	-	(0.36)
Mr. Kiran B. Goyal - Refund of fee	-	-	2.52	-	-	-
Loans taken						
Mr. Ravi B. Goyal	-	-	-	-	(3.16)	(14.88)
Goyal Electronic Industries	-	-	-	-	(1.03)	-
Fillon Technologies India Private Limited	-	-	-	-	(3.00)	-
Mrs. Anupama R. Goyal	-	-	-	-	(0.09)	-
Ms. Neha R. Goyal	-	-	-	-	(1.75)	-
Loans given						
India Transact Services Limited	50.53	11.36	-	18.45	18.30	-
Securevalue India Limited	51.87	99.37	52.67	-	-	-
Global Transact Services Pte. Limited	0.83	0.83	0.83	-	-	-
AGS Mega Automation Private Limited	-	-	0.85	-	-	-
Instrument Research Associates Private Limited	-	-	-	19.70	19.70	-
Expenses paid on behalf of Related Party						
India Transact Services Limited	0.29	0.21	-	-	-	-
Securevalue India Limited	10.17	6.38	-	-	-	-
Instrument Research Associates Private Limited	0.56	0.43	-	-	-	-
AGS Sundyne Technologies India Private Limited	0.09	0.09	-	-	-	-
Advanced Graphic Systems	0.10	-	-	-	-	-
Fillon technologies India Private Limited	0.04	-	-	-	-	-
Other Accounts Receivables and Payables						
India Transact Services Limited	-	-	-	10.05	10.05	10.05
AGS Sundyne Technologies India Private Limited	-	-	-	8.23	-	-

Notes:

- The amounts disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
- The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.
- For details of guarantees given by the related parties, refer Annexure VII.

AGS Transact Technologies Limited
Annexure XIII - Restated Unconsolidated Statement of Accounting Ratios

(Rs. in million, except share and per share data)								
Sr. No.	Particulars		Six month period ended	For the year ended				
				30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
1	Restated profit after tax	A	161.07	146.95	82.86	106.82	53.79	201.56
2	Less: preference dividend for the year including tax thereon	B	(0.05)	(0.08)	(0.08)	(0.08)	-	-
3	Net profit available to equity shareholders	C = A + B	161.02	146.87	82.78	106.74	53.79	201.56
4	Number of equity shares outstanding at the end of the year / period	D	22,424,500	22,424,500	22,424,500	18,750,000	18,750,000	5,000,000
5	Number of compulsory convertible preference shares outstanding at the end of the year / period	E	7,141,664	7,141,664	7,141,664	6,991,664	-	-
6	Weighted average number of equity shares considered for calculating basic earnings per share	F	89,698,000	89,698,000	89,698,000	75,000,000	75,000,000	75,000,000
7	Weighted average number of equity shares considered for calculating diluted earnings per share	G	119,591,704	118,575,445	118,264,656	102,966,656	75,000,000	75,000,000
8	Restated net worth (refer note 5 below)	H	4,514.84	4,354.51	4,207.65	2,483.36	732.27	678.48
9	Accounting ratios:							
	Basic earnings per share (Rs.)	C / F	1.80	1.64	0.92	1.42	0.72	2.69
	Diluted earnings per share (Rs.)	A / G	1.35	1.24	0.70	1.04	0.72	2.69
	Return on net worth (%)	A / H	3.57%	3.37%	1.97%	4.30%	7.35%	29.71%
	Net asset value per share (Rs.)	Note 7	38.18	36.82	35.58	24.12	9.76	9.05

Notes:

- The above ratios have been computed on the basis of the restated unconsolidated summary statements of the Company.
- The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

- The ratios have been computed as below:

a) Basic Earnings per share (Rs.)	<u>Net profit available to equity shareholders</u> Weighted average number of equity shares outstanding during the period / year (refer note 7)
b) Diluted Earnings per share (Rs.)	<u>Restated profit after tax</u> Weighted average number of dilutive equity shares (refer note 7)
c) Return on net worth (%)	<u>Restated profit after tax</u> Restated net worth at the end of the period / year
d) Net asset value per share (Rs.)	<u>Restated net worth at the end of the period / year</u> Total number of equity shares and CCPS outstanding at the end of the period / year (Refer note 7)

- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

- Net worth include Equity share capital + Preference share capital + Reserves and surplus (including Securities Premium, General Reserve and Surplus in statement of Profit and Loss).

- Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings per share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

- Subsequent to September 30, 2014 in the meeting of Board of Directors held on January 30, 2015 the Board of Directors recommended the following:

- Conversion of Compulsory Convertible Preference Shares ('CCPS') whereby every CCPS would be converted in 1 equity share.
- The issue of bonus shares in the ratio 3:1 to the equity shareholders after considering the conversion of CCPS.

The members of the Company approved the abovementioned recommendations during the General Meeting held on February 3, 2015.

For the purposes of computation of Net Asset Value per share, CCPS outstanding as at September 30, 2014 along with the bonus shares are treated as Equity Shares.

For the purposes of computation of Basic and Diluted Earnings per share, the Equity shares as well as CCPS outstanding as at September 30, 2014 and for the all the years / period presented are adjusted for such bonus shares.

- Weighted average number of equity shares considered for the computation of diluted Earnings per Share are adjusted for the Dilutive portion of outstanding Employee Stock Options.

AGS Transact Technologies Limited
Annexure XIV - Unconsolidated Statement of Capitalisation

Particulars	(Rs. in million)	
	Pre-Issue as at 30-Sep-14	As adjusted for issue (Refer note 2 below)
Debt:		
Long term borrowings		
Non-current portion (A)	2,088.14	
Current maturities (B)	613.35	
Total long term borrowings (C) = (A + B)	2,701.49	
Short term borrowings (D)	2,964.59	
Total debt (E) = (C) + (D)	5,666.08	
Shareholders Funds:		
Equity share capital	295.66	
Reserves and surplus (as restated)	4,219.18	
Total Shareholders funds (F)	4,514.84	
Long term borrowings / Equity ratio (C / F)	0.60	

Notes:

- 1 The above has been computed on the basis of the restated unconsolidated summary statements of assets and liabilities of the Company.
- 2 The issue price and number of shares are being finalised and hence the post-issue capitalisation statement cannot be presented.
- 3 For changes in share capital structure post September 30, 2014, refer note 7 of Annexure XIII.

AGS Transact Technologies Limited
Annexure XV - Restated Unconsolidated Statement of Tax Shelter

(Rs. in million)

Sr. No.	Particulars	Six month period ended	For the year ended				
			30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11 31-Mar-10
A	Restated profit before tax		255.67	237.97	113.30	167.95	89.93 277.31
B	Statutory tax rate (%)		33.99%	33.99%	32.45%	32.45%	33.22% 33.99%
C	Tax at statutory rate		86.90	80.89	36.77	54.50	29.87 94.26
	Adjustment for Permanent differences						
	Deduction under Section 80-IB of Income Tax Act,						
1	1961		-	-	(5.35)	(8.77)	(0.88) (72.21)
2	Donation (net)		(0.84)	0.01	0.02	2.50	0.04 2.50
3	Penalties and interest disallowed		1.53	1.14	5.21	12.58	4.02 2.83
	Exempt income and expenses incurred on exempt						
4	income		7.24	6.45	(2.12)	-	- -
5	IPO expenses		-	-	-	-	11.90 -
6	Share issue expenses		-	-	-	7.96	- -
7	Amortisation of premium paid on purchase of assets		13.83	13.83	-	-	- 0.25
8	Others		-	-	-	-	- 0.25
D	Total Permanent differences		21.76	21.43	(2.24)	14.27	15.08 (66.63)
	Adjustment for Timing differences						
1	Depreciation		92.24	63.85	(10.95)	(27.89)	(19.25) 4.77
2	Provision for doubtful trade receivables		65.13	(43.92)	(7.56)	7.93	10.76 -
3	Provision for inventories		39.84	(42.53)	8.57	21.90	- -
4	Provision for warranty expenses		6.01	18.11	20.42	13.84	1.13 2.25
5	Employee benefit expenses (net)		13.88	15.93	28.32	11.12	10.83 4.87
6	Provision for lease payments		8.31	26.11	4.61	5.10	- -
7	Others		0.27	3.14	2.70	1.51	0.31 3.98
E	Total Timing differences		225.68	40.69	46.11	33.51	3.78 15.87
F	Net Adjustment (D + E)		247.44	62.12	43.88	47.78	18.86 (50.76)
G	Tax expenses / (savings) thereon (F * B)		84.10	21.11	14.23	15.50	6.27 (17.25)
H	Current tax (C + G)		171.00	102.00	51.00	70.00	36.14 77.00
I	Minimum Alternate Tax Under Section 115JB of Income Tax Act		76.85	53.68	28.31	36.93	20.30 47.13
J	Current Tax Expense (Higher of H and I)		171.00	102.00	51.00	70.00	36.14 77.00
K	Deferred tax charge / (income)		(76.40)	(10.98)	(20.56)	(8.87)	- (1.25)
L	Total Tax Expenses (J + K)		94.60	91.02	30.44	61.13	36.14 75.75

Notes:

1. The aforesaid Statement of Tax Shelter has been prepared as per the restated unconsolidated summary statement of profits and losses of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

AGS Transact Technologies Limited
Annexure XVI - Restated Unconsolidated Statement of Segment Information

a) Primary Segment Information based on business:

The Company's business segment have been divided into three business verticals - Banking Payment Solutions, Banking Automation Solutions and Other Automation Solutions.

Banking Payment Solutions – This segment includes complete management of ATMs under both outsourcing and managed services model and transaction switching.

Banking Automation Solutions – Comprises of sale of ATM machines, ATM sites, banking kiosks, currency technology products and services related to such sales.

Other Automation Solutions - Comprises of sale of machines and related services to customers present in the Retail, Petroleum and Colour sectors.

Primary Segment information based on business segment as at and for the period / year ended:

Particulars	30-Sep-14				31-Mar-14				31-Mar-13				31-Mar-12				31-Mar-11				31-Mar-10			
	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total
Revenue																								
Total revenue	2,915.34	2,001.78	747.84	5,664.96	4,838.73	2,955.49	1,685.76	9,479.98	2,740.68	2,109.91	1,516.50	6,367.09	1,752.00	2,116.11	1,248.20	5,116.31	202.50	1,053.29	1,177.39	2,433.18	8.49	1,748.96	936.69	2,694.14
Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	2,915.34	2,001.78	747.84	5,664.96	4,838.73	2,955.49	1,685.76	9,479.98	2,740.68	2,109.91	1,516.50	6,367.09	1,752.00	2,116.11	1,248.20	5,116.31	202.50	1,053.29	1,177.39	2,433.18	8.49	1,748.96	936.69	2,694.14
Segment results	542.07	268.94	91.41	902.42	977.29	382.03	71.57	1,430.89	471.15	216.20	168.02	855.37	377.82	392.90	29.52	800.24	29.81	120.70	244.96	395.47	(20.40)	297.29	167.05	443.94
Less: unallocated expenses				363.96				672.52				511.40				366.71				201.67				184.48
Operating profit				538.46				758.37				343.97				433.53				193.80				259.46
Add: other income				15.89				32.37				15.74				16.10				12.54				86.50
Less: finance cost				298.68				552.77				246.41				281.68				116.41				68.65
Profit before tax				255.67				237.97				113.30				167.95				89.93				277.31
Less: tax expense				94.60				91.02				30.44				61.13				36.14				75.75
Profit for the year				161.07				146.95				82.86				106.82				53.79				201.56
Segment assets	6,423.36	3,660.22	966.48	11,050.06	5,720.52	2,757.74	1,052.40	9,530.66	3,657.44	2,014.90	1,090.99	6,763.33	2,113.95	1,657.65	816.57	4,588.17	705.71	1,049.24	562.51	2,317.46	167.42	914.35	526.46	1,608.23
Unallocated assets				1,858.89				1,561.22				1,269.64				908.40				673.96				423.95
Total assets	6,423.36	3,660.22	966.48	12,908.95	5,720.52	2,757.74	1,052.40	11,091.88	3,657.44	2,014.90	1,090.99	8,032.97	2,113.95	1,657.65	816.57	5,496.57	705.71	1,049.24	562.51	2,991.42	167.42	914.35	526.46	2,032.18
Segment liabilities	1,136.65	1,020.08	211.94	2,368.67	1,091.11	1,052.82	232.45	2,376.38	639.95	990.87	137.68	1,768.50	365.99	219.81	139.91	725.71	82.76	556.53	137.07	776.36	24.12	223.12	117.46	364.70
Unallocated liabilities				6,025.44				4,360.99				2,056.82				2,287.50				1,482.79				989.00
Total liabilities	1,136.65	1,020.08	211.94	8,394.11	1,091.11	1,052.82	232.45	6,737.37	639.95	990.87	137.68	3,825.32	365.99	219.81	139.91	3,013.21	82.76	556.53	137.07	2,259.15	24.12	223.12	117.46	1,353.70
Capital expenditure	256.11	4.19	0.14	260.44	1,414.35	2.75	18.32	1,435.42	1,172.27	69.68	24.32	1,266.27	895.76	29.44	-	925.20	361.67	-	-	361.67	172.34	-	24.70	197.04
Unallocated capital expenditure				52.21				179.26				167.62				141.98				105.74				20.72
Total	256.11	4.19	0.14	312.65	1,414.35	2.75	18.32	1,614.68	1,172.27	69.68	24.32	1,433.89	895.76	29.44	-	1,067.18	361.67	-	-	467.41	172.34	-	24.70	217.76
Depreciation	309.17	17.56	4.58	331.31	534.88	32.78	10.39	578.05	265.27	37.21	6.35	308.83	130.29	8.37	9.92	148.58	41.02	-	3.53	44.55	3.92	-	1.46	5.38
Unallocated depreciation				32.09				34.23				35.93				27.99				12.21				5.44
Non cash expenditure	10.57	89.28	11.12	110.97	-	122.03	48.22	170.25	-	75.18	31.85	107.03	1.39	56.58	27.00	84.97	-	8.02	3.87	11.89	-	2.25	-	2.25
Unallocated Non cash expenditure				-				-				-				5.43				-				-
Total	319.74	106.84	15.70	474.37	534.88	154.82	58.61	782.53	265.27	112.39	38.20	451.79	131.68	64.94	36.92	266.97	41.02	8.02	7.39	68.65	3.92	2.25	1.46	13.07

Note: Unallocated liabilities include borrowings by the Company.

b) Secondary segment information based on geographical location as at and for the period / year ended:

(i) Revenue by geographical segment

(Rs. in million)						
Region	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
In India	5,655.30	9,460.98	6,352.57	5,101.00	2,412.43	2,681.09
Outside India	9.66	19.00	14.52	15.31	20.75	13.05
Total	5,664.96	9,479.98	6,367.09	5,116.31	2,433.18	2,694.14

(ii) Assets based on geographical location:

Region	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
In India	12,905.41	11,084.88	8,026.71	5,491.00	2,987.09	2,020.99
Outside India	3.54	7.00	6.26	5.57	4.33	11.19
Total	12,908.95	11,091.88	8,032.97	5,496.57	2,991.42	2,032.18

(iii) Capital expenditure based on geographical location:

Region	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
In India	312.65	1,614.68	1,433.89	1,067.18	467.41	217.76
Outside India	-	-	-	-	-	-
Total	312.65	1,614.68	1,433.89	1,067.18	467.41	217.76

AGS Transact Technologies Limited
Annexure XVII - Restated Unconsolidated Statement of Loans and Advances

Non-current loans and advances:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(Unsecured, considered good)						
Capital advances	72.63	28.22	25.18	5.41	-	-
Loans and advances to related parties	104.00	64.82	54.35	46.38	39.32	-
Others:						
Security deposits	324.45	295.85	255.60	177.01	100.93	96.10
Deposit given for acquisition of ATM's	704.00	748.00	109.72	-	-	-
Taxes paid (net of provision for tax)	-	98.41	194.62	86.83	9.13	-
Prepaid expenses	22.54	16.66	13.98	0.62	-	-
One time upfront fees	215.51	255.67	358.79	337.88	-	-
Balances with government authorities	7.27	42.59	52.49	53.51	56.72	-
Total (A)	1,450.40	1,550.22	1,064.73	707.64	206.10	96.10

Current loans and advances:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(Unsecured, considered good)						
Loans and advances to related parties	-	47.50	0.86	-	-	-
Others:						
Advances recoverable in cash or in kind	166.95	157.23	182.52	163.27	107.51	46.66
Security deposits	19.38	13.14	2.41	19.21	15.09	1.06
Deposit given for acquisition of ATM's	88.00	88.00	-	-	-	-
Taxes paid (net of provision for tax)	-	85.40	-	-	-	-
Prepaid expenses	48.45	29.65	24.90	27.91	2.01	2.35
One time upfront fees	80.22	80.22	79.44	107.70	117.23	-
Balances with government authorities	109.05	134.73	159.90	100.06	157.03	160.96
Loans to employees	15.51	17.54	12.94	17.61	6.43	6.04
Total (B)	527.56	653.41	462.97	435.76	405.30	217.07
Total (A + B)	1,977.96	2,203.63	1,527.70	1,143.40	611.40	313.17

Notes:

- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated unconsolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.
- Following are the amounts due from Directors / Promoter / Promoter Group Companies / Group Companies / Relatives of Promoter / Relatives of Directors / Subsidiary Companies:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Instrument Research Associates Private Limited	-	-	-	19.70	21.03	-
AGS Sundyne Technologies India Private Limited	-	-	-	8.23	-	-
Global Transact Services Pte. Limited	0.83	0.83	0.83	-	-	-
India Transact Services Limited	51.30	12.13	0.86	18.45	18.30	-
Securevalue India Limited	51.87	99.37	52.67	-	-	-
AGS Mega Automation Private Limited	-	-	0.85	-	-	-
Mr. Ravi B. Goyal	62.50	62.50	62.50	62.50	62.50	62.50
Mrs. Anupama R. Goyal	2.00	2.00	2.00	2.00	2.00	-

- The list of persons / entities classified as 'Promoter' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors.

AGS Transact Technologies Limited
Annexure XVIII - Statement of Dividend Paid

(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Dividend on compulsory convertible preference shares (CCPS):						
Number of CCPS	7,141,664	7,141,664	7,141,664	6,991,664	-	-
Rate of dividend (%)	0.1%	0.1%	0.1%	0.1%	-	-
Dividend paid on CCPS	0.03	0.07	0.07	0.07	-	-
Tax on above dividend	0.01	0.01	0.01	0.01	-	-

Report of auditors on the Restated Consolidated Summary Statement of Assets and Liabilities as at September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and Profits and Losses and Cash Flows for the six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 of AGS Transact Technologies Limited and its subsidiaries (collectively, the “Restated Consolidated Summary Statements”)

The Board of Directors
AGS Transact Technologies Limited
601-602, B-Wing, Trade World Kamala City
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013, India

Dear Sirs,

1. We have examined the Restated Consolidated Summary Statements of AGS Transact Technologies Limited (the “Company”) and its subsidiaries (together referred to as the “Group”) as at September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and for the six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 annexed to this report for the purpose of inclusion in the offer document (collectively the “Restated Consolidated Financial Information”) prepared by the Company in connection with its proposed Initial Public Offer (“IPO”). Such financial information, which has been approved by the Board of Directors of the Company, has been prepared by the Company in accordance with the requirements of:
 - a. sub-clause (i), (ii) and (iii) of clause (b) of sub-section (1) of Section 26 of Chapter III of The Companies Act 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and
 - b. relevant provision of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
2. We have examined such restated consolidated financial information taking into consideration:
 - a. the terms of our engagement agreed with you vide our engagement letter dated February 13, 2015 requesting us to carry out work on such restated financial information, proposed to be included in the offer document of the Company in connection with the Company’s proposed IPO; and
 - b. the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.
3. The Company proposes to make an IPO of its equity shares of Rs.10 each at such premium, arrived at by book building process (referred to as the “Issue”), as may be decided by the Company’s Board of Directors.
4. The Restated Consolidated Financial Information has been compiled by the management from:
 - a. the audited consolidated interim financial statements of the Group as at and for the six months period ended September 30, 2014, prepared in accordance with the accounting principles generally accepted in India (“Indian GAAP”) at the relevant time and which have been approved by the board of directors on March 12, 2015;
 - b. the audited consolidated financial statements of the Group, as at and for the each of the years ended March 31, 2014, 2013 and 2012 prepared in accordance with Indian GAAP at the relevant time which have been approved by the board of directors on January 30, 2015;

- c. the audited consolidated financial statements of the Group, as at and for each of the years ended March 31, 2011 and 2010, prepared in accordance with Indian GAAP at the relevant time which have been approved by the board of directors on July 14, 2011 and September 1, 2010, respectively and books of account and other records considered necessary, for the presentation of the Restated Financial Information under the requirements of the Schedule III of the Act and /or Revised Schedule VI of the Companies Act, 1956, as the case may be.

The consolidated financial statements as at and for the six months period ended September 30, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 referred in para (a) to (c) are collectively referred as “Historical Financial Statements”.

- d. The Historical Financial Statements include information in relation to the Company’s subsidiaries as listed below:

Name of the entity	Relationship	Period covered
Global Transact Services Pte. Ltd.	Subsidiary	Six months period ended September 30, 2014 and years ended March 31, 2014, 2013, 2012, 2011 and 2010
India Transact Services Limited	Subsidiary	Six months period ended September 30, 2014 and years ended March 31, 2014, 2013, 2012 and 2011
Securevalue India Limited	Subsidiary	Six months period ended September 30, 2014, year ended March 31, 2014 and for the period from April 24, 2012 to March 31, 2013
Novus Technologies Pte. Ltd.	Step Down Subsidiary	Six months period ended September 30, 2014 and for the period from November 26, 2013 to March 31, 2014
Novus Technologies (Cambodia) Company Limited	Step Down Subsidiary	Period from August 29, 2014 to September 30, 2014
Novus Transact Philippines Corporation	Step Down Subsidiary	Period from September 15, 2014 to September 30, 2014

5. In relation to consolidated financial statements referred in Para 4 (a) to (c) above:

- a. We have audited the interim consolidated financial statements of the Group as at and for the six months ended September 30, 2014, in respect of which we have issued our auditor’s report dated March 12, 2015. Further, we have also audited the consolidated financial statements of the Group as at and for the years ended March 31, 2014, 2013 and 2012 in respect of which we have issued our auditor’s report dated January 30, 2015.
- b. In respect of the consolidated financial statements of the Group as at and for the years ended March 31, 2011 and 2010, we have placed reliance on auditors’ reports dated July 14, 2011 and September 1, 2010, respectively issued by Shah & Co.

Further, Shah & Co. had indicated in their audit reports dated July 14, 2011 and September 1, 2010 that consolidated financial statements for the years ended March 31, 2011 and March 31, 2010 included financial statements of one of the subsidiaries whose total assets and total revenue were Rs 3,587 and Rs Nil, respectively for the year ended March 31, 2011 and total assets and total revenue of Rs 3,317 and Rs Nil, respectively for the year ended March 31, 2010 which was audited by other auditor and whose reports were furnished to them.

6. In accordance with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act, read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Regulations and terms of our engagement agreed with you, we report that, read with paragraph 4 and 5 above, we

have examined the Restated Consolidated Financial Information as at and for the six month period ended September 30, 2014 and as at and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 as set out in Annexures I to XVII.

7. Based on our examination and the audited consolidated financial statements of the Group for the six months period ended September 30, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010, we report that:
 - a. The restated consolidated profits have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure V to this report;
 - b. During the six months period ended September 30, 2014, the Group changed the accounting policy whereby the Group changed the basis of identification of segments based on the vertical business centers and the risk and rewards and identified “Banking Payment Solutions”, “Banking Automation Solutions” and “Other Automation Solutions” as the primary reportable segments. The changes arising on account of change in accounting policy adopted by the Group are applied with retrospective effect in the restated consolidated financial information to the extent applicable;
 - c. Adjustments for the material amounts in the respective financial years/period to which they relate have been adjusted in the attached Restated Consolidated Summary Statements;
 - d. There are no extraordinary items which need to be disclosed separately in the Restated Consolidated Summary Statements; and
 - e. There are no qualifications in the auditors’ reports, on the consolidated interim financial statements of the Group as at and for the six months ended September 30, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 which require any adjustments to the Restated Consolidated Summary Statements.
8. We have not audited or reviewed any financial statements of the Group as of any date or for any period subsequent to September 30, 2014. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to September 30, 2014.

Other Financial Information:

9. At the Company’s request, we have also examined the following consolidated financial information proposed to be included in the offer document prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group as at and for the six months period ended September 30, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010:
 - a. Restated Consolidated Statement of Long term and Short Term Borrowings - Annexure VI
 - b. Consolidated Statement of Principal Terms of Secured Borrowings outstanding as at September 30, 2014 - Annexure VII
 - c. Restated Consolidated Statement of Trade Receivables - Annexure VIII
 - d. Restated Consolidated Statement of Contingent Liabilities - Annexure IX
 - e. Restated Consolidated Statement of Revenue - Annexure X
 - f. Restated Consolidated Statement of Other Income - Annexure XI
 - g. Restated Consolidated Statement of Related Party Transactions - Annexure XII
 - h. Restated Consolidated Statement of Accounting Ratios - Annexure XIII
 - i. Consolidated Statement of Capitalisation - Annexure XIV
 - j. Restated Consolidated Statement of Segment Information - Annexure XV
 - k. Restated Consolidated Statement of Loans and advances - Annexure XVI
 - l. Statement of Dividend Paid - Annexure XVII
10. In our opinion, the financial information as disclosed in the Annexures to this report, read with the respective significant accounting policies and notes disclosed in Annexures IV and IVA, and after making adjustments and

regroupings as considered appropriate and disclosed in Annexure V have been prepared in accordance with the relevant provisions of the Act and the Regulations.

11. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the 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. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.:101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No: 106406
Mumbai
March 12, 2015

AGS Transact Technologies Limited
Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities

(Rs. in million)

	Particulars	As at					
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Equity and liabilities						
	Shareholders' funds						
	Share capital	295.66	295.66	295.66	257.42	187.50	50.00
	Reserves and surplus	4,015.94	3,874.45	3,838.80	2,196.25	516.46	628.36
	Total of Shareholders' funds	4,311.60	4,170.11	4,134.46	2,453.67	703.96	678.36
B	Non-current liabilities						
	Long-term borrowings	2,329.49	2,275.32	665.53	111.34	157.56	-
	Other long term liabilities	67.26	37.88	10.41	5.11	-	-
	Long-term provisions	73.93	55.76	36.48	19.04	14.88	8.00
	Total of Non-current liabilities	2,470.68	2,368.96	712.42	135.49	172.44	8.00
C	Current liabilities						
	Short-term borrowings	3,054.81	1,405.51	997.27	1,846.19	1,075.28	710.83
	Trade payables	1,486.73	1,504.94	1,475.35	643.67	728.93	496.99
	Other current liabilities	1,623.70	1,582.52	588.49	356.03	270.08	111.26
	Short-term provisions	117.05	84.63	66.27	34.02	13.26	26.73
	Total of Current liabilities	6,282.29	4,577.60	3,127.38	2,879.91	2,087.55	1,345.81
	Total A + B + C	13,064.57	11,116.67	7,974.26	5,469.07	2,963.95	2,032.17
D	Assets						
	Non - current assets						
	Fixed assets						
	Tangible	3,357.34	3,306.41	2,114.02	1,305.79	586.47	147.44
	Intangible assets	185.80	166.23	152.08	125.65	23.99	23.24
	Capital work-in-progress	390.31	373.78	408.10	105.23	45.40	74.52
	Intangible assets under development	-	29.04	-	-	-	-
		3,933.45	3,875.46	2,674.20	1,536.67	655.86	245.20
	Deferred tax assets (net)	132.86	54.96	43.98	23.42	14.55	14.55
	Loans and advances	1,386.06	1,532.63	1,023.17	689.19	187.84	96.10
	Other non-current assets	221.90	247.10	3.91	10.87	23.21	16.13
	Total of Non - current assets	5,674.27	5,710.15	3,745.26	2,260.15	881.46	371.98
E	Current assets						
	Current investments	-	-	8.26	-	-	-
	Inventories	2,165.66	1,489.52	1,332.99	887.98	627.53	644.24
	Trade receivables	3,618.96	2,550.22	2,316.39	1,704.17	955.48	728.40
	Cash and bank balances	335.63	83.87	103.73	176.57	91.69	69.94
	Short term loans and advances	555.69	628.10	464.25	437.21	405.64	217.08
	Other current assets	714.36	654.81	3.38	2.99	2.15	0.53
	Total of Current assets	7,390.30	5,406.52	4,229.00	3,208.92	2,082.49	1,660.19
	Total D + E	13,064.57	11,116.67	7,974.26	5,469.07	2,963.95	2,032.17

Notes:

1. The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No.: 106406

Place: Mumbai
Date: March 12, 2015

AGS Transact Technologies Limited
Annexure II - Restated Consolidated Summary Statement of Profits and Losses

(Rs. in million)

Particulars	Six month	For the year ended				
	period ended					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue						
Revenue from operations (gross)	5,872.47	9,721.05	6,583.33	5,262.90	2,544.27	2,776.97
Less: Excise duty	(97.82)	(240.96)	(216.13)	(146.10)	(109.78)	(82.83)
Revenue from operations (net)	5,774.65	9,480.09	6,367.20	5,116.80	2,434.49	2,694.14
Other income	16.02	32.47	16.35	16.10	12.71	86.50
Total revenue	5,790.67	9,512.56	6,383.55	5,132.90	2,447.20	2,780.64
Expenses						
Cost of raw materials and components consumed	2,352.62	3,091.52	2,504.73	2,014.97	1,325.68	2,099.41
Purchase of traded goods	97.66	229.74	157.11	217.00	42.09	64.07
(Increase) / decrease in inventories of finished goods and traded goods	(539.43)	(87.45)	(123.12)	88.22	194.94	(244.08)
Employee benefit expenses	595.16	894.96	614.57	427.35	263.63	136.27
Other expenses	2,323.87	4,048.81	2,566.83	1,760.50	373.38	368.30
Total expenses	4,829.88	8,177.58	5,720.12	4,508.04	2,199.72	2,423.97
Earnings before interest, tax, depreciation and amortization (EBITDA)	960.79	1,334.98	663.43	624.86	247.48	356.67
Finance costs	312.91	560.10	246.91	281.72	116.42	68.65
Depreciation and amortisation	396.80	648.00	346.73	176.57	69.21	10.82
Restated profit before tax	251.08	126.88	69.79	166.57	61.85	277.20
Tax expense						
Current tax pertaining to profit for the current year	186.07	102.00	51.00	70.00	36.14	77.00
Deferred tax charge / (credit)	(77.53)	(10.98)	(20.56)	(8.87)	-	(1.25)
Total tax expense	108.54	91.02	30.44	61.13	36.14	75.75
Restated profit after tax before minority interest	142.54	35.86	39.35	105.44	25.71	201.45
Minority interest	-	(5.27)	-	-	-	-
Restated profit for the year / period	142.54	41.13	39.35	105.44	25.71	201.45

Notes:

1) The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No.: 106406

Place: Mumbai
Date: March 12, 2015

AGS Transact Technologies Limited
Annexure III - Restated Consolidated Summary Statement of Cash Flows

(Rs. in million)

	Particulars	Six month period ended	For the year ended				
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Cash Flow from operating activities:						
	Profit before tax (as restated)	251.08	126.88	69.79	166.57	61.85	277.20
	Adjustments for:						
	Finance costs	277.70	525.27	246.91	281.72	116.42	68.65
	Interest income	(1.35)	(5.22)	(7.00)	(8.61)	(4.34)	(3.87)
	Amortization of premium on forward contracts	35.21	34.83	-	-	-	-
	Dividend income	-	(0.09)	(2.69)	-	-	-
	Depreciation and amortisation	396.80	648.00	346.73	176.57	69.21	10.82
	Provision for warranty	6.01	18.11	20.42	13.84	1.13	2.25
	Net gain on sale of current investments	-	-	(0.02)	-	-	-
	(Write back) / Provision for diminution in value of inventories	39.84	(42.53)	42.53	21.90	-	-
	Inventories written off	-	129.25	-	-	-	-
	Loss on acquisition of subsidiary	-	-	-	-	15.27	-
	Bad debts written off (net)	-	65.41	2.31	46.74	-	-
	Provision for doubtful trade receivables	65.13	-	43.92	7.93	10.76	-
	Liabilities for earlier year written back	(0.15)	(0.00)	(0.25)	(1.66)	(0.26)	(2.08)
	Preliminary Expenses written off	-	-	-	-	-	0.25
	Unrealised foreign exchange rate (gain) / loss	2.20	(6.20)	(6.88)	1.67	1.28	(14.85)
	Operating Profit before working capital changes	1,072.47	1,493.71	755.77	706.67	271.32	338.37
	Movements in working capital:						
	(Increase) / decrease in inventories	(713.14)	(218.93)	(466.88)	(282.26)	16.71	(232.43)
	(Increase) / decrease in trade receivable	(1,133.98)	(295.45)	(658.40)	(803.38)	(237.83)	257.91
	(Increase) in deposit given for acquisition of ATM's	44.00	(714.10)	(121.90)	-	-	-
	Decrease / (increase) in other loans and advances	26.90	58.24	(109.34)	(449.66)	(271.22)	(155.24)
	(Increase) in other current assets	(59.89)	(612.39)	-	-	-	-
	(Increase) in other non-current assets	13.83	(262.78)	-	-	-	-
	Increase / (decrease) in trade payable	(20.27)	35.78	808.05	(85.28)	230.92	36.15
	Increase in long-term liabilities	29.39	27.47	5.30	5.11	-	-
	Increase / (decrease) in other current liabilities	(37.92)	576.95	99.99	78.96	117.18	(124.70)
	Increase in provisions	17.14	19.52	29.28	11.00	14.21	13.92
	Cash flow from operations	(761.47)	108.02	341.87	(818.84)	141.29	133.98
	Direct taxes (paid) / refund, (net)	34.43	(108.80)	(159.44)	(147.73)	(63.86)	(86.96)
	Net cash generated from / (used in) operating activities (A)	(727.04)	(0.78)	182.43	(966.57)	77.43	47.02
B	Cash Flow from Investing Activities:						
	Purchase of fixed assets (including capital work in progress)	(509.81)	(1,881.23)	(1,496.66)	(1,072.59)	(479.86)	(217.76)
	Purchase of current investments	-	-	(428.26)	-	(15.28)	-
	Sale of current investments	-	8.26	420.02	-	-	-
	Interest received	1.68	7.69	6.46	7.79	2.71	4.02
	Dividend received	-	0.09	2.69	-	-	-
	Loan given to another companies	-	-	(50.85)	-	-	-
	Repayment of loan by another company (with interest)	-	-	52.14	-	-	-
	Fixed deposits (placed) / matured during the year	4.14	23.32	(23.15)	9.55	(7.03)	(6.46)
	Advance given to a related party	-	-	-	-	(0.04)	-
	Net cash (used) in investing activities (B)	(503.99)	(1,841.87)	(1,517.61)	(1,055.25)	(499.51)	(220.20)
C	Cash Flow from Financing Activities:						
	Proceeds from issuance of equity share capital	-	-	1,633.32	-	-	-
	Proceeds from issuance of compulsory convertible preference share capital (CCPS)	-	-	66.68	1,700.00	-	-
	Proceeds from long-term borrowings	409.74	2,311.48	784.80	-	193.81	-
	Repayment of long-term borrowings	(271.27)	(312.66)	(103.14)	(36.25)	-	-
	Proceeds / (repayment) from short-term borrowings - secured (net)	1,649.30	408.24	(848.92)	929.62	220.65	249.59
	(Repayment) / proceeds from short-term borrowings - Unsecured	-	-	-	(158.71)	143.84	(11.59)
	Dividend paid on CCPS including tax	-	(0.08)	(0.08)	-	-	-
	Share issue expenses	-	-	(58.49)	(55.64)	-	-
	Interest paid	(277.01)	(517.96)	(221.06)	(246.72)	(114.43)	(66.69)
	Other finance charges paid	(35.21)	(34.83)	(20.87)	(28.40)	-	-
	Net cash generated from financing activities (C)	1,475.55	1,854.19	1,232.24	2,103.90	443.87	171.31
	Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	244.51	11.54	(102.94)	82.08	21.79	(1.87)
	Cash and cash equivalents at the beginning of the period / year	60.75	49.21	152.15	70.07	48.28	50.15
	Cash and cash equivalents at the end of the period / year	305.26	60.75	49.21	152.15	70.07	48.28

AGS Transact Technologies Limited
Annexure III - Restated Consolidated Statement of Cash Flows (continued)

(Rs. in million)

	Particulars	Six month period ended	For the year ended				
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Cash and cash equivalents comprise of:						
	Cash on hand	0.93	0.97	1.18	0.32	0.54	0.10
	Cheques on hand	-	-	3.43	-	-	-
	Balance with banks	-	-	-	-	-	-
	In Current Accounts	299.94	57.49	15.09	90.33	7.24	3.26
	Deposits account	4.39	2.28	29.51	61.51	62.29	44.92
	Total	305.26	60.75	49.21	152.15	70.07	48.28

Notes:

1) The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited unconsolidated financial statements appearing in Annexure V.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No.: 101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No.: 106406

Place: Mumbai
Date: March 12, 2015

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

A. Group overview

AGS Transact Technologies Limited (the 'Company') is a company domiciled in India and incorporated under the provisions of the Companies Act 1956. The Company along with its subsidiaries (the 'Group') is in the business of supplying, installing and managing of technology-based automation products and providing related services to its customers in the Banking, Petroleum, Color and Retail sectors. The Company also provides complete ATM Outsourcing and Managed Services, transaction switching and processing services, electronic payment solutions and cash management services to Banks and financial institutions. As part of its global expansion strategy, the Company through its subsidiary in Singapore has started offering its Banking Automation and Payments Solutions to Banks and financial institutions in South East Asia.

B. Basis of preparation

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and the related Restated Consolidated Summary Statement of Profits and Losses and Restated Consolidated Summary Statement of Cash Flows for the six month ended September 30, 2014 and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 and Other Financial Information (herein collectively referred to as 'Restated Consolidated Summary Statements') have been derived by the Management from the then Audited Consolidated Financial Statements of the Group for the corresponding years / period.

The audited consolidated financial statements were prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') at the relevant time. The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Act, 1956 and wherever applicable, read with the General Circular 08/2014 dated April 04, 2014 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Group for all the years / period presented, except for changes in accounting policies detailed in '17. Segment reporting' section in significant accounting policies.

These Restated Statements and Other Financial Information have been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

- a. Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act 2013 (the "Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and
- b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

These Statements and Other Financial Information have been prepared after incorporating adjustments for the material amounts in the respective years / period to which they relate. There are no changes in accounting policies (except change in accounting policy detailed in '17. Segment reporting' section in significant accounting policies), incorrect accounting policies or auditors' qualification which require adjustment.

C. Significant accounting policies

1. Presentation and disclosure of financial statements

During the year ended March 31, 2012, the Revised Schedule VI notified under the Companies Act, 1956, became applicable to the Company for preparation and presentation of its financial statements. Accordingly the Company has presented the interim financial statements for the six month ended September 30, 2014 and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 following the requirements of Revised

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

Schedule VI. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements.

The Company has prepared these Restated Summary Statements along with related notes in accordance with the requirements of the Revised Schedule VI and has reclassified figures accordingly.

2. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Basis of consolidation

- (a) The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements under Accounting Standard 21, 'Consolidated Financial Statements'.
- (b) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together book values of all items of assets, liabilities, incomes and expenses after eliminating all intercompany balances / transactions and resulting unrealized gain / loss.
- (c) The subsidiaries are consolidated from acquisition date till the date they cease to become a subsidiary. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity subsequent to the date of investments as stated above.
- (d) The excess of cost to the Company of its investments in subsidiaries over its proportionate share in equity of the investee company as at the date of acquisition, is recognised in the consolidated financial statements as goodwill and disclosed under intangible assets; when the cost to the Company of its investment in the subsidiary is less than the Company's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, the difference is accounted as Capital Reserve. In case of acquisition of additional stake in the existing subsidiary, the excess of purchase consideration over the Company's portion of equity of the subsidiary on the date on which the additional investment is made is treated as Goodwill.
- (e) The consolidated financial statements have been prepared using uniform policies for like transactions and other events in similar circumstances.

The Consolidated Financial Statements incorporate the financial information of AGS Transact Technologies Limited and its following subsidiaries:

Subsidiaries:

Name of the subsidiary	Country of incorporation	Proportion of ownership interest held as at					
		Sept 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Global Transact Services Pte. Ltd.	Singapore	100%	100%	100%	100%	100%	100%
India Transact Services Limited	India	100%	100%	100%	100%	100%	-

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

Name of the subsidiary	Country of incorporation	Proportion of ownership interest held as at					
		Sept 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Securevalue India Limited	India	100%	100%	100%	-	-	-
Novus Technologies Pte. Ltd.	Singapore	90%	90%	-	-	-	-
Novus Transact Philippines Corporation	Philippines	90%	-	-	-	-	-
Novus Technologies (Cambodia) Company Limited	Cambodia	90%	-	-	-	-	-

4. Fixed assets and depreciation

(a) Tangible fixed assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable cost related to the acquisition and installation of the respective assets. Further, pre-operative expenses such as salaries, rent, octroi charges, brokerage, legal and professional fees, etc. incurred during installation period are capitalized under the respective asset head as part of the indirect installation cost, to the extent to which the expenditure is allocable/ apportioned to the asset-head. In case of composite contract involving acquisition of tangible assets and providing services, the tangible assets are capitalized at respective fair value of the asset acquired.

(b) Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

(c) Depreciation and amortization

Change in accounting estimate

Pursuant to the Act being effective from April 01, 2014, the Company has revised the depreciation rates on certain tangible fixed assets as per the useful life specified in Part 'C' of Schedule II to the Act.

(a) Useful lives / depreciation rates

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV of the Companies Act, 1956 were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Act prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher / lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II being effective from April 01, 2014, the management has re-estimated useful lives and residual values of all its fixed assets. The Company has revised the depreciation rates of certain tangible fixed assets as per the useful life specified in Part 'C' of Schedule II to the Act.

For certain tangible fixed assets, the management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in are different from lives prescribed under Schedule II.

As a result of this change, the depreciation charge for the six months period ended September 30, 2014 is higher by Rs.10.89 million. In respect of assets whose useful life is already exhausted as on April 01, 2014, depreciation of Rs. 0.70 million (net of deferred tax impact of Rs. 0.36 million) has been adjusted against the opening reserves in accordance with the requirement of Schedule II of the Act.

From April 1, 2009 to March 31, 2014, Depreciation on fixed assets were provided using Straight Line basis ('SLM') and Written down basis ('WDV') using the rates based on the useful lives estimated by the management or those prescribed in schedule XIV to the Companies Act, 1956 whichever was higher.

From April 1, 2014, depreciation on fixed assets except ATM sites is provided on a written down basis using the rates arrived at based on the useful lives of the assets estimated by the management.

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

The Company has used the following rates to provide depreciation on its fixed assets

Category	Method of depreciation	Erstwhile Life		Revised Life
		Rate (%)	Useful lives (years)	Useful lives (years)
Buildings – freehold	WDV	5.00	58 years	60 years
ATM Sites	SLM	14.28	7 years	7 years
Plant and machinery	WDV	13.91	20 years	15 years
Furniture and fixtures	WDV	18.10	15 years	10 years
Office equipments, electrical installations and air conditioners	WDV	13.91	20 years	5 - 10 years
Computers	WDV	40.00	5 years	3 – 6 years
Vehicles for office purpose	WDV	25.89	9 years	8 years
Vehicles for cash management business	SLM	14.28	7 years	7 years
Software	SLM	25.00	4 years	4 years
Technical Know How	SLM	14.28	7 years	7 years

Goodwill on consolidation is amortized over a period of 5 years.

Leasehold improvements are amortized over the primary period of lease i.e. lease period which ranges from 3 to 9 years as per the agreement or the life of respective assets, whichever is lower.

Non-Compete Fees are amortised over the period of the contract i.e. 3 years.

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

- ATM sites are depreciated over the estimated useful lives of 7 years, which is lower than that indicated in schedule II.

5. Impairment of tangible and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

6. Revenue recognition

- (a) Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer usually on delivery of the goods. Revenue from sale of ATM sites is recognised based on customer acceptance received on completion of the ATM sites. The Company collects sales tax and value added taxes on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

- (b) Revenue from services is recognised on rendering of respective services to customers as per the agreements entered into with the respective customers. Revenue from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The Group collects service tax on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. The revenue from ATM management services is disclosed net off one time / upfront fees charged to the statement of profit and loss. The one time / upfront fees paid to customer are amortized over the period of the respective contract.
- (c) Dividend income is recognized when the right to receive dividend is established by the reporting date.
- (d) Interest income is recognized on the time proportion basis.

7. Leases

Where the Group is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss.

8. Inventories

- (a) Raw materials, finished goods, stores, spares, traded items and consumables are carried at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are to be sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis.
- (b) In determining cost of raw materials, traded items, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- (c) Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- (d) Cost of finished goods includes the cost of raw materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

9. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However, provision for diminution in the value is made to recognize decline other than temporary in the value of investments.

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

10. Transactions in foreign currency

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(c) Exchange difference

All other exchange differences are recognized as income or as expenses in the period in which they arise.

(d) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognised as an expense/ income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period.

(e) Translation of non-integral foreign operation

Foreign operations of the Group are classified under non-integral foreign operations. In translating the financial statements of non-integral foreign operations for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operations are translated at closing rate, income and expense items of the non-integral foreign operations are translated at the average exchange rate; all the resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of the net investment. On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognized as income or expenses in the same period in which the gain or loss on disposal is recognized. When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

11. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a gratuity plan. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each reporting date. The actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains or losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

12. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same jurisdiction and enterprise.

The Group offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the legal entity has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situations where the legal entity is entitled to a tax holiday under tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the legal entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the legal entity restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

13. Provisions and contingencies

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty provisions

Provision for warranty-related costs is recognized when the related product is sold or service provided. Provision is based on technical estimates which are based on historical experience. The estimate of such warranty-related costs is reviewed and revised annually.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

14. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense. Finance cost includes interest on borrowings, amortization of premium on forward contracts and exchange difference to the extent considered as an adjustment to borrowing costs.

16. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

AGS Transact Technologies Limited
Annexure IV - Notes to Restated Consolidated Summary Statements

17. Segment reporting

Change in accounting policy

Identification of Segments:

In accordance with Accounting Standard - 17 - "Segment Reporting" notified by Companies (Accounting Standard) Rules, 2006 (as amended), the Group presented its segmental information adopting business segment as the primary reporting format and geographical segment as the secondary reporting format.

Till the previous year ended March 31, 2014, the Group recognised two business segments, namely, Retail Automation Solutions and Outsourcing Business.

Effective April 01, 2014, the Group evaluated and changed the basis of identification of segments based on the vertical business centers and the risks and rewards and has identified 'Banking Payment Solutions', 'Banking Automation Solutions' and 'Other Automation Solutions' segments as the primary reportable segments.

The segment disclosure for the earlier years have also been prepared and disclosed in accordance with the revised segment policy in these Restated Consolidated Summary Statements.

Identification of segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services and serves different markets.

Inter-segment transfers

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

18. Employee stock compensation cost

Employees (including senior executives) of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost, if any, of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that year and is recognized in employee benefits expense.

AGS Transact Technologies Limited
Annexure IVA - Notes to Restated Consolidated Summary Statements

1. Other expenses

The major heads forming part of other expenses are as under:

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Cash management expenses	413.74	979.68	729.45	518.27	34.27	2.38
Rent and taxes	477.96	904.16	444.38	277.97	42.06	15.26
Caretaker and housekeeping expenses	505.69	580.28	392.54	204.31	10.92	-
Electricity expenses	136.15	269.73	151.15	72.39	14.37	2.43
Subcontracting expenses	113.12	221.72	111.10	36.64	-	-
Communication expenses	108.36	134.03	102.44	63.51	28.74	15.53
Fuel expenses	27.17	19.60	1.78	-	-	-
Others	541.68	939.61	633.99	587.41	243.02	332.70
Total	2,323.87	4,048.81	2,566.83	1,760.50	373.38	368.30

2. Capital commitments:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Estimated amount of contracts remaining to be executed on capital account and not provided for	100.15	103.77	1,571.28	67.68	-	-
	100.15	103.77	1,571.28	67.68	-	-

3. Leases:

Operating leases: Group as a lessee

The Group has entered into operating lease agreements for ATM Sites and office premises. The leases have an average life of 2.5 to 9 years. Future minimum lease rentals payable under non - cancellable operating leases are as follows:

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Not later than 1 year	186.80	167.79	140.92	65.50	7.45	3.84
Later than one year and not later than five years	411.73	465.11	447.23	242.30	20.28	15.64
Later than 5 years	23.25	24.29	10.96	1.59	-	-
Total	621.78	657.19	599.11	309.39	27.73	19.48

Operating leases: Company as a lessor:

The Group has provided ATM to its customers on an operating lease basis. Lease rentals are payable monthly by the customer. Future minimum lease rentals receivable under non - cancellable operating leases are as follows:

(Rs. in million)

Particulars	Six month period ended	For the year ended				
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Not later than one year	-	-	0.73	6.65	6.65	5.70
Later than one year and not later than five years	-	-	-	0.73	4.63	8.66
Later than 5 years	-	-	-	-	-	-
Total	-	-	0.73	7.38	11.28	14.36

AGS Transact Technologies Limited

Annexure V - Statement of Restatement Adjustments to Audited Consolidated Financial Statements

A. The summary of results of restatement made in the audited consolidated financial statements for the respective years and its impact on the profits of the Company is as follows:

(Rs. in million)

Particulars	Note	Six month period ended	For the year ended				
		30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Net profit as per audited financial statements		142.54	40.28	35.95	72.25	43.52	206.68
<u>Restatement adjustments:</u>							
a. Material items relating to previous periods							
Prior period expenses	1	-	-	-	-	-	9.06
Provision for doubtful trade receivables / trade receivables written off	2	-	-	-	32.79	-	-
Provision for inventories	3	-	-	-	12.06	-	-
Short / (excess) provision of current taxes	4	-	0.85	3.40	2.88	(2.55)	(14.29)
Loss on acquisition of subsidiary	5	-	-	-	-	(15.26)	-
b. Deferred tax impact of the above adjustments	6	-	-	-	(14.54)	-	-
Total impact of restatement adjustments (a + b)		-	0.85	3.40	33.19	(17.81)	(5.23)
Net profit as per restated financial statements		142.54	41.13	39.35	105.44	25.71	201.45

B. Explanatory notes:

- Expenses of Rs. 9.06 million recognised as a prior period item in the year ended March 31, 2010 is adjusted in these restated financial statements in the opening retained earnings as at April 1, 2009 as it relates to periods prior to April 1, 2009.
- Provision for doubtful trade receivables / trade receivables written off recognised as a prior period item in the audited financial statements for the year ended March 31, 2012 have been adjusted in these restated financial statements in the respective years to which they relate.
- Provision for inventories recognised as a prior period item in the audited financial statements for year ended March 31, 2012 has been adjusted in these restated financial statements in the opening retained earnings as at April 1, 2009 as it relates to periods prior to April 1, 2009.
- Short or excess provision of taxes in audited financial statements have been adjusted in these restated financial statements in the respective financial years for which the taxes were under or over provided.
- Goodwill arising on consolidation on account of acquisition of India Transact Services Limited was adjusted in opening retained earnings as at April 01, 2010 has been adjusted in these restated financial statements in profit and loss.
- Deferred tax effects of restatement adjustments on account of Material adjustments to previous periods were recorded in the respective years.

C. Restatement adjustments made in the audited opening balance of net surplus in the statement of profit and loss as at April 1, 2009

(Rs. in million)

Particulars	Notes	Amount
Net Surplus in the Statement of Profit and Loss as at April 1, 2009 as per audited financial statements		456.59
<u>Restatement Adjustments:</u>		
Material items relating to previous periods		
Prior period expenses	1	(9.06)
Provision for doubtful debts / debts written off	2	(32.79)
Provision for inventories	3	(12.06)
Short / excess provision of current taxes	4	9.71
Deferred tax impact of the above adjustments	6	14.54
Total impact of adjustments		(29.66)
Net Surplus in the Statement of Profit and Loss as at April 1, 2009 (as restated)		426.93

D. Change in accounting policy:

During the period ended September 30, 2014, the Group changed its accounting policy of identification of segments based on the vertical business centers and the risks and rewards and has identified 'Banking Payment Solutions', 'Banking Automation Solutions' and 'Other Automation Solutions' segments as the primary reportable segments.

In the financial statements for the period ended September 30, 2014, this change in identification of segments has been identified as change in accounting policy.

The disclosure of segment information for the earlier years presented have also been restated and disclosed in accordance with the revised segment policy in these Restated Consolidated Summary Statements.

AGS Transact Technologies Limited
Annexure VI - Restated Consolidated Statement of Long-term and Short-term Borrowings

Long-term borrowings

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Term loans - secured						
From banks	1,069.98	843.33	467.38	111.34	157.56	-
From others	1,259.51	1,431.99	198.15	-	-	-
Total	2,329.49	2,275.32	665.53	111.34	157.56	-

Short-term borrowings

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Secured						
From banks:						
Buyers credit	1,344.14	497.10	188.73	166.12	114.66	325.87
Working Capital Loans	450.00	200.00	500.00	170.00	120.00	146.12
Packing credit	200.00	180.00	-	-	-	-
Cash credit	1,060.67	528.41	308.54	1,474.34	674.04	223.93
Vendor finance	-	-	-	35.73	7.87	-
Unsecured						
From banks	-	-	-	-	150.00	-
From related parties	-	-	-	-	8.71	14.91
Total	3,054.81	1,405.51	997.27	1,846.19	1,075.28	710.83

Notes:

- The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.
- Refer Annexure VII for terms and conditions of secured loans stated above.
- Following are the amounts due to Directors / Promoter / Promoter Group Companies / Group Companies / Relatives of Promoter / Relatives of Directors:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Mr. Ravi B. Goyal	-	-	-	-	3.16	14.88
Fillon Technologies India Private Limited	-	-	-	-	3.00	-
Goyal Electronic Industries	-	-	-	-	0.86	-
Ms. Neha R. Goyal	-	-	-	-	1.69	-
Ms. Sripriya Balasubramanian	-	-	-	-	-	0.03

- The list of persons / entities classified as 'Promoter' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors.

AGS Transact Technologies Limited

Annexure VII - Consolidated Statement of Principal Terms of Secured Borrowings outstanding as at September 30, 2014

a) Long - term Borrowings

(Rs. in million)

Sr. No.	Lender	Nature of facility	Loan currency	Amount outstanding as at September 30, 2014	Rate of interest (%)	Repayment terms	Security / Principal terms and conditions
1	L & T Finance Limited	Term Loan	INR	1,353.14	12.80%	Quarterly	1.Exclusive charge by hypothecation on Axis ATM sites under the Takeover and Management Agreement. 2.Exclusive charge on Axis Bank receivables under the takeover and management agreement. 3.Designated account and other bank accounts relating to the purpose of the facility and all rights, title, interest and claims of the Company under such accounts. 4. All amounts owing to and receivable by the Company, charged book debts, both present and future. 5.Exclusive charge on the security deposit of the sum of Rs. 880 million deposited by the Company with Axis Bank. 6. All rights, title, interest and claims of the Company in respect of insurance contracts and policies required in relation to the Takeover and Management Agreement. 7. The tenor for the loan is upto 72 months with a moratorium of 6 months. 8. Prepayment charges are 1% of the pre-paid amount if the facility is refinanced, NIL if closed from internal accruals / own funds.
2	South Indian Bank	Term Loan	INR	500.00	12.00%	Quarterly	1.Exclusive charge with other term lending institutions on movable fixed assets, both present and future, located at the entire ATM sites with the security cover of 1.25 times during the pendency of the facility. 2. Second pari passu charge over the entire receivables of the Company, both present and future, due from banks who are utilizing the ATMs financed from the proceeds of the facility. (first charge being with the working capital financing banks) 3.The tenor for the loan is 72 months. (including moratorium of 12 months) 4. Prepayment charges are 2% of the pre-paid amount if closed through take-over by other banks, NIL if closed from own sources or on account of interest reset due to change in base rate.
3	ICICI Bank	Term Loan	INR	343.75	12.50%	Quarterly	1.First pari passu charge on the ATMs to be set up under the outsourcing contracts entered / to be entered into between the Company and various banks and to be acquired and setup out of the facility under, both present and future. 2.Second pari passu charge on receivables of the Company from various banks in relation to the ATMs ranking subservient to the charge created in favour of other banks. 3.Exclusive charge by hypothecation on the debt service reserve account to be opened and maintained by the Company. 4. An unconditional and irrevocable personal guarantee of the Promoter guaranteeing all obligations of the Company under the facility. 5. The tenor for the loan is 5 years (including moratorium of 12 months). 6.No Prepayment charges if prepaid within 90 days of reset of Interest margin. Prepayments made on any date other than the Reset date shall be subject to prepayment premium as determined by ICICI Bank
4	GE Capital Services India	Term Loan	INR	251.33	12.45%	Monthly	1. Exclusive charge over the ATMs and related assets to be installed under the Department of financial services ('DFS') contracts. 2.Exclusive charge of receivables and cash flows related to the assets under the DFS contracts. 3. Exclusive charge over the escrow account opened with HDFC Bank Limited. 4.The tenor is 66 months from the date of each drawdown having moratorium for the first six months. 5. Prepayment fee of 1.25% of the amount being prepaid. No Prepayment charges on reset of Interest margin subject to 25 days prior notice to Lender.
5	HDFC Bank	Term Loan	INR	217.50	11.80%	Quarterly	1.First exclusive charge by hypothecation over ATMs and other related assets installed under the outsourcing model with HDFC Bank. 2.The tenor is 63 months including moratorium of 3 months.
6	Standard Chartered Bank	Term Loan	INR	100.00	12.10%	Quarterly	1.First charge on present and future moveable properties of Secure Value India Limited including moveable plant and machinery, furniture and fittings, equipment, computer hardware/ software and vaults in various cities. 2. Secured by corporate guarantee given by the Company. 3.The tenor is maximum upto 5 years with one year of moratorium. 4.All prepayments shall be subject to conditions stipulated by the bank including payment of prepayment charges.
7	ICICI Bank	Vehicle loan	INR	89.59	10.34% to 10.41%	Monthly	1.First and exclusive charge by hypothecation over vehicles purchased. 2.Secured by corporate guarantee given by the holding Company. 3.Tenor: 60 months (including 60 days moratorium) 4.The lesser of the following two options plus applicable taxes: (a) 4% of the then outstanding amount or any other rate as stipulated by ICICI Bank from time to time;

							or (b) the total interest amount outstanding as on the date of prepayment.
8	HDFC Bank	Vehicle loan	INR	85.42	9.95% to 11.00%	Monthly	1.First and exclusive charge by hypothecation over vehicles purchased. 2.Tenor: 60 months (including 30 / 60 days moratorium) 3.Prepayment charges: 4% on principal outstanding if paid within 12 months, 2% on principal outstanding if paid after 12 months.
9	Standard Chartered Bank	Term Loan	INR	35.77	12.50% & 13.00%	Monthly	1. First and exclusive charge on movable fixed assets being the ATM sites (including ATM machines and allied equipment) provided by the Company to Dhanlaxmi Bank and Dena Bank. 2.First and exclusive charge on receivables of the Company from the contracts of ATM outsourcing with Dhanlaxmi Bank and Dena Bank. 3. Lien on fixed deposit of Rs.10.50 million. 4.Maximum tenor is 60 months including a moratorium of six months. 5.All prepayments shall be subject to conditions stipulated by the bank including payment of prepayment charges.
			Total	2,976.50			

Notes:

- 1.The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- 2.The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.
- 3.The rate of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters.
4. The above includes long-term borrowings disclosed under Annexure VI and the current maturities of long-term borrowings included in other current liabilities.

AGS Transact Technologies Limited

Annexure VII - Statement of Principal Terms of Secured Borrowings outstanding as at September 30, 2014 (continued)

b) Short-term borrowings

(Rs. in million)

Sr. No.	Lender	Nature of facility	Loan currency	Amount outstanding as at September 30, 2014	Rate of interest (%)	Repayment terms	Security / Principal terms and conditions
1	Citi Bank N.A.	Buyers credit	USD	326.48	LIBOR + Applicable Spread	178 to 180 days	1.First pari passu charge by hypothecation on all existing and future current assets of the Company except receivables specifically charged on term loan lenders. 2. The tenor is not more than 180 days. 3. Prepayment charges of 2% of sanction amount or principal outstanding whichever is higher.
2	Standard Chartered Bank	Buyers credit	USD	311.17	LIBOR + Applicable Spread	177 to 180 days	1.First pari passu charge on all present and future book debts and stock in trade of the Company except receivables specifically charged to term loan lenders. 2.The tenor is not more than 180 days.
3	Kotak Mahindra Bank	Working Capital Demand Loan	INR	300.00	11.15%	120 Days	1.First pari passu hypothecation charge to be shared with all secured working capital banks on all existing and future current assets of the Company, including book debts, receivables, stock of raw materials and goods in process, but excluding the following: a) Receivables arising from ATM contract with Dena Bank and Dhanlaxmi Bank (charged to SCB); b) Receivables under the Takeover and Management Agreement between the Company and Axis Bank (charged to L&T); and c) Receivables of banks in the public sector unit (charged to GE). 2.Tenor is maximum 180 days. 3.Prepayment charge of 1% on the outstanding loan amount.
4	HDFC Bank	Cash Credit	INR	277.86	13.10%	On Demand	First pari passu charge over present and future current assets of the Company, along with certain other banks except receivables specifically charged on term loan lenders.
5	ICICI Bank	Buyers credit	USD	257.28	LIBOR + Applicable Spread	147 to 179 days	1. First pari passu charge on current assets of the Company, including stocks of raw materials, goods-in-progress, semi-finished and finished goods and other movables such as book debts, bills, both present and future except receivables specifically charged on term loan lenders. 2. The tenor shall not exceed more than 270 days from the date of shipment.
6	Ratnakar Bank	Buyers credit	USD	255.54	LIBOR + Applicable Spread	88 to 90 days	1. First charge by hypothecation on all the current assets of the Company, present and future, ranking pari passu with other working capital lenders, except receivables exclusively charged to term loan lenders. 2.The tenor of Letter of Credit and Letter of undertaking shall not be more than 180 days.
7	Standard Chartered Bank	Cash Credit	INR	217.09	12.35%	On Demand	First pari passu charge on all present and future book debts and stock in trade of the Company except receivables specifically charged to term loan lenders.
8	Standard Chartered Bank	Packing Credit	INR	200.00	11.75%	90 Days	1. First pari passu charge on all present and future book debts and stock in trade of the Company except receivables specifically charged to term loan lenders. 2. Tenor is maximum 90 days. 3.All prepayments shall be subject to conditions stipulated by the bank including payment of prepayment charges.
9	Ratnakar Bank	Cash Credit	INR	171.64	13.50%	On Demand	First charge by hypothecation on all the current assets of the Company, present and future, ranking pari passu with other working capital lenders, except receivables exclusively charged to term loan lenders.
10	DBS Bank	Working Capital Demand Loan	INR	150.00	12.75%	37 to 50 days	1.First pari passu charge on the entire current assets of the Company (both present and future) excluding receivables exclusively charged to term loan lenders. 2.Tenor is maximum 180 days. 3.Any prepayment shall entail a prepayment penalty unless prepaid on interest reset date.
11	Axis Bank	Buyers credit	USD	126.91	LIBOR + Applicable Spread	178 to 180 days	1.First pari passu charge over entire current assets (except project specific receivables charged to term loan lenders) of the Company, present and future 2.Tenor of the facility is maximum one year from the date of shipment, including tenor of letter of credit
12	Citibank N.A.	Cash Credit	INR	110.63	13.00%	On Demand	First pari passu charge by hypothecation on all existing and future current assets of the Company except receivables specifically charged on term loan lenders.
13	DBS Bank	Cash Credit	INR	99.37	14.00%	On Demand	First pari passu charge on the entire current assets of the Company (both present and future) excluding receivables exclusively charged to term loan lenders.
14	Standard Chartered Bank	Cash Credit	INR	90.22	12.50%	On Demand	1. First pari passu charge on the stocks and book debts. 2.Secured by corporate guarantee given by the holding Company.
15	Yes Bank	Cash Credit	INR	77.89	13.25%	On Demand	First pari passu charge over entire current assets of the Company (except charge on receivables exclusive to term loan lenders).

16	Yes Bank	Buyers credit	USD	66.75	LIBOR + Applicable Spread	87 to 90 days	1.First pari passu charge over entire current assets of the Company (except charge on receivables exclusive to term loan lenders). 2.The tenor is maximum upto 12 months.
17	Axis Bank	Cash Credit	INR	13.26	12.00%	On Demand	First pari passu charge on entire current assets of the Company (except project specific receivables charged to term loan lenders), present and future.
18	Kotak Mahindra Bank	Cash Credit	INR	2.72	11.75%	On Demand	First pari passu hypothecation charge to be shared with all secured working capital banks on all existing and future current assets of the Company, including book debts, receivables, stock of raw materials and goods in process, but excluding the following: a) Receivables arising from ATM contract with Dena Bank and Dhanlaxmi Bank (charged to SCB); b) Receivables under the Takeover and Management Agreement between the Company and Axis Bank (charged to L&T); and c) Receivables of banks in the public sector unit (charged to GE).
19	ICICI Bank	Cash Credit	INR	-	13.50%	On Demand	First pari passu charge on current assets of the Company, including stocks of raw materials, goods-in-progress, semi-finished and finished goods and other movables such as book debts, bills, both present and future except receivables specifically charged on term loan lenders.
			Total	3,054.81			

Notes:

- 1.The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- 2.The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IV A and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.
- 3.The rate of interest given above are base rate plus spread as agreed with the lenders in the respective facility letters.

AGS Transact Technologies Limited
Annexure VIII - Restated Consolidated Statement of Trade Receivables

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Trade receivables (unsecured):						
Debts outstanding for a period more than six months from the date they are due for payment:						
Considered good	580.72	492.99	486.40	212.82	124.16	35.84
Considered doubtful	(65.13)	-	43.92	51.54	43.55	32.79
Less : Provision for doubtful trade receivables	65.13	-	(43.92)	(51.54)	(43.55)	(32.79)
	580.72	492.99	486.40	212.82	124.16	35.84
Others						
Considered good	3,038.24	2,057.23	1,829.99	1,491.35	831.32	692.56
Total	3,618.96	2,550.22	2,316.39	1,704.17	955.48	728.40

Notes:

- The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.
- Following are the amounts due from Directors / Promoter / Promoter Group Companies / Group Companies / Relatives of Promoter / Relatives of Directors:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Advanced Graphic Systems	-	0.87	-	-	0.08	14.31
Instrument Research Associates Private Limited	38.47	49.23	48.34	32.91	6.78	3.01
AGS Sundyne Technologies India Private Limited	-	0.03	0.07	0.04	0.20	-
Fillon Technologies India Private Limited	0.58	0.30	0.37	-	-	-

- The list of persons / entities classified as 'Promoter' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors.

AGS Transact Technologies Limited
Annexure IX - Restated Consolidated Statement of Contingent Liabilities

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Income tax matters	-	-	-	-	-	1.50
Excise duty matters	5.16	5.16	5.16	5.16	-	-
Customs duty matters	-	-	-	-	133.09	133.09
Sales tax matters	9.30	9.30	9.30	2.54	-	-
Service tax matters	0.47	0.47	0.47	0.47	0.47	0.47

Notes:

a) In relation to the matters of income tax, excise duty, customs duty, sales tax and service tax listed above, the Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

AGS Transact Technologies Limited
Annexure X - Restated Consolidated Statement of Revenue

(Rs. in million)

Particulars	Six month	For the year ended				
	period ended					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue from operations:						
Sale of products						
Sale of traded goods						
- Automation products	167.32	287.45	231.91	226.52	49.51	271.93
Sale of manufactured goods						
- Automation products	720.20	1,169.18	1,182.62	892.65	1,087.68	2,416.51
- ATM and ATM Sites	1,560.30	2,412.22	1,657.38	1,837.43	978.36	-
Less: Excise duty	(97.82)	(240.96)	(216.13)	(146.10)	(109.78)	(82.83)
Total (A)	2,350.00	3,627.89	2,855.78	2,810.50	2,005.77	2,605.61
Sale of services						
Cash management services	33.15	7.47	0.10	-	-	-
AMC services	476.16	1,006.00	770.63	550.67	226.22	82.78
ATM management services	2,969.34	5,058.95	2,973.61	1,995.61	209.52	5.75
Less: amortisation of one time upfront fees and premium on purchase of assets	(54.00)	(220.22)	(232.92)	(239.98)	(7.02)	-
Total (B)	3,424.65	5,852.20	3,511.42	2,306.30	428.72	88.53
Total (A + B)	5,774.65	9,480.09	6,367.20	5,116.80	2,434.49	2,694.14

Notes:

1. The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Company.
2. The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.

AGS Transact Technologies Limited
Annexure XI - Restated Consolidated Statement of Other Income

(Rs. in million)

Particulars	Nature (Recurring / Non-recurring)	Related / Not related to business activity	Six month period ended 30-Sep-14	For the year ended				
				31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Interest income on								
-On bank deposits	Non-recurring	Non Related	1.35	5.22	6.87	8.61	4.34	3.87
-Others	Non-recurring	Non Related	-	11.22	0.71	4.23	-	-
Insurance claims received	Non-recurring	Related	12.61	13.49	5.81	1.60	0.56	7.76
Scrap sale	Non-recurring	Related	1.90	2.45	-	-	-	-
Dividend income	Non-recurring	Non Related	-	0.09	2.69	-	-	-
Gain on sale of investments	Non-recurring	Non Related	-	-	0.02	-	-	-
Gain on foreign exchange transactions / translations	Non-recurring	Related	-	-	-	-	6.89	59.02
Liabilities / provisions no longer required written back	Recurring	Related	-	0.00	0.25	1.66	0.26	2.08
Refund of special additional duty of customs	Non-recurring	Related	-	-	-	-	-	10.19
Others	Non-recurring	Related	0.16	-	-	-	0.66	3.58
Total			16.02	32.47	16.35	16.10	12.71	86.50

Notes:

1. The classification of other income as recurring / non-recurring, related / not-related to business activity is based on the current operations and business activity of the Group as determined by the management.
2. The amounts disclosed above are based on the restated consolidated summary statement of profits and losses of the Company.
3. The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IV A and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.

AGS Transact Technologies Limited
Annexure XII - Restated Consolidated Statement of Related Party Transactions

a) Names of related parties and description of relationship:

Particulars	Name of the related party
1) Key management personnel	Mr. Ravi B. Goyal Ms. Sripriya Balsubramanian Mr. El Khoury Ricardos
2) Relatives of key management personnel	Mr. Badrinarain K. Goyal (Father of Mr. Ravi B. Goyal) Mrs. Anupama R. Goyal (Wife of Mr. Ravi B. Goyal) Ms. Neha R. Goyal (Daughter of Mr. Ravi B. Goyal) Mr. Kiran B. Goyal (Brother of Mr. Ravi B. Goyal) Mrs. Vimla B. Goyal (Mother of Mr. Ravi B. Goyal)
3) Enterprises owned or significantly influenced by key management personnel or their relatives	Advanced Graphic Systems Goyal Electronic Industries AGS Sundyne Technologies India Private Limited Fillon Technologies India Private Limited Instrument Research Associates Private Limited K.S.Goyal Charitable Trust Aries Management Services Pte. Ltd. AGS Mega Automation Private Limited

b) Summary of transactions with the above related parties are as follows:

(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sales of goods and services						
Advanced Graphic Systems	0.18	0.79	1.35	1.18	49.05	36.10
Instrument Research Associates Private Limited	2.55	13.48	25.77	26.25	6.78	0.21
AGS Sundyne Technologies India Private Limited	-	-	0.03	0.16	0.20	0.13
Fillon Technologies India Private Limited	0.52	1.23	1.25	0.74	-	-
Purchase of goods and services						
AGS Sundyne Technologies India Private Limited	7.60	20.31	9.40	24.73	11.75	6.92
Instrument Research Associates Private Limited	6.46	16.21	17.05	5.44	1.69	5.29
Advanced Graphic Systems	-	1.19	3.64	5.94	1.09	-
Fillon Technologies India Private Limited	1.58	2.36	1.75	1.70	-	-
Purchase of fixed assets						
Advanced Graphic Systems	-	-	1.50	-	-	-
Mr. Ravi B. Goyal	-	-	-	-	43.88	-
Deposits given						
Mr. Ravi B. Goyal	-	-	-	-	-	27.50
Mrs. Anupama R. Goyal	-	-	-	-	2.00	-
Remuneration						
Mr. Ravi B. Goyal	9.00	18.00	18.00	16.70	4.60	-
Mr. El Khoury Ricardos	28.54	-	-	-	-	-
Licence fees						
Mr. Ravi B. Goyal	-	-	-	0.60	8.60	-
Rent expense						
Mr. Ravi B. Goyal	0.22	0.44	0.44	0.41	0.02	-
Ms. Anupama R. Goyal	0.75	1.50	1.50	1.50	0.81	-

AGS Transact Technologies Limited
Annexure XII - Restated Consolidated Statement of Related Party Transactions (continued)

b) Summary of transactions with the above related parties are as follows: (continued)

(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Donation						
K.S. Goyal Charitable Trust	-	-	-	5.00	-	5.00
Interest Paid						
Goyal Electronic Industries	-	-	-	0.03	0.11	0.12
Ms. Neha R. Goyal	-	-	-	0.06	0.03	-
Mr. Ravi B. Goyal	-	-	-	1.83	-	-
Mrs. Anupama R. Goyal	-	-	-	-	0.09	-
Legal and professional fees						
Mr. Kiran B. Goyal	1.20	5.40	2.48	2.20	2.40	0.40
Aries Management Pte. Limited	0.67	1.31	1.22	-	-	-
Mr. Kiran B. Goyal - Refund of fee	-	-	(2.52)	-	-	-
Ms. Sripriya Balasubramanian	-	-	-	-	0.04	0.04
Purchase of Business						
Advanced Graphic Systems	-	-	-	-	0.05	-
Shares purchased of subsidiary company						
Mr. Ravi B. Goyal	-	-	-	-	0.05	-
Mr. Badrinarain K. Goyal	-	-	-	-	0.05	-
Mr. Balasubramanian	-	48.47	-	-	-	-
Loans taken						
Mr. Ravi B. Goyal	-	-	-	177.76	110.46	26.06
Advanced Graphic Systems	-	-	-	0.00	0.79	0.00
Goyal Electronic Industries	-	-	-	-	1.20	-
Fillon Technologies India Private Limited	-	-	-	1.60	18.46	5.20
Mrs. Anupama R. Goyal	-	-	-	-	1.39	-
Mrs. Neha R. Goyal	-	-	-	0.14	1.72	-
AGS Sundyne Technologies India Private Limited	-	-	-	-	2.22	-
Repayment of loans taken						
Goyal Electronic Industries	-	-	-	1.03	0.29	0.70
Fillon Technologies India Private Limited	-	-	-	4.60	15.46	5.20
Mrs. Vimla B. Goyal	-	-	-	-	-	1.00
Mr. Ravi B. Goyal	-	-	-	180.92	133.45	29.09
Advanced Graphic Systems	-	-	-	-	0.34	-
Mrs. Anupama R. Goyal	-	-	-	0.09	1.39	-
Mr. Kiran B. Goyal	-	-	-	-	0.36	-
Ms. Neha R. Goyal	-	-	-	1.89	-	-
AGS Sundyne Technologies India Private Limited	-	-	-	-	2.22	-
Loans given						
AGS Mega Automation Private Limited	-	-	0.85	-	-	-
Instrument Research Associates Private Limited	-	-	-	-	19.70	3.01
Mr. Balasubramanian	-	-	1.16	-	-	-
Repayment of loans given						
AGS Mega Automation Private Limited	-	0.85	-	-	-	-
Instrument Research Associates Private Limited	-	-	2.02	-	-	-
Other Accounts Receivables and Payables						
AGS Sundyne Technologies India Private Limited	-	-	-	8.23	-	-
Expenses paid on behalf of Related Party						
Instrument Research Associates Private Limited	0.13	0.43	-	-	-	-
AGS Sundyne Technologies India Private Limited	-	0.09	-	-	-	-
Advanced Graphic Systems	0.10	-	-	-	-	-
Aries Management Services Pte. Ltd.	-	0.10	-	-	-	-
Fillon technologies India Private Limited	0.04	-	-	-	-	-

AGS Transact Technologies Limited
Annexure XII - Restated Consolidated Statement of Related Party Transactions (continued)

c) Summary of balance receivable / (payable) from / to the above related parties are as follows:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sales of goods and services						
Advanced Graphic Systems	-	0.87	-	-	0.08	14.31
Instrument Research Associates Private Limited	38.47	49.23	48.34	32.91	6.78	3.01
AGS Sundyne Technologies India Private Limited	-	0.03	0.07	0.04	0.20	-
Fillon Technologies India Private Limited	0.58	0.30	0.37	-	-	-
Purchase of goods and services						
AGS Sundyne Technologies India Private Limited	2.35	-	(0.99)	-	(9.45)	(1.80)
Instrument Research Associates Private Limited	0.74	(2.82)	-	(0.82)	1.33	-
Advanced Graphic Systems	-	-	-	-	(1.09)	-
Fillon Technologies India Private Limited	-	(0.09)	(0.42)	-	-	-
Deposits given						
Mr. Ravi B. Goyal	62.50	62.50	62.50	62.50	62.50	62.50
Mrs. Anupama R. Goyal	2.00	2.00	2.00	2.00	2.00	-
Remuneration						
Mr. Ravi B. Goyal	-	(0.12)	-	-	-	-
Mr. El Khoury Ricardos	(8.20)	-	-	-	-	-
Rent expense						
Mr. Ravi B. Goyal	(0.04)	-	-	-	-	-
Legal and professional fees						
Mr. Kiran B. Goyal	(0.20)	(0.20)	(0.20)	(0.19)	-	(0.36)
Mr. Kiran B. Goyal - Refund of fee	-	-	2.52	-	-	-
Aries Management Pte. Limited	(0.32)	(0.42)	(0.17)	(0.03)	-	-
Loans taken						
Mr. Ravi B. Goyal	-	-	-	-	(3.16)	(14.88)
Ms. Sripriya Balasubramanian	-	-	-	-	(0.04)	(0.04)
Goyal Electronic Industries	-	-	-	-	(1.03)	-
Fillon Technologies India Private Limited	-	-	-	-	(3.00)	-
Mrs. Anupama R. Goyal	-	-	-	-	(0.09)	-
Ms. Neha R. Goyal	-	-	-	-	(1.75)	-
Loans given						
AGS Mega Automation Private Limited	-	-	0.85	-	-	-
Instrument Research Associates Private Limited	-	-	-	19.70	19.70	-
Repayment of loans taken						
Ms. Vimla B. Goyal	-	-	-	-	1.00	-
Expenses paid on behalf of Related Party						
Instrument Research Associates Private Limited	0.56	0.43	-	-	-	-
AGS Sundyne Technologies India Private Limited	0.09	0.09	-	-	-	-
Advanced Graphic Systems	0.10	-	-	-	-	-
Fillon technologies India Private Limited	0.04	-	-	-	-	-
Other Accounts Receivables and Payables						
AGS Sundyne Technologies India Private Limited	-	-	-	8.23	-	-

Notes:

- The amounts disclosed above are based on the restated consolidated summary statement of profits and losses of the Company.
- The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.
- For details of guarantees given by the related parties, refer Annexure VII.

AGS Transact Technologies Limited
Annexure XIII - Restated Consolidated Statement of Accounting Ratios

(Rs. in million, except share and per share data)

Sr. No.	Particulars		Six month period ended 30-Sep-14	For the year ended				
				31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
1	Restated profit after tax	A	142.54	41.13	39.35	105.44	25.71	201.45
2	Less: Preference dividend for the year including tax thereon	B	(0.05)	(0.08)	(0.08)	(0.08)	-	-
3	Restated net profit available to equity shareholders	C = A + B	142.49	41.05	39.27	105.36	25.71	201.45
4	Number of equity shares outstanding at the end of the year / period	D	22,424,500	22,424,500	22,424,500	18,750,000	18,750,000	5,000,000
5	Number of compulsory convertible preference shares outstanding at the end of the year / period	E	7,141,664	7,141,664	7,141,664	6,991,664	-	-
6	Weighted average number of equity shares considered for calculating basic earnings per share	F	89,698,000	89,698,000	89,698,000	75,000,000	75,000,000	75,000,000
7	Weighted average number of equity shares considered for calculating diluted earnings per share	G	119,591,704	118,575,445	118,264,656	102,966,656	75,000,000	75,000,000
8	Restated net worth (refer note 5 below)	H	4,311.60	4,170.11	4,134.46	2,453.67	703.96	678.36
9	Accounting Ratios:							
	Basic earnings per share (Rs.)	C / F	1.59	0.46	0.44	1.40	0.34	2.69
	Diluted earnings per share (Rs.)	A / G	1.19	0.35	0.33	1.02	0.34	2.69
	Return on net worth (%)	A / H	3.30%	0.98%	0.95%	4.29%	3.65%	29.70%
	Net asset value per share (Rs.)	Note 7	36.46	35.26	34.96	23.83	9.39	9.04

Notes:

- The above ratios have been computed on the basis of the restated unconsolidated summary statements of the Company.
- The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IV A and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.

- The ratios have been computed as below:

a) Basic Earnings per share (Rs.)	$\frac{\text{Net profit available to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period / year (refer note 7)}}$
b) Diluted Earnings per share (Rs.)	$\frac{\text{Restated profit after tax}}{\text{Weighted average number of dilutive equity shares (refer note 7)}}$
c) Return on net worth (%)	$\frac{\text{Restated profit after tax}}{\text{Restated net worth at the end of the period / year}}$
d) Net asset value per share (Rs.)	$\frac{\text{Restated net worth at the end of the period / year}}{\text{Total number of equity shares and CCPS outstanding at the end of the period / year (Refer note 7)}}$

4. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

5. Net worth include Equity share capital + Preference share capital + Reserves and surplus (including Securities Premium, General Reserve and Surplus in statement of Profit and Loss).

6. Earnings per share calculations are in accordance with Accounting Standard 20 - Earnings per share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

7. Subsequent to September 30, 2014 in the meeting of Board of Directors held on January 30, 2015 the Board of Directors recommended the following:

- Conversion of Compulsory Convertible Preference Shares ('CCPS') whereby every CCPS would be converted in 1 equity share.
- The issue of bonus shares in the ratio 3:1 to the equity shareholders after considering the conversion of CCPS

The members of the Company approved the abovementioned recommendations during the General Meeting held on February 3, 2015.

For the purposes of computation of Net Asset Value per share, CCPS outstanding as at September 30, 2014 along with the bonus shares are treated as Equity Shares.

For the purposes of computation of Basic and Diluted Earnings per share, the Equity shares as well as CCPS outstanding as at September 30, 2014 and for the all the years / period presented are adjusted for such bonus shares.

8. Weighted average number of equity shares considered for the computation of diluted Earnings per Share are adjusted for the Dilutive portion of outstanding Employee Stock Options.

AGS Transact Technologies Limited
Annexure XIV - Consolidated Statement of Capitalisation

(Rs. in million)

Particulars	Pre-Issue as at 30-Sep-14	As adjusted for issue (Refer note 2 below)
Debt:		
Long term borrowings		
Non-current portion (A)	2,329.49	
Current maturities (B)	647.01	
Total long term borrowings (C) = (A + B)	2,976.50	
Short term borrowings (D)	3,054.81	
Total debt (E) = (C) + (D)	6,031.31	
Shareholders Funds:		
Equity Share Capital	295.66	
Reserves and surplus (as restated)	4,015.94	
Total Shareholders funds (F)	4,311.60	
Long term borrowings / Equity ratio (C / F)	0.69	

Notes:

1. The above has been computed on the basis of the restated consolidated summary statements of assets and liabilities of the Company.
2. The issue price and number of shares are being finalised and hence the post-issue capitalisation statement cannot be presented.
3. For changes in share capital structure post September 30, 2014, refer note 7 of Annexure XIII.

AGS Transact Technologies Limited
Annexure XV - Restated Consolidated Statement of Segment Information

a) Primary Segment Information based on business:

The Company's business segment have been divided into three business verticals - Banking Payment Solutions, Banking Automation Solutions and Other Automation Solutions.

Banking Payment Solutions – This segment includes complete management of ATMs under both outsourcing and managed services model, transaction switching/processing, cash management services and electronic payment solutions.

Banking Automation Solutions – Comprises of sale of ATM machines, ATM sites, banking kiosks, currency technology products and self-service terminals and services related to such sales both within and outside of India.

Other Automation Solutions - Comprises of sale of machines and related services to customers present in the Retail, Petroleum and Colour sectors.

Primary Segment information based on business segment as at and for the period / year ended:

Particulars	30-Sep-14				31-Mar-14				31-Mar-13				31-Mar-12				31-Mar-11				31-Mar-10			
	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total	Banking Payment Solutions	Banking Automation Solutions	Other Automation Solutions	Total
Revenue																								
Total revenue	2,949.13	2,081.96	747.84	5,778.93	4,846.20	2,957.19	1,685.76	9,489.15	2,740.79	2,109.91	1,516.50	6,367.20	1,752.48	2,116.12	1,248.20	5,116.80	203.82	1,053.29	1,177.38	2,434.49	8.49	1,748.96	936.69	2,694.14
Inter segment revenue	-	(0.16)	(4.12)	(4.28)	-	(3.82)	(5.24)	(9.06)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue	2,949.13	2,081.80	743.72	5,774.65	4,846.20	2,953.37	1,680.52	9,480.09	2,740.79	2,109.91	1,516.50	6,367.20	1,752.48	2,116.12	1,248.20	5,116.80	203.82	1,053.29	1,177.38	2,434.49	8.49	1,748.96	936.69	2,694.14
Segment results	554.12	282.40	90.36	926.88	941.16	336.17	70.64	1,347.98	431.48	216.07	168.02	815.57	376.67	392.79	29.52	798.98	17.09	120.70	244.96	382.75	(20.40)	297.28	167.05	443.93
Less: unallocated expenses				378.91				693.47				515.22				366.79				217.19				184.58
Operating profit				547.97				654.51				300.35				432.19				165.56				259.35
Add: other income				16.02				32.47				16.35				16.10				12.71				86.50
Less: finance cost				312.91				560.10				246.91				281.72				116.42				68.65
Profit before tax				251.08				126.88				69.79				166.57				61.85				277.20
Less: tax expense				108.54				91.02				30.44				61.13				36.14				75.75
Profit for the year / period				142.54				35.86				39.35				105.44				25.71				201.45
Segment assets	6,860.80	3,715.62	963.58	11,540.00	6,012.00	2,762.12	1,046.64	9,820.76	3,739.49	2,014.90	1,090.99	6,845.38	2,114.92	1,657.65	806.52	4,579.09	706.33	1,049.24	552.46	2,308.03	167.42	914.35	526.46	1,608.23
Unallocated assets				1,524.57				1,295.91				1,128.88				889.98				655.92				423.94
Total assets	6,860.80	3,715.62	963.58	13,064.57	6,012.00	2,762.12	1,046.64	11,116.67	3,739.49	2,014.90	1,090.99	7,974.26	2,114.92	1,657.65	806.52	5,469.07	706.33	1,049.24	552.46	2,963.95	167.42	914.35	526.46	2,032.17
Segment liabilities	1,092.60	1,042.23	211.94	2,346.77	1,110.14	1,100.99	232.45	2,443.58	652.60	990.87	137.68	1,781.15	377.65	220.15	129.86	727.66	83.38	556.72	137.07	777.17	24.12	223.19	117.46	364.77
Unallocated liabilities				6,406.20				4,502.98				2,058.65				2,287.74				1,482.82				989.04
Total liabilities	1,092.60	1,042.23	211.94	8,752.97	1,110.14	1,100.99	232.45	6,946.56	652.60	990.87	137.68	3,839.80	377.65	220.15	129.86	3,015.40	83.38	556.72	137.07	2,259.99	24.12	223.19	117.46	1,353.81
Capital expenditure	397.63	4.49	0.14	402.26	1,613.83	7.48	18.32	1,639.63	1,243.23	69.68	24.32	1,337.23	895.76	29.44	-	925.20	361.67	-	-	361.67	172.34	-	24.70	197.04
Unallocated capital expenditure				52.21				235.97				167.61				141.98				105.74				20.72
Total	397.63	4.49	0.14	454.47	1,613.83	7.48	18.32	1,875.60	1,243.23	69.68	24.32	1,504.84	895.76	29.44	-	1,067.18	361.67	-	-	467.41	172.34	-	24.70	217.76
Depreciation	335.87	18.53	4.58	358.98	558.49	33.58	10.39	602.46	267.24	37.21	6.35	310.80	130.29	8.37	9.92	148.58	53.47	-	3.53	57.00	3.92	-	1.46	5.38
Unallocated depreciation				37.82				45.54				35.93				27.99				12.21				5.44
Non cash expenditure	10.57	89.28	11.12	110.97	-	122.03	48.22	170.25	-	75.18	31.85	107.03	1.39	56.58	27.00	84.97	-	8.02	3.87	11.89	-	2.25	-	2.25
Unallocated Non cash expenditure				-				-				-				5.43				-				-
Total	346.44	107.82	15.70	507.77	558.49	155.62	58.61	818.25	267.24	112.39	38.20	453.76	131.68	64.94	36.92	266.97	53.47	8.02	7.40	81.10	3.92	2.25	1.46	13.07

Note: Unallocated liabilities include borrowings by the Company.

b) Secondary segment information based on geographical location as at and for the period / year ended:

(i) Revenue by geographical segment

(Rs. in million)

Region	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
In India	5,684.81	9,459.39	6,352.68	5,101.49	2,413.74	2,681.09
Outside India	89.84	20.70	14.52	15.31	20.75	13.05
Total	5,774.65	9,480.09	6,367.20	5,116.80	2,434.49	2,694.14

(ii) Assets based on geographical location:

Region	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
In India	12,931.65	11,016.99	7,967.59	5,463.49	2,959.62	2,020.98
Outside India	132.92	99.68	6.67	5.58	4.33	11.19
Total	13,064.57	11,116.67	7,974.26	5,469.07	2,963.95	2,032.17

(iii) Capital expenditure based on geographical location:

Region	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
In India	449.56	1,814.16	1,504.85	1,067.18	467.41	217.76
Outside India	4.90	61.44	-	-	-	-
Total	454.46	1,875.60	1,504.85	1,067.18	467.41	217.76

AGS Transact Technologies Limited

Annexure XVI - Restated Consolidated Statement of Loans and Advances

Non-current loans and advances:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(Unsecured and considered good)						
Capital advances	84.49	39.46	27.92	5.41	-	-
Loans and advances to related parties	-	-	0.85	27.93	21.03	-
Others:						
Advances recoverable in cash or in kind	2.51	-	-	-	-	-
Security deposits	340.12	314.44	264.09	177.01	100.93	96.10
Deposit given for acquisition of ATM's	704.00	748.00	109.72	-	-	-
Taxes paid (net of provision for tax)	8.12	115.82	195.33	86.83	9.17	-
Prepaid expenses	24.05	16.66	13.98	0.62	-	-
One time upfront fees	215.51	255.67	358.79	337.88	-	-
Balances with government authorities	7.26	42.58	52.49	53.51	56.71	-
Total (A)	1,386.06	1,532.63	1,023.17	689.19	187.84	96.10

Current loans and advances:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Others:						
Advances recoverable in cash or in kind	186.47	163.30	183.38	163.29	75.52	-
Security deposits	21.11	16.00	2.41	19.69	15.58	1.06
Deposit given for acquisition of ATM's	88.00	88.00	12.18	-	-	-
Taxes paid (net of provision for tax)	-	85.40	-	0.07	-	-
Prepaid expenses	52.27	34.20	25.08	28.81	2.01	2.35
Advance to employees	-	-	-	-	-	-
One time upfront fees	80.22	80.22	67.26	107.70	117.23	-
Balances with government authorities	109.05	135.62	160.16	100.06	157.03	160.95
Loans to employees	18.57	25.36	13.78	8.07	5.34	6.04
Others	-	-	-	9.52	32.93	46.68
Total (B)	555.69	628.10	464.25	437.21	405.64	217.08
Total (A + B)	1,941.75	2,160.73	1,487.42	1,126.40	593.48	313.18

Notes:

- The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated consolidated summary statements as appearing in Annexure IV, IVA and statement of restatement adjustments to audited consolidated financial statements appearing in Annexure V.
- Following are the amounts due from Directors / Promoter / Promoter Group Companies / Group Companies / Relatives of Promoter / Relatives of Directors:

(Rs. in million)

Particulars	As at					
	30-Sep-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Instrument Research Associates Private Limited	-	-	-	19.70	21.03	-
AGS Sundyne Technologies India Private Limited	-	-	-	8.23	-	-
AGS Mega Automation Private Limited	-	-	0.85	-	-	-
Mr. Ravi B. Goyal	62.50	62.50	62.50	62.50	62.50	62.50
Mrs. Anupama R. Goyal	2.00	2.00	2.00	2.00	2.00	-

- The list of persons / entities classified as 'Promoter' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors.

AGS Transact Technologies Limited
Annexure XVII - Statement of Dividend Paid

(Rs. in million)

Particulars	Six month period ended 30-Sep-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Dividend on Compulsory Convertible Preference Shares (CCPS):						
Number of CCPS	7,141,664	7,141,664	7,141,664	6,991,664	-	-
Rate of dividend (%)	0.1%	0.1%	0.1%	0.1%	-	-
Dividend paid on preference shares	0.03	0.07	0.07	0.07	-	-
Tax on above dividend	0.01	0.01	0.01	0.01	-	-

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated consolidated financial information as of and for the six months ended September 30, 2014 and as of and for the years ended March 31, 2014, 2013 and 2012, and the related notes. Our restated consolidated financial information has been derived from our audited consolidated financial statements prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations. Indian GAAP differs in certain material respects with IFRS and U.S. GAAP. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12 month period ended March 31 of that year. This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-Looking Statements" and "Risk Factors" included on pages 12 and 13, respectively.

Overview

We are one of India's leading providers of a wide spectrum of payment solutions and technology products for the banking, retail and petroleum sectors. We provide customised products and solutions comprising ATMs and other automated payment products, related maintenance and managed services, cash management services and transaction switching services.

As of December 31, 2014, we had installed, maintained or managed a network of 41,569 ATMs, provided cash management services to more than 10,000 ATMs through our subsidiary, SVIL, installed more than 25,000 POS terminals, automated more than 5,000 petroleum outlets and installed more than 34,000 colour dispensing machines across India. Our operations covered more than 700 cities and towns, reaching out to more than 100,000 customer touch points across India, as of December 31, 2014.

We operate our business in the following segments:

- Banking Automation Solutions;
- Banking Payment Solutions; and
- Other Automation Solutions (for retail, petroleum and colour sectors).

Our Banking Automation Solutions segment, which commenced in 2004, comprises the supply and installation of ATMs and other automated banking products, the ATM site development and the provision of services, including maintenance, software and hardware upgrades and spare parts. As of December 31, 2014, we have supplied and installed 25,018 ATMs for more than 70 banking customers.

Our Banking Payment Solutions segment comprises ATM outsourcing and managed services, cash management services, electronic payment solutions and transaction switching services. Leveraging our banking automation solutions expertise, we began to offer ATM outsourcing and managed services in 2009.

- In our ATM outsourcing and managed services businesses, we are responsible for the end-to-end management of ATMs, starting from site identification and development, followed by machine deployment, maintenance and management on behalf of our customers. While in our outsourcing services business, we own the ATMs, under our managed services business, the ownership of these machines remains with the customers themselves. As of December 31, 2014, our portfolio consisted of 9,733 ATMs and 6,818 ATMs under our outsourcing and managed services businesses, respectively.
- Our subsidiary, SVIL's cash management services include cash pick-up, cash-in-transit, cash vaulting and cash processing services for ATMs managed by us and by other operators. As of December 31, 2014, we provide cash management services through a fleet of 421 cash vans, 15 vaults and 75 spoke locations, covering 440 cities and towns in India. For the six months ended December 31, 2014, SVIL replenished a daily average amount of ₹2,959.48 million.

- We also provide transaction switching services, where we integrate a variety of payment channels, including internet payment gateways and several mobile payment systems, to route, switch and process electronic transactions. This gives us the ability to cater to the needs of banks and other financial institutions across the payment transactions value chain, including assisting banks in the issuance of new cards, migrating their existing card base and the authorization of cards. Our in-house switch development software team also develops customized switching solutions for our customers. We launched our transaction switching services in 2011 and for the nine months ended December 31, 2014, we processed a daily average of 56,000 switching transactions.
- In June 2014, we were authorized to function as a white-label ATM operator in India, which we believe will enable us to further grow our presence while maintaining branding and operational flexibility.

We have also recently started offering Banking Automation Solutions and Banking Payment Solutions to banks and financial institutions in Singapore, Cambodia, the Philippines and Indonesia.

Our Other Automation Solutions business segment encompasses our retail, petroleum and colour operations. As part of our Other Automation Solutions segment, we supply automation products and provide implementation services, system integration, remote management and support and help desk services. Our colour operations primarily comprise the manufacture and supply of automatic and manual paint dispensers and the supply of engravers.

Significant Factors Affecting Our Results of Operations and Financial Condition

Ability to Deliver New and Innovative End-to-end Products and Services

The business segments in which we operate are characterised by evolving industry standards, changing customer preferences and introduction of new technologies, products and services. Responding to opportunities to expand into other services to complement our core banking offerings is a key element of our growth strategy. As new technologies develop, our infrastructure may need to be replaced or upgraded, or we may need to develop completely new services, such as our initiative to develop mobile payments services, to maintain our competitive position. We expect that our ability to anticipate these technological advances and develop innovative end-to-end solutions for our customers to meet their requirements in a timely and cost-effective manner will have a significant effect on our results of operations.

Further, we believe that the diversification of our business and revenue base is a key component of our success. We believe that our financial performance is tied to our ability to provide diversified, customised end-to-end products and services to existing and new customers. We have expanded our business from Banking Automation Solutions to Banking Payment Solutions and Other Automation Solutions, and continue to grow our portfolio of products and services. To the extent that our diversification strategy is successful, it will mitigate risks associated with revenue concentration.

Continued Relationships with Customers, Key Partners and Vendors

We have developed strong relationships with several key customers. We intend to deepen our relationships with our customers by offering customised, cross-sector, end-to-end payment transactions and automation solutions and procure repeat orders. Our ability to maintain and strengthen our relationships with such customers will affect our revenues.

We have established relationships with several key partners and vendors. Our ability to continue offer our products and services is dependent on our continued relationships with such key partners and vendors. We believe that our long-standing relationship with such companies has led to effective knowledge sharing and the adoption of global best practices, thereby enabling us to improve and develop our in-house service capabilities. Such tie-ups have also allowed us to develop credibility, as we are able to cater to our customers in a quick and effective manner. Consequently, the development and continued maintenance of relationships with our partners and vendors is a key factor in the operation of our business.

Government Policy and Regulation

The banking industry in India, and more specifically, the business of installing, maintaining and managing ATMs, is regulated and the regulatory environment has been subject to changes in the past. The extensive regulatory structure under which we carry out our operations influences our flexibility to respond to market conditions, competition or changes in our cost structure. We also operate in several countries and laws and regulations vary substantially in each country. We may be required to obtain additional licences and other permits as we expand our operations in each jurisdiction we currently operate and into new jurisdictions. These abovementioned factors may increase our costs, thereby affecting our results of operations and financial condition.

Further, interchange fees, which are the fees charged by one bank for usage of another bank's ATM card on the first bank's ATM machines, in India is set by member organisations such as the National Payments Corporation of India. Any potential future governmental or other actions that affect the amount of interchange fees that can be assessed on a transaction will affect our revenues.

For further details, please see the sections "*Regulations and Policies*" and "*Government and Other Approvals*" on pages 153 and 360, respectively.

Capital Requirements and Availability of Funding

Our business is capital intensive, as a substantial amount of capital is required to build, maintain and operate our ATM network and infrastructure. We may require a significant amount of capital to purchase automated products, develop and implement new technologies, acquire and invest in new businesses and expand our operations into new jurisdictions. We expect that our capital expenditures for the financial years 2016 and 2017 will be up to ₹1,500.00 million and ₹1,750.00 million, respectively. To the extent that our capital requirements exceed available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest expense and may require us to comply with additional restrictive covenants under our financing agreements. Our ability to obtain additional financing will also depend on a number of factors, including our future financial condition, results of operations and cash flows, general market conditions and economic, political and other conditions in the markets where we operate. Our ability to finance our capital needs, and secure other financing when needed, on acceptable terms, is a key factor in the operation of our business.

Market Conditions and Demand for our Products and Services

Our results of operations depend on the continued existence, success and growth of, and demand for, our various products and services. Developments in the global and Indian economy influence the decisions of enterprises to determine their spending for payment transactions and automation solutions, thereby affecting the demand for our products and services.

Sales to Indian customers have comprised a majority of our total revenues, so consequently, our operating results depend on general economic conditions in India. With the economy showing signs of recovery and the Government's focus on financial inclusion, we expect the demand for our products and services to grow. Further, as we have also started expanding our operations to other Southeast Asian countries, our results could be affected by economic conditions in those markets.

Our Critical Accounting Policies

We set forth below certain critical accounting policies. For a complete description of significant accounting policies applicable to us, see "*Financial Statements - Annexure IV – Notes to Restated Unconsolidated Summary Statements*" and "*Financial Statements - Annexure IV – Notes to Restated Consolidated Summary Statements*" on pages 209 and 245, respectively.

Basis of Preparation

Our restated consolidated summary statement of assets and liabilities as at September 30, 2014 and March 31, 2014, 2013 and 2012 and the related restated consolidated summary statement of profits and losses and restated

consolidated summary statement of cash flows for the six months ended September 30, 2014 and the financial years 2014, 2013 and 2012 and other financial information have been derived from our audited consolidated financial statements for the corresponding periods.

Our audited consolidated financial statements were prepared in accordance with the generally accepted accounting principles in India (“**Indian GAAP**”). We have prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies Act, 2013 and wherever applicable, read with the General Circular 08/2014 dated April 4, 2014 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. We have applied the accounting policies consistently for all the periods presented, except for change in accounting estimate set out below.

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on our best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Consolidation

Our restated consolidated financial information incorporate the financial information of our Company and its following subsidiaries:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest Held As At			
		March 31, 2012	March 31, 2013	March 31, 2014	September 30, 2014
Global Transact Services Pte. Ltd.	Singapore	100%	100%	100%	100%
India Transact Services Limited	India	100%	100%	100%	100%
Securevalue India Limited	India	-	100%	100%	100%
Novus Technologies Pte. Ltd.	Singapore	-	-	90%	90%
Novus Transact Philippines Corporation	Philippines	-	-	-	90%
Novus Technologies (Cambodia) Company Limited	Cambodia	-	-	-	90%

Fixed Assets and Depreciation

Tangible Fixed Assets. Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable cost related to the acquisition and installation of the respective assets. Further, pre-operative expenses such as salaries, rent, octroi charges, brokerage, legal and professional fees, among others, incurred during installation period are capitalised under the respective asset head as part of the indirect installation cost, to the extent to which the expenditure is allocable or apportioned to the asset-head. For composite contracts involving the acquisition of tangible assets and providing services, the tangible assets are capitalised at the respective fair value of the asset acquired.

Intangible Fixed Assets. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life of the asset. Intangible assets are assessed for impairment where there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. If

the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Depreciation on fixed assets. We have revised the depreciation rates on certain tangible fixed assets as per the useful life specified in Part 'C' of Schedule II to the Companies Act from April 1, 2014, as a result of such schedule becoming effective at such date. Until March 31, 2014, depreciation rates prescribed under Schedule XIV of the Companies Act, 1956 were treated as minimum rates and we were not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the earlier Schedule XIV. However, Schedule II allows companies to use higher or lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

We re-estimated useful lives and residual values of all our fixed assets as at April 1, 2014. We have revised the depreciation rates of certain tangible fixed assets as per the useful life specified in Part 'C' of Schedule II to the Companies Act. For certain tangible fixed assets, we believe that depreciation rates currently used fairly reflect their estimate of the useful lives and residual values of fixed assets, though these rates are different from those prescribed under Schedule II. As a result of this change, the depreciation charge for the six months ended September 30, 2014 is higher by ₹10.89 million. In respect of assets whose useful life is already exhausted as on April 1, 2014, depreciation of ₹0.70 million (net of deferred tax impact of ₹0.36 million) has been adjusted against the opening reserves in accordance with the requirement of Schedule II of the Companies Act.

Depreciation and Amortisation. Until March 31, 2014, depreciation on fixed assets was provided using the straight line basis and written down basis using the rates based on the useful lives estimated by us or those prescribed in Schedule XIV to the Companies Act, 1956, whichever was higher. From April 1, 2014, depreciation on fixed assets except ATM sites is provided on a written down basis using the rates arrived at based on the useful lives of the assets estimated by us.

We have used the following rates and methods to provide depreciation on our fixed assets:

Category	Method of Depreciation	Until March 31, 2014 Rate (%)	Life (years)	Revised Life (years)
Buildings – Freehold	Written Down Value	5.00	58	60
ATM Sites	Straight Line	14.28	7	7
Plant and Machinery	Written Down Value	13.91	20	15
Furniture and Fixtures	Written Down Value	18.10	15	10
Office Equipment, Electrical Installations and Air Conditioners	Written Down Value	13.91	20	5-10
Computers	Written Down Value	40.00	5	3-6
Vehicles for Office Purpose	Written Down Value	25.89	9	8
Vehicles for Cash Management Business	Straight Line	14.28	7	7
Software	Straight Line	25.00	4	4
Technical Know How	Straight Line	14.28	7	7

Goodwill on consolidation is amortised over a five year period.

Leasehold improvements are amortised over the primary period of lease, i.e., the lease period which ranges from three to nine years under the agreement, or the life of respective assets, whichever is lower.

Non-compete fees are amortised over the period of the contract, i.e., three years.

For ATM sites we have (supported by an independent assessment by professionals) estimated the useful life of seven years, which is lower than that indicated in Schedule II to the Companies Act.

Revenue Recognition

Revenue from the sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer usually on delivery of the goods. Revenue from the sale of ATM sites is recognised based on customer acceptance received on completion of the ATM sites. We collect sales tax and value added taxes on behalf of the Government, and, therefore, these are not economic benefits flowing to us. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Revenue from services is recognised on rendering of respective services to customers in accordance with the agreements entered into with the respective customers. Revenue from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered. We collect service tax on behalf of the Government and, therefore, these are not economic benefits flowing to us. Hence, they are excluded from revenue. The revenue from ATM management services is disclosed net of one time or upfront fees charged to the statement of profit and loss. The one time or upfront fees paid to customer are amortised over the period of the respective contract.

Dividend income is recognised when the right to receive dividend is established by the reporting date.

Interest income is recognised on the time proportion basis.

Leases

Where we are the lessee. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where we are the lessor. Leases in which we do not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

Inventories

Raw materials, finished goods, stores, spares, traded items and consumables are carried at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are to be sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis.

In determining the cost of raw materials, traded items, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of finished goods includes the cost of raw materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Transactions in Foreign Currency

Initial recognition. Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion. Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange difference. All other exchange differences are recognised as income or as expenses in the period in which they arise.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset or liability. The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period.

Translation of non-integral foreign operation. Foreign operations are classified under non-integral foreign operations. In translating the financial statements of non-integral foreign operations for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operations are translated at closing rate, income and expense items of the non-integral foreign operations are translated at the average exchange rate; all the resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of the net investment. On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or expenses in the same period in which the gain or loss on disposal is recognised. When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to calculate the amount are those enacted or substantively enacted at the reporting date. Tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same jurisdiction and enterprise.

We offset, on a year on year basis, the current tax assets and liabilities, where we have a legally enforceable right and where we intend to settle such assets and liabilities on a net basis.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the legal entity has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

In the situations where the legal entity is entitled to a tax holiday under tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognised in respect of timing differences which reverse during the tax holiday period, to the extent the legal entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax

holiday period is recognised in the year in which the timing differences originate. However, the legal entity restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, we re-assess unrecognised deferred tax assets. We recognise unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. We write-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Provisions and Contingencies

A provision is recognised when we have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty Provisions. Provisions for warranty-related costs are recognised when the related product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is reviewed and revised annually.

Contingent Liabilities. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond our control or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. We do not recognise a contingent liability but disclose its existence in the financial statements.

Segment Reporting

Identification of segments. Our operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products or services and serves different markets.

Inter-segment transfers. We generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs. Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items. Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies. We prepares our segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of our Company as a whole.

Employee Stock Compensation Cost

Employees (including senior executives) receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost, if any, of equity-settled transactions is measured using the intrinsic value method and recognised, together with a corresponding increase in the “stock options outstanding account” in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and our best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Segment Information

Our financial statements are prepared and presented in three business segments:

- Banking Automation Solutions, which comprises sale of ATM machines, ATM sites, banking kiosks, currency technology products and self-service terminals and services related to such sales both within and outside India;
- Banking Payment Solutions, which includes the complete management of ATMs under both outsourcing and managed services models, transaction switching and processing, cash management services and electronic payment solutions; and
- Other Automation Solutions, which comprises sale of machines and related services to customers present in the retail, petroleum and colour sectors.

Our segment-wise revenue net of inter-segment revenue and results are presented below for the six months ended September 30, 2014:

Particulars	Banking Automation Solutions <i>Amount (₹ in millions)</i>	Banking Payment Solutions <i>Amount (₹ in millions)</i>	Other Automation Solutions <i>Amount (₹ in millions)</i>	Total Amount <i>(₹ in millions)</i>
Total Revenue	2,081.80	2,949.13	743.72	5,774.65
Segment Results	282.40	554.12	90.36	926.88

Our segment-wise total revenue net of inter-segment revenue and results are presented below for financial years 2014, 2013 and 2012:

Financial Year	Particulars	Banking Automation Solutions <i>Amount (₹ in millions)</i>	Banking Payment Solutions <i>Amount (₹ in millions)</i>	Other Automation Solutions <i>Amount (₹ in millions)</i>	Total Amount <i>(₹ in millions)</i>
2014	Total Revenue	2,953.37	4,846.20	1,680.52	9,480.09
	Segment Results	336.17	941.16	70.64	1,347.97
2013	Total Revenue	2,109.91	2,740.79	1,516.50	6,367.20
	Segment Results	216.07	431.48	168.02	815.57
2012	Total Revenue	2,116.12	1,752.48	1,248.20	5,116.80
	Segment Results	392.79	376.67	29.52	798.98

Revenue and Expenses

Revenue. Our total revenue consists of revenue from operations and other income.

Revenue from Operations. Revenue from operations comprises revenues from the sale of products, the sale of manufactured goods and the sale of services.

Sale of products comprises sale of:

- Petroleum automation products (contributing to the Other Automation Solutions segment); and
- Certain banking automation products sold by our overseas subsidiaries (contributing to the Banking Automation Solutions segment).

Sale of manufactured goods comprises sale of:

- Banking currency automation products, ATM and ATM sites (contributing to the Banking Automation Solutions segment); and
- Retail and colour automation products (contributing to the Other Automation Solutions segment).

Revenue from sale of services comprises:

- Revenue from cash management services (contributing to the Banking Payment Solutions segment);
- AMC services (services revenue in respect of automation products supplied under both Banking Automation Solutions and Banking Payment Solutions segments);
- ATM management services, such as outsourcing and managed services, transaction switching and processing and electronic payments solutions (contributing to the Banking Payment Solutions segment); and
- Services revenue in respect of petroleum, retail and colour automation products (contributing to the Other Automation Solutions segment).

Other Income. Other income primarily includes interest income, income from insurance claims received and gain on foreign exchange transactions and translations.

Expenses

Expenses consists of cost of raw materials and components consumed, purchase of traded goods, increase or decrease in inventories of finished goods and traded goods, employee benefit expenses and other expenses.

Cost of raw materials and components consumed. Cost of raw materials and components consumed comprises manufacturing and all other direct costs incurred towards the sale of automation products.

Purchase of traded goods. Purchase of traded goods comprises the cost of petroleum automation products and certain banking automation products purchased by our overseas subsidiaries.

Increase or decrease in inventories of finished goods and traded goods. Increase or decrease in inventories of finished goods and traded goods comprise the finished goods stocks, manufacturing and purchase and sale of our products under the Banking Automation Solutions and Other Automation Solutions segments.

Employee benefit expenses. Employee benefit expenses include salaries, wages and bonuses, contributions to the provident fund, gratuity and other staff welfare benefits.

Other Expenses. Other expenses include:

- Cash management expenses;
- Rent expenses;
- Caretaker and housekeeping expenses;
- Electricity expenses;
- Subcontracting expenses;
- Communication expenses; and
- Fuel costs.

Our Results of Operations

The following table sets out financial data from our restated consolidated information of profit and loss for the financial years 2012, 2013 and 2014 and the six months ended September 30, 2014, the components of which are also expressed as a percentage of total revenue for such periods:

	For the Financial Year						For the Six Months ended September 30, 2014	
	2012		2013		2014		Amount (₹ in millions)	% of Total Revenue
	Amount (₹ in millions)	% of Total Revenue	Amount (₹ in millions)	% of Total Revenue	Amount (₹ in millions)	% of Total Revenue		
Revenue								
Revenue from Operations (net)	5,116.80	99.7	6,367.20	99.7	9,480.09	99.7	5,774.65	99.7
Other Income	16.10	0.3	16.35	0.3	32.47	0.3	16.02	0.3
Total Revenue	5,132.90	100.0	6,383.55	100.0	9,512.56	100.0	5,790.67	100.0
Expenses								
Cost of Raw Materials and Components Consumed	2,014.97	39.3	2,504.73	39.2	3,091.52	32.5	2,352.62	40.6
Purchase of Traded Goods	217.00	4.2	157.11	2.5	229.74	2.4	97.66	1.7
(Increase)/Decrease in Inventories of Finished Goods and Traded Goods	88.22	1.7	(123.12)	(1.9)	(87.45)	(0.9)	(539.43)	(9.3)
Employee Benefit Expenses	427.35	8.3	614.57	9.6	894.96	9.4	595.16	10.3
Other Expenses	1,760.50	34.3	2,566.83	40.2	4,048.81	42.6	2,323.87	40.1
Finance Costs	281.72	5.5	246.91	3.9	560.10	5.9	312.91	5.4
Depreciation and Amortisation	176.57	3.4	346.73	5.4	648.00	6.8	396.80	6.9
Restated Profit before Tax	166.57	3.2	69.79	1.1	126.88	1.3	251.08	4.3

	For the Financial Year						For the Six Months ended September 30, 2014	
	2012		2013		2014		Amount (₹ in millions)	% of Total Revenue
	Amount (₹ in millions)	% of Total Revenue	Amount (₹ in millions)	% of Total Revenue	Amount (₹ in millions)	% of Total Revenue		
Total Tax Expense	61.13	1.2	30.44	0.5	91.02	1.0	108.54	1.9
Restated Profit After Tax Before Minority Interest	105.44	2.1	39.35	0.6	35.86	0.4	142.54	2.5
Minority Interest	—	—	—	—	(5.27)	(0.1)	—	—
Restated Profit for the Year/Period	105.44	2.1	39.35	0.6	41.13	0.4	142.54	2.5

Six Months Ended September 30, 2014

Total Revenue. Our total revenue was ₹5,790.67 million for the six months ended September 30, 2014, primarily comprising revenue from operations.

Revenue from Operations. Our revenue from operations was ₹5,774.65 million for the six months ended September 30, 2014. Our revenue from Banking Automation Solutions, Banking Payment Solutions and Other Automation Solutions was ₹2,081.80 million, ₹2,949.13 million and ₹743.72 million, respectively, for the six months ended September 30, 2014.

In our Banking Automation Solutions segment, revenue from sale of ATMs and ATM sites was ₹1,560.30 million. Revenue in our Banking Payment Solutions segment was driven by an increase in the transaction fee under one of our managed services contracts.

In our Other Automation Solutions segment, revenue from our retail sector products was a key contributor during the six months ended September 30, 2014.

Other Income. Our other income was ₹16.02 million for the six months ended September 30, 2014, primarily comprising insurance claim payments of ₹12.61 million.

Cost of Raw Materials and Components Consumed. Our cost of raw materials and components consumed was ₹2,352.62 million for the six months ended September 30, 2014, which primarily related to various automation products sourced for all our business segments.

Purchase of Traded Goods. Our purchase of traded goods for all our business segments was ₹97.66 million for the six months ended September 30, 2014, which primarily related to purchase of petroleum automation products.

Inventories of Finished Goods and Traded Goods. Increases in inventories of finished goods and traded goods was ₹539.43 million for the six months ended September 30, 2014.

Employee Benefit Expenses. Our employee benefits expense was ₹595.16 million for the six months ended September 30, 2014. We had an increase in salaries, wages and bonuses and an increase in the number of employees during the six months ended September 30, 2014.

Other Expenses. Our other expenses was ₹2,323.87 million for the six months ended September 30, 2014, which primarily comprised cash management expenses of ₹413.74 million, rent and taxes of ₹477.96 million, caretaker and housekeeping expenses of ₹505.69 million and electricity expenses of ₹136.15 million.

Finance Costs. Our finance cost was ₹312.91 million for the six months ended September 30, 2014. Our total long-term borrowings (including current maturities) and short-term borrowings was ₹6,031.31 million as of September 30, 2014 as compared to ₹4,243.53 million as of March 31, 2014.

Depreciation and Amortisation. Our depreciation and amortisation expenses was ₹396.80 million for the six months ended September 30, 2014.

Total Tax Expense. Our total tax expense was ₹108.54 million for the six months ended September 30, 2014. Our effective tax rate for the six months ended September 30, 2014 was 43.2%.

Restated Profit For the Period. Our restated profit for the six months ended September 30, 2014 was ₹142.54 million.

Financial Year 2014 Compared to Financial Year 2013

Total Revenue. Our total revenue increased by 49.0% to ₹9,512.56 million for the financial year 2014 from ₹6,383.55 million for the financial year 2013, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 48.9% to ₹9,480.09 million for the financial year 2014 from ₹6,367.20 million for the financial year 2013.

Our revenue from Banking Automation Solutions increased by 40.0% to ₹2,953.37 million for the financial year 2014 from ₹2,109.91 million for the financial year 2013, primarily due to:

- an increase in revenue from the sale of ATMs and ATM sites to ₹2,412.22 million for the financial year 2014 from ₹1,657.38 million for the financial year 2013, which related to an increase in orders for procuring ATMs and site building mostly from public sector unit banks; and
- a 30.5% increase in AMC revenue between the financial years 2014 and 2013, as a result of the expiry of warranties from sales in earlier years.

Our revenue from Banking Payment Solutions increased by 76.8% to ₹4,846.20 million for the financial year 2014 from ₹2,740.79 million for the financial year 2013, primarily due to:

- the effect of a full year of revenue from the deployment of ATMs during the financial year 2013; and
- revenue from the outsourcing contract with Axis Bank Limited under which we had acquired a portfolio of Axis Bank Limited's ATMs in March 2013.

Our revenue from Other Automation Solutions segment increased by 10.8% to ₹1,680.52 million for the financial year 2014 from ₹1,516.50 million for the financial year 2013, primarily due to increases in service revenue.

Other Income. Our other income increased by 98.6% to ₹32.47 million for the financial year 2014 from ₹16.35 million for the financial year 2013, primarily due to an increase in interest income from others to ₹11.22 million for the financial year 2014 from ₹0.71 million for the financial year 2013 and an increase in insurance claim payments to ₹13.49 million for the financial year 2014 from ₹5.81 million for the financial year 2013.

Cost of Raw Materials and Components Consumed. Our cost of raw materials and components consumed increased by 23.4% to ₹3,091.52 million for the financial year 2014 from ₹2,504.73 million for the financial year 2013, primarily due to an overall growth in our Banking Automation Solutions and Other Automation Solutions segments. Cost of raw materials and components consumed as a percentage of our total revenue decreased from 39.2% for the financial year 2013 to 32.5% for the financial year 2014, as a result of an increase in volume of sale of automation products.

Purchase of Traded Goods. Our purchase of traded goods increased by 46.2% to ₹229.74 million for the financial year 2014 from ₹157.11 million for the financial year 2013, primarily due to the growth in our petroleum automation business and the expansion of our operations in Southeast Asian countries.

Inventories of Finished Goods and Traded Goods. Increases in inventories of finished goods and traded goods was ₹87.45 million for the financial year 2014 as compared to ₹123.12 million for the financial year 2013, primarily attributable to an increase in sales.

Employee Benefit Expenses. Our employee benefits expense increased by 45.6% to ₹894.96 million for the financial year 2014 from ₹614.57 million for the financial year 2013, primarily as a result of an increase in our number of employees as a result of the growth of our cash management services business. Our number of employees increased to 3,856 as of March 31, 2014 from 2,312 as of March 31, 2013. Although our total number of employees and employee benefit expenses increased from the financial year 2013 to the financial year 2014, employee benefit expenses as a percentage of our total revenue decreased marginally from 9.6% to 9.4%, respectively.

Other Expenses. Our other expenses increased by 57.7% to ₹4,048.81 million for the financial year 2014 from ₹2,566.83 million for the financial year 2013, primarily due to an increase in rent and taxes to ₹904.16 million from ₹444.38 million, an increase in cash management expenses to ₹979.68 million from ₹729.45 million, an increase in caretaker and housekeeping expenses to ₹580.28 million from ₹392.54 million and an increase in electricity expenses to ₹269.73 million from ₹151.15 million, each as a result of the growth in the size of our ATM portfolio in our Banking Payment Solutions segment.

Finance Costs. Our finance costs increased by 126.8% to ₹560.10 million for the financial year 2014 from ₹246.91 million for the financial year 2013. The increase in total long-term borrowings (including current maturities) and short-term borrowings to ₹4,243.53 million as of March 31, 2014, from ₹1,836.49 million as of March 31, 2013, was primarily on the account of borrowings for capital expenditures made to grow our business.

Depreciation and Amortisation. Our depreciation and amortisation expenses increased by 86.9% to ₹648.00 million for the financial year 2014 from ₹346.73 million for the financial year 2013, primarily relating to the increase in our fixed assets in our Banking Payment Solutions segment as of March 31, 2014 as compared to March 31, 2013.

Total Tax Expense. Our total tax expense increased by 199.0% to ₹91.02 million for the financial year 2014 from ₹30.44 million for the financial year 2013, primarily as result of increase in our taxable income. Our effective tax rate for the financial year 2014 was 71.7%, as compared to 43.6% for the financial year 2013. The increase in the effective tax rate for the financial year 2014 from the financial year 2013 was on account of losses in our subsidiaries.

Restated Profit For the Year. Our restated profit for the year increased by 4.5% to ₹41.13 million for the financial year 2014 from ₹39.35 million for the financial year 2013.

Financial Year 2013 Compared to Financial Year 2012

Total Revenue. Our total revenue increased by 24.4% to ₹6,383.55 million for the financial year 2013 from ₹5,132.90 million for the financial year 2012, primarily as a result of an increase in revenue from operations.

Our Revenue from Operations. Our revenue from operations increased by 24.4% to ₹6,367.20 million for the financial year 2013 from ₹5,116.80 million for the financial year 2012.

Our revenue from Banking Automation Solutions decreased marginally by 0.3% to ₹2,109.91 million for the financial year 2013 from ₹2,116.12 million for the financial year 2012, primarily due to:

- the reduced number of public sector unit bank tenders for the sale of ATMs and ATM sites, as these banks started to use the ATM outsourcing model;

- substantially offset by the introduction of a range of currency technology products, increased AMC revenue as a result of expiry of warranty for earlier years' sales and changes in revenue and customer composition.

Our revenue from Banking Payment Solutions increased by 56.4% to ₹2,740.79 million for the financial year 2013 from ₹1,752.48 million for the financial year 2012, primarily due to:

- the effect of a full year of revenue from the ATMs deployed during the financial year 2012; and
- the effect of the increase in deployment of ATMs.

Our revenue from Other Automation Solutions increased by 21.5% to ₹1,516.50 million for the financial year 2013 from ₹1,248.20 million for the financial year 2012, primarily due to increases in service revenue and growth in product sales.

Other Income. Our other income increased by 1.6% to ₹16.35 million for the financial year 2013 from ₹16.10 million for the financial year 2012, primarily due to an increase in insurance claim payments received to ₹5.81 million for the financial year 2013 from ₹1.60 million for the financial year 2012.

Cost of Raw Materials and Components Consumed. Our cost of raw materials and components consumed increased by 24.3% to ₹2,504.73 million for the financial year 2013 from ₹2,014.97 million for the financial year 2012, primarily due to an overall growth in our Other Automation Solutions segment and introduction of a new range of currency technology products in our Banking Automation Solutions segment.

Purchase of Traded Goods. Our purchase of traded goods for all our business segments decreased by 27.6% to ₹157.11 million for the financial year 2013 from ₹217.00 million for the financial year 2012, primarily due to a reduction in the sales of petroleum automation products.

Inventories of Finished Goods and Traded Goods. Increase in inventories of finished goods and traded goods was ₹123.12 million for the financial year 2013 as compared to a decrease of ₹88.22 million for the financial year 2012, primarily attributable to our expectation of increased sales in the financial year 2013.

Employee Benefit Expenses. Our employee benefits expense increased by 43.8% to ₹614.57 million for the financial year 2013 from ₹427.35 million for the financial year 2012, primarily as a result of an increase in salaries, wages and bonuses and an increase in the number of employees in our Banking Payments Solutions segment and in our cash management services business. Our number of employees increased to 2,312 as of March 31, 2013 from 1,511 as of March 31, 2012.

Other Expenses. Our other expenses increased by 45.8% to ₹2,566.83 million for the financial year 2013 from ₹1,760.50 million for the financial year 2012, primarily due to an increase in rent and taxes to ₹444.38 million from ₹277.97 million, an increase in cash management expenses to ₹729.45 million from ₹518.27 million, an increase in caretaker and housekeeping expenses to ₹392.54 million from ₹204.31 million and an increase in electricity expenses to ₹151.15 million from ₹72.39 million, each as a result of the growth in size of our ATMs portfolio under the Banking Payment Solutions segment.

Finance Costs. Our finance costs decreased by 12.4% to ₹246.91 million for the financial year 2013 from ₹281.72 million for the financial year 2012. The decrease in our finance costs and total long-term and short-term borrowings to ₹1,836.49 million as of March 31, 2013 from ₹2,003.75 million as of March 31, 2012 was as a result of the issuance and sale of equity shares of our Company and the use of a portion of net proceeds therefrom to repay outstanding indebtedness.

Depreciation and Amortisation. Our depreciation and amortisation expenses increased by 96.4% to ₹346.73 million for the financial year 2013 from ₹176.57 million for the financial year 2012, primarily relating to the increase in our fixed assets mostly in our Banking Payments Solutions segment.

Total Tax Expense. Our total tax expense decreased by 50.2% to ₹30.44 million for the financial year 2013 from ₹61.13 million for the financial year 2012, due to a decrease in our taxable income. Our effective tax rate for the financial year 2013 was 43.6%, as compared to 36.7% for the financial year 2012.

Restated Profit For the Year. Our restated profit for the year decreased by 62.7% to ₹39.35 million for the financial year 2013 from ₹105.44 million for the financial year 2012.

Financial Condition, Liquidity and Capital Resources

We define liquidity as our ability to generate sufficient funds from internal and external sources to meet our obligations and commitments. In addition, liquidity includes the ability to obtain appropriate equity and debt financing and to convert into cash those assets that are no longer required to meet existing strategic and financial objectives. Liquidity cannot be considered separately from capital resources that consist of current or potentially available funds for use in achieving long-range business objectives and meeting debt service and other commitments.

We have historically financed our capital requirements primarily through financing from banks and other financial institutions in the form of term loans, cash generated from the issuance of equity shares and cash generated from operating activities. We are required to undertake capital investment on a regular basis to purchase and upgrade automated products, among other things. Our financing requirements are primarily for such capital expenditures, developing and implementing new technologies, acquiring and investing in new businesses, expanding our operations into new jurisdictions and working capital. We believe that we will have sufficient capital resources from our operations, net proceeds of the Issue and other financing from banks, financial institutions and other lenders to meet our capital requirements for at least the next 12 months.

Cash Flows

The table below summarises our cash flows for the financial years 2012, 2013 and 2014 and the six months ended September 30, 2014:

	For the Financial Year			For the six months ended September 30, 2014
	2012	2013	2014	
	Amount (₹ in millions)			
Net cash generated from / (used in) operating activities	(966.57)	182.43	(0.78)	(727.04)
Net cash (used) in investing activities	(1,055.25)	(1,517.61)	(1,841.87)	(503.99)
Net cash generated from financing activities	2,103.90	1,232.24	1,854.19	1,475.55
Net increase / (decrease) in cash and cash equivalents	82.08	(102.94)	11.54	244.51

Operating Activities

Net cash used in operating activities was ₹727.04 million for the six months ended September 30, 2014. While our profit before taxation was ₹251.08 million for the six months ended September 30, 2014, we had an operating profit before working capital changes of ₹1,072.47 million primarily as a result of adjustments due to depreciation and amortisation of ₹396.80 million and finance costs of ₹277.70 million. Our working capital adjustments to our net cash from operations for the six months ended September 30, 2014, primarily included an increase in trade receivables of ₹1,133.98 million and an increase in inventories of ₹713.14 million.

Net cash used in operating activities was ₹0.78 million for the financial year 2014. While our profit before taxation was ₹126.88 million for the financial year 2014, we had an operating profit before working capital changes of ₹1,493.71 million primarily as a result of adjustments due to depreciation and amortisation of ₹648.00 million, finance costs of ₹525.27 million and ₹129.25 million in inventories written off, which related to spare parts and

components that have become obsolete. Our working capital adjustments to our net cash from operations for the financial year 2014 primarily included an increase in other current liabilities of ₹576.95 million, which primarily related to current maturity of our long-term borrowing, which was partially offset by an increase in other current assets of ₹612.39 million, and increase in deposits given for the acquisition of ATMs of ₹714.10 million.

Net cash generated from operating activities was ₹182.43 million for the financial year 2013. While our profit before taxation was ₹69.79 million for the financial year 2013, we had an operating profit before working capital changes of ₹755.77 million primarily as a result of adjustments due to depreciation and amortisation of ₹346.73 million and finance costs of ₹246.91 million. Our working capital adjustments to our net cash from operations for the financial year 2013 primarily included an increase in trade payables of ₹808.05 million, which was partially offset by an increase in trade receivables of ₹658.40 million, and an increase in inventories of ₹466.88 million.

Net cash used in operating activities was ₹966.57 million for the financial year 2012. While our profit before taxation was ₹166.57 million for the financial year 2012, we had an operating profit before working capital changes of ₹706.67 million primarily as a result of adjustments due to finance costs of ₹281.72 million and depreciation and amortisation of ₹176.57 million. Our working capital adjustments to our net cash from operations for the financial year 2012 primarily included an increase in other current liabilities of ₹78.96 million, which primarily related to current maturity of our long-term borrowing, which was offset by an increase in trade receivables of ₹803.38 million, an increase in other loans and advances of ₹449.66 million and increase in inventories of ₹282.26 million.

Investing Activities

Net cash used in investing activities was ₹503.99 million for the six months ended September 30, 2014, primarily consisting of the purchase of fixed assets, including capital work-in-progress, of ₹509.81 million, partially offset by fixed deposits matured during the period of ₹4.14 million and interest received of ₹1.68 million.

Net cash used in investing activities was ₹1,841.87 million for the financial year 2014, primarily consisting of the purchase of fixed assets, including capital work-in-progress, of ₹1,881.23 million, partially offset by fixed deposits matured during the year of ₹23.32 million and the sale of current investments of ₹8.26 million.

Net cash used in investing activities was ₹1,517.61 million for the financial year 2013, primarily consisting of the purchase of fixed assets, including capital work-in-progress, of ₹1,496.66 million, partially offset by the sale of current investments of ₹420.02 million and loans repaid back by a related party of ₹52.14 million.

Net cash used in investing activities was ₹1,055.25 million for the financial year 2012, primarily consisting of the purchase of fixed assets, including capital work-in-progress, of ₹1,072.59 million, partially offset by fixed deposits matured during the year of ₹9.55 million and interest received of ₹7.79 million.

Financing Activities

Net cash from financing activities was ₹1,475.55 million for the six months ended September 30, 2014. Net cash from financing activities primarily consisted of proceeds from secured short-term borrowings of ₹1,649.30 million, partially offset by interest paid of ₹277.01 million and the repayment of long-term borrowings of ₹271.27 million.

Net cash from financing activities was ₹1,854.19 million for the financial year 2014. Net cash from financing activities primarily consisted of proceeds from long-term borrowings of ₹2,311.48 million, partially offset by interest paid of ₹517.96 million and the repayment of long-term borrowings of ₹312.66 million.

Net cash from financing activities was ₹1,232.24 million for the financial year 2013. Net cash from financing activities primarily consisted of proceeds from the issuance of equity shares of ₹1,633.32 million, partially offset by the repayment of secured short-term borrowings of ₹848.92 million and interest paid of ₹221.06 million.

Net cash from financing activities was ₹2,103.90 million for the financial year 2012. Net cash from financing activities primarily consisted of proceeds from the issuance of compulsory convertible preference share capital of

₹1,700.00 million, partially offset by the repayment of unsecured short-term borrowings of ₹158.71 million and interest paid of ₹246.72 million.

Indebtedness

Our indebtedness as of September 30, 2014 is set out below:

	As of September 30, 2014
	Amount (₹ in millions)
Secured Loans	
Long-term Borrowings (includes current maturities)	2,976.50
Short-term Borrowings	3,054.81
Total Secured Loans	6,031.31
Total Unsecured Loans	-
Grand Total	6,031.31

Our financing agreements that we have entered into with our lenders contain certain restrictive covenants that limit our ability to undertake certain types of transactions. We are required to obtain an approval from our lenders for, among other things:

- effecting any change in the capital structure;
- undertaking any merger, de-merger, consolidation, reorganisation, scheme of arrangement or compromise;
- undertaking any new project or implementing any scheme of expansion or acquiring fixed assets or incurring major capital expenditure or incurring capital expenditure which is not in the ordinary course of business;
- prepaying loans;
- declaring dividends;
- investing, lending, extending advances or placing deposits with any other concern;
- entering into borrowing arrangements;
- creating any charges, lien or encumbrances over its assets;
- selling, assigning, mortgaging or disposing off any fixed assets charged to a lender;
- enter into profit or income sharing arrangements with any other person;
- entering into any contractual obligation of a long-term nature or affecting our Company financially to a significant extent;
- changing the ownership pattern or management structure of our Company or effecting any material changes in the management of the business;
- changing the composition of our Board of Directors; and
- making amendments to the Memorandum of Association and Articles of Association.

See “Risk Factors – Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, financial condition, cash flows and results of operations” on page 22.

Credit Ratings

We have obtained the following ratings from ICRA Limited for a line of credit in the total amount of ₹7,000 million:

- Long-term rating of ICRA A; the outlook on long term rating is stable, and
- Short term rating of ICRA A1.

These ratings are valid until September 23, 2015.

Capital and Other Commitments

As of September 30, 2014, our estimated contracts, remaining to be executed on capital account and not provided for were ₹100.15 million. These contracts primarily relate to construction of a new office building in Navi Mumbai and cash vaults for our subsidiary's cash management business.

Operating Leases

We have entered into operating leases for our office premises and ATM sites. The leases have a life ranging between 2.5 to 9 years.

As of September 30, 2014, the future minimum lease payments in respect of our operating leases are as follows:

Particulars	Within 1 Year	Between 1 and 5 Years	More than 5 Years	Total
	Amount (₹ in millions)			
Minimum Lease Payments	186.80	411.73	23.25	621.78

Capital Expenditures

We expect that our capital expenditures for the financial years 2016 and 2017 will be up to ₹1,500.00 million and ₹1,750.00 million, respectively.

Contingent Liabilities

The following table sets out our contingent liabilities as of September 30, 2014:

Particulars	As of September 30, 2014
	Amount (₹ in millions)
Excise Duty Matters	5.16
Sales Tax Matters	9.30
Service Tax Matters	0.47
Total	14.93

For details, see “Financial Statements – Annexure IX – Restated Consolidated Statement of Contingent Liabilities”, in accordance with the provisions of Accounting Standard - 29 – Provisions, Contingent Liabilities and Contingent Assets on page 263.

Related Party Transactions

We have in the past engaged, and in the future may engage, in transactions with related parties, including with our affiliates. In the past, such transactions have been for, among other things, the purchase or sale of goods and services, loans granted and provision of professional services.

For additional details of our related party transactions, see the section “Related Party Transactions” on page 195.

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

Exchange Rate Risk

We procure products such as ATMs, POS, cash billing terminals and petroleum automation equipment and some of our spare parts and consumables from suppliers overseas. We face exchange rate risk because revenues of our international subsidiaries and certain of our obligations are denominated in foreign currencies. Although we currently have hedging arrangements for some of our foreign exchange exposure, we remain exposed to exchange rate risk.

Interest Rate Risk

We are subject to interest rate risk, primarily because most of our borrowings from banks and other financial institutions are at floating interest rates. As of September 30, 2014, most of our indebtedness consisted of floating rate indebtedness.

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which affects our results of operations.

Inflation Risk

India has experienced high inflation in the past. See the section “*Risk Factors – Political, economic or other factors that are beyond our control may have an adverse effect on our business, results of operations, cash flows and financial condition*” on page 28.

Unusual or Infrequent Events or Transactions

To our knowledge, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in “- *Significant Factors Affecting Our Results of Operations and Financial Condition*” and the uncertainties described in the section “*Risk Factors*” on pages 276 and 13, respectively. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in “*Risk Factors*” on page 13 and this section, there are no known factors that might affect the future relationship between cost and revenue.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections “*Risk Factors*” and “*Our Business*” on pages 13 and 134, respectively.

Seasonality of Business

Our business is not seasonal in nature.

New Products or Business Segments

Except as disclosed in “*Our Business*” on page 134, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Developments Occurring after September 30, 2014

To our knowledge, except as disclosed in “*Capital Structure*” on page 70, no circumstances have arisen since the date of the last restated financial information as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of outstanding secured borrowings/facilities as of December 31, 2014, together with a brief description of certain significant terms of such financing agreements, in respect of our Company and the Subsidiaries:

I. Details of Secured Borrowings/Facilities of our Company

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
1.	GE Capital Services India (“GE”)	Indian Rupee term loan to finance the purchase and installation of ATMs and related assets to be installed under the DFS contracts (agreements for outsourcing of installation and maintenance of certain cash dispensers, related assets and services). (Sanction letter dated May 23, 2013, as amended on June 27, 2013 and loan agreement dated June 28, 2013)	₹650 million	₹236.83 million	12.45%	66 months from the date of each drawdown under the facility. Each tranche shall have a principal moratorium for the first six months. The principal shall be repaid in 60 monthly instalments of ₹4.83 million starting from February 3, 2014.	The facility is secured by: • An exclusive charge over the ATMs and related assets to be installed under the DFS contracts; • Assignment of receivables and cash flows related to the assets under the DFS contracts; and • An exclusive charge over the escrow account opened with HDFC Bank Limited
2.	HDFC Bank Limited (“HDFC”)	Term loan for the reimbursement of capital expenditure incurred by our Company for installation of ATMs done exclusively for HDFC after April 1,	₹225 million	₹217.50 million	11.80%	The principal amount of the facility shall, if not demanded earlier by HDFC, be repaid by our Company within a period of 63 months (including a moratorium of three	The facility is secured by a first exclusive charge by way of hypothecation over ATMs and other related assets, both present and future, at 517 ATM sites installed exclusively for HDFC

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		2012 and until March 31, 2014. (Sanction letter for incremental credit facility dated July 19, 2014 and loan agreement dated August 23, 2014)				months) from August 26, 2014, i.e., on or before November 26, 2019, by quarterly instalments of ₹10.875 million each, to be paid on or before the last day of every quarter. ¹⁰	under the outsourcing model
3.	ICICI Bank Limited ("ICICI")	Indian Rupee term loan to meet the capital expenditure of our Company and all direct and incidental expenses in relation to the execution of the transaction documents in relation to the facility (Credit arrangement letter dated March 23, 2012 and the rupee loan facility agreement dated May 19, 2012)	₹500 million	₹312.50 million	12.50%	Five years from the first drawdown date, including a moratorium of 12 months. The facility is required to be repaid in 16 equal quarterly instalments of ₹31.25 million each, starting at the end of the 15 th month from the first drawdown date. ¹¹	The facility is secured by: • First <i>pari passu</i> charge by way of hypothecation over the ATMs to be set up under the outsourcing contracts entered or to be entered into between our Company and various banks and to be acquired and set up out of the facility, both present and future; • Second <i>pari passu</i> charge on receivables of our Company from various banks in relation to the ATMs

¹⁰ Our Company has only drawn down an amount of ₹217.50 million due to which the repayment of this facility is in quarterly instalments of ₹10.875 million (instead of ₹11.25 million). Our Company commenced repayment of this facility from February 26, 2015.

¹¹ Our Company commenced repayment of this facility from August 30, 2013.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
							ranking subservient to the charge created in favour of certain other banks; • Exclusive charge by way of hypothecation on the debt service reserve account to be opened and maintained by our Company; and • An unconditional and irrevocable personal guarantee of the Promoter guaranteeing all obligations of our Company under the facility.
4.	L&T Finance Limited (“L&T”)	Term loan for purchase of 2,245 ATMs from Axis Bank Limited (“Axis”) under a takeover and management agreement dated March 26, 2013 (the “Takeover and Management Agreement”) (Sanction letter dated March 25, 2013 and	₹1,650 million	₹1,281.40 million	12.80%	Up to 72 months with a moratorium of six months for principal repayment from the date of first disbursement. ¹²	The facility is secured by: • Exclusive charge by way of hypothecation on Axis ATM sites under the Takeover and Management Agreement; • Exclusive charge on Axis receivables under the takeover and management agreement;

¹² Our Company commenced quarterly repayment of ₹71.74 million for this facility from September 2013.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		facility agreement dated March 29, 2013)					• Designated account and other bank accounts relating to the purpose of the facility and all rights, title, interest and claims of our Company under such accounts; • All amounts owing to and receivable by our Company, charged book debts, both present and future; • Exclusive charge on the security deposit of the sum of ₹880 million deposited by our Company with Axis; and • All rights, title, interest and claims of our Company in respect of insurance contracts and policies required in relation to the Takeover and Management Agreement.
5.	The South Indian Bank Limited (“SIBL”)	Term loan to part-finance the purchase and installation of ATM machines and site preparation for setting up of ATMs	₹500 million (first drawdown of ₹420 million followed by a second drawdown of ₹80 million)	₹500.00 million	12.00%	Tenor of 72 months (including a moratorium of 12 months) Repayment in 20	The facility is secured by: • Exclusive charge with other term lending institutions on

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		(approximately 3,211 ATM sites) in respect of the contract with public sector banks. (Sanction letters dated August 14, 2013 and December 14, 2013, and term loan agreements dated December 17, 2013 and January 21, 2014)				quarterly instalments of ₹25 million each starting at the end of the 15 th month from the first drawdown date. ¹³	movable fixed assets, both present and future, located at the entire ATM sites with the security cover of 1.25 times during the pendency of the facility; and • Second <i>pari passu</i> charge over the entire receivables of our Company, both present and future, due from banks who are utilizing the ATMs financed from the proceeds of the facility (first charge being with the working capital financing banks).
6.	Standard Chartered Bank (“SCB”)	Term loan for financing the purchase and installations of ATM machines and site preparation for ATM in respect of the contracts with Dhanalaxmi Bank Limited (“ Dhanalaxmi Bank ”) and Dena Bank	₹200 million	₹23.09 million	12.50% to 13.00% (multiple drawdowns)	Up to 60 months including a moratorium of six months Repayment in monthly instalments of ₹4.23 million. ¹⁴	The facility is secured by: • First and exclusive charge on movable fixed assets being the ATM sites (including ATM machines and allied equipment) provided by our

¹³ Our Company will commence repayment of this facility from March 31, 2015.

¹⁴ Our Company commenced repayment of this facility from December 31, 2010.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		Limited (“Dena Bank”). (Facility letters dated July 8, 2013 and August 23, 2013 and the amended and restated facility letter and master credit terms dated January 28, 2014)					Company to Dhanalaxmi Bank and Dena Bank; • First and exclusive charge on receivables of our Company from the contracts of ATM outsourcing with Dhanalaxmi Bank and Dena Bank; and • Lien on fixed deposit of ₹10.50 million.
7.	Axis	Working capital facilities (Sanction of working capital facilities letter dated October 8, 2013, as amended on December 2, 2013 and February 13, 2015)					
		<u>Facility 1</u> - Cash credit facility and working capital demand loan (“WCDL”) to meet working capital requirements	Cash credit – ₹400 million WCDL – ₹340 million (as a sublimit of the cash credit limit)	Cash credit – ₹239.90 million	11.90%	Repayable on demand.	The facility is secured by a <i>pari passu</i> first charge on entire current assets (except project specific receivables charged to term lenders) of our Company, present and future.
		<u>Facility 2</u> – Letter of credit (inland/ import) to purchase raw material, packing	₹400 million (as a sublimit of the cash credit limit)	Nil	Not applicable	Not applicable	The facility is secured by: • Goods procured under the letters of

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		material, stores and spares, equipment and machinery, required for day-to-day operations of our Company					credit; and • As stipulated in Facility 1.
		<u>Facility 3</u> – Bank Guarantee (inland) (performance and financial bank guarantee) in lieu of advance or security deposits in favour of sales tax, excise, custom authorities, other government and semi-government departments, earnest money for tenders or any others in connection with the trade and activities of our Company	₹400 million, as a sublimit of the cash credit facility	₹56.64 million	Not applicable	Maximum period of up to seven years in case of public sector undertakings and up to three years in other cases (inclusive of claim period).	The facility is secured by: • Counter guarantee of our Company; and • All securities stipulated for Facility 1.
		<u>Facility 4</u> – Letter of undertaking/SBLC for buyer's credit (LOU/SBLC) for raising funds for retirement of letters of credit opened for purchase/ import of raw	₹400 million, as a sublimit of the cash credit facility	₹68.40 million	LIBOR + 0.65% ¹⁵	Tenor of the facility is maximum one year from the date of shipment, including tenor of letter of credit (subject to compliance with RBI guidelines) –	As applicable for Facility 1

¹⁵ Average rate of all outstanding LOUs/SBLCs for buyer's credit as on December 31, 2014.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		materials, package materials, stores, equipment and machinery				Repayable on demand	
8.	Citibank N.A. (“Citibank”)	Cash credit/ WCDL/ buyers’ credit/ usance letter of credit/ sight letter of credit/ guarantee for financing the working capital requirements of our Company (Credit facilities sanction letter dated April 3, 2013 and financial assistance letter ceding <i>pari passu</i> charge dated November 10, 2014)	₹650 million Aggregate of cash credit/WCDL/buyers’ credit/guarantee utilizations restricted to ₹500 million and the maximum WCDL and guarantee utilization shall be restricted to ₹400 million and ₹300 million, respectively			Cash credit – revolving basis – Repayable on demand WCDL/ buyers’ credit/ usance letter of credit/ sight letter of credit – 180 days – Repayable on demand Performance guarantee tenor shall be less than two years and financial guarantee tenor shall be less than one year	The facility is secured by a first <i>pari passu</i> charge by way of hypothecation on all existing and future current assets of our Company except receivables specifically charged on term lenders.
		Sublimit of credit/ WCDL/ buyers’ credit/ guarantee	₹500 million	Buyers’ credit – ₹450.41 million Cash credit – ₹26.15 million	Buyers’ credit – LIBOR + 1.40%¹⁶ Cash credit – 13.00%		
9.	DBS Bank Limited (“DBS”)	Multiline credit facilities to fund the working capital requirements of our Company	₹250 million (the “Overall Limit”)				The facility is secured by a first <i>pari passu</i> charge on the entire current assets of our Company (both present and future)

¹⁶ Average rate of all outstanding buyer’s credits as on December 31, 2014.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		(Offer letter dated April 8, 2013 and working capital facilities agreement dated May 13, 2013 as amended by renewal letter dated April 21, 2014 and supplemental working capital facilities agreement dated May 19, 2014)					excluding receivables exclusively charged to term lenders.
		<u>Facility 1</u> – Working capital loan facility	₹250 million, as a sublimit of the Overall Limit	₹250.00 million	12.75%	Maximum tenor of 180 days with cooling period of one day – Repayable on demand	
		<u>Facility 2</u> – Overdraft facility	₹100 million, as a sublimit of the Overall Limit	Nil	Not applicable	Not applicable	
		<u>Facility 3</u> – Bank guarantee facility	₹250 million, as a sublimit of the Overall Limit	Nil	Not applicable	Not applicable	
		<u>Facility 4</u> – Letter of credit facility	₹250 million, as a sublimit of the Overall Limit	Nil	Not applicable	Not applicable	
		<u>Facility 5</u> – Buyers credit undertaking facility	₹250 million, as a sublimit of the Overall Limit	Nil	Not applicable	Not applicable	
		<u>Facility 6</u> – Purchase invoice discounting/purchase bill discounting/sales	₹250 million, as a sublimit of the Overall Limit	Nil	Not applicable	Not applicable	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		invoice facility					
10.	HDFC	Working capital facilities for working capital only. (Sanction letter for enhanced working capital facilities dated June 21, 2013 and letter ceding <i>pari passu</i> charge dated December 3, 2014)	₹300 million			The facility is payable on demand. However, the facility is available for a period of 12 months subject to review at periodical intervals, wherein the facility may be continued, cancelled or reduced, depending on the conduct and utilization of the facility.	
		<u>Facility 1</u> – Cash credit/WCDL	₹300 million Full interchangeability between cash credit, WCDL, letter of credit, buyers' credit, bank guarantee	Cash credit – ₹269.49 million	12.50%	Cash credit – Repayable on demand WCDL – Maximum period of 90 days Principal amount to be repaid as bullet payment on the maturity date.	The facility is secured by a first <i>pari passu</i> charge over present and future current assets of our Company, along with certain other banks except receivables specifically charged on term lenders.
		<u>Facility 2</u> – Letters of credit (inland/foreign) (sight/usance), buyers' credit as sublimit of cash credit/WCDL limit, for procurement of raw materials, consumable stores,	₹300 million Fully interchangeable between cash credit, WCDL, letters of credit, buyers' credit and bank guarantee	Nil	Not applicable	Not applicable	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		spares and tools from indigenous and foreign suppliers					
		<u>Facility 3</u> – Bank guarantees for issuance of bid bond, advance payment guarantees, financial guarantees, performance guarantees and other guarantees in favour of government, semi-government authorities, reputed public/private sector undertakings, banks and other corporate bodies	₹300 million Fully interchangeable between cash credit, WCDL, letters of credit, buyers' credit and bank guarantee	₹11.78 million	Not applicable	Maximum tenor of 24 months (including claim period).	
11.	ICICI	Working capital facilities (Credit arrangement letters dated January 15, 2014 as amended on March 6, 2014, the facility agreement dated February 10, 2011 and the supplemental and amendatory agreement dated September 8, 2011 and letter ceding <i>pari passu</i> charge dated December 8, 2014)	₹500 million			The facility is payable on demand. However, the facility is available for a period of 12 months subject to review at periodical intervals, wherein the facility may be continued, cancelled or reduced, depending on the conduct and utilization of the facility.	The facility is secured by a first <i>pari passu</i> charge on current assets of our Company, including stocks of raw materials, goods-in-progress, semi-finished and finished goods and other movables such as book debts, bills, both present and future except receivables specifically charged on term lenders.
		<u>Facility 1</u> – Cash credit	Uniform limit of	₹13.14 million	13.50%	Repayable on	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		facility for meeting the working capital requirements of our Company	₹500 million (being within the overall limits) throughout the validity of Facility 1			demand	
		<u>Facility 2</u> – WCDL for meeting our Company's working capital requirements	₹500 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 3</u> – Letters of credit (inland and foreign, usance or sight) for procurement of raw materials, consumable stores, spares and tools and capital goods for normal capital expenditure	₹500 million, as a sublimit of Facility 1	₹14.76 million	Not applicable	Usance period of maximum 180 days from the date of dispatch or shipment.	
		<u>Facility 4</u> – Undertaking/ confirming buyers' credit facility transactions with ICICI overseas branches and from other banks. The actual buyers' credit facility will be extended by ICICI, overseas branch as well as from other banks in	₹500 million, as a sublimit of Facility 1	₹166.86 million	LIBOR + 0.55% ¹⁷	The tenor of the letters of credit and buyers' credit shall not exceed the operating cycle, i.e., 270 days from the date of shipment – Repayable on demand.	

¹⁷ Average rate of all outstanding buyer's credits as on December 31, 2014.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		accordance with their terms on the strength of this facility. The purpose of this facility is for financing of imports of raw materials and normal capital goods					
		Facility 5 – Bank guarantee (both financial and performance guarantee) (inland/ foreign) towards bid bond, security deposit, earnest money deposit, contract performance, performance guarantee, advance payment and retention money purposes, customs, central excise, sales tax, electricity, insurance purposes and others (excluding bank guarantee for raising any borrowing)	₹500 million, as a sublimit of Facility 1	₹264.70 million	Not applicable	Maximum period of performance guarantees (including claim period, if any) shall be restricted to three years. Maximum period of financial guarantees (including claim period, if any) shall be restricted to one year. Bank guarantees may be opened only for petroleum projects of HPCL and IOCL for a tenor of seven years (including claim period, if any).	
12.	Kotak Mahindra Bank Limited (“KMBL”)	Working capital facilities. (Sanction letter dated	The combined exposure of Facilities 1, 2, 3 and 4 shall not exceed			The facility is valid until May 22, 2015 and shall be due for review/ renewal at	The facilities are secured by: First <i>pari passu</i> hypothecation charge to

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		August 11, 2014)	₹300 million at any point of time subject to specific individual limits			the end of such period, subject to review at periodical intervals wherein the facility may be continued or cancelled or reduced depending on the conduct and utilization of the facility.	be shared with all secured working capital banks on all existing and future current assets of our Company, including book debts, receivables, stock of raw materials and goods in process, but excluding the following: • Receivables arising from ATM contract with Dena Bank and Dhanalaxmi Bank (charged to SCB); • Receivables under the Takeover and Management Agreement between our Company and Axis Bank (charged to L&T); and • Receivables of banks in the public sector unit (charged to GE).
		<u>Facility 1</u> – Cash credit facility for working capital requirement	₹300 million	₹49.44 million	11.75%	Repayable on demand.	
		<u>Facility 2</u> – WCDL for working capital requirement	₹300 million, as a sublimit of Facility 1	₹250.00 million	11.15%	The tenor of the WCDL is maximum 180 days – Repayable on demand.	
		<u>Facility 3</u> – Letter of credit (inland and foreign) for the purchase/ import of raw materials, stores and spares and consumables.	₹300 million, as a sublimit of Facility 1.	Nil	Not applicable	Not applicable	
		<u>Facility 4</u> – Trade credit/buyers' credit for working capital requirement.	₹300 million, as a sublimit of Facility 1.	Nil	Not applicable	Not applicable	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		<u>Facility 5</u> – Forward contracts to hedge foreign currency exposure.	-	Nil	Not applicable	Not applicable	-
13.	Ratnakar Bank Limited (“RBL”)	Working capital facilities (Sanction letter dated June 28, 2013 as amended on September 20, 2013 and financial assistance letter ceding <i>pari passu</i> charge dated March 2, 2015)	₹500 million				The facility is secured by a first charge by way of hypothecation on all the current assets of our Company, present and future, ranking <i>pari passu</i> with other working capital lenders, except receivables exclusively charged to term lenders.
		<u>Facility 1</u> – Revolving cash credit facility for working capital requirements of our Company	₹500 million	₹295.71 million	13.50%	Tenor of 12 months, with repayment on demand	
		<u>Facility 2</u> – Revolving WCDL for working capital requirements of our Company	₹500 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 3</u> – Revolving letter of credit for procurement of raw material	₹500 million, as a sublimit of Facility 1	₹64.53 million	Not applicable	Usance period of 180 days from bill of lading. Repayment of Facility 3 is on demand or on due date	
		<u>Facility 4</u> – Revolving	₹500 million, as a	₹102.79 million	LIBOR +	Tenor of letter of	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		letter of undertaking for buyers' credit for procurement of raw material	sublimit of Facility 1		0.55% ¹⁸	credit and letter of undertaking shall not exceed 180 days. Repayment of Facility 4 shall be on demand or on due date	
		<u>Facility 5</u> – Revolving bank guarantee for bid bond and performance guarantee	₹100 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
14.	SCB	Working capital facility (Amended and restated facility letter and master credit terms dated September 25, 2014)	Combined Facility 1 and sublimits shall not exceed ₹950 million				The facility is secured by a first <i>pari passu</i> charge on all present and future book debts and stock in trade of our Company except receivables specifically charged to term lenders.
		<u>Facility 1</u> – Bond and guarantees facility	₹950 million	₹251.65 million	Not applicable	Repayable on demand	
		<u>Facility 2</u> – Overdraft facility (Cash credit facility)	₹400 million, as a sublimit of Facility 1 The total limits under Facilities 2, 3 and 8 shall not exceed ₹400 million	₹69.65 million	12.35%	Repayable on demand	
		<u>Facility 3</u> – Short term	₹400 million, as a	Nil	Not applicable	Not applicable	

¹⁸ Average rate of all outstanding letters of undertaking for buyer's credits as on December 31, 2014.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		loan facility	sublimit of Facility 1 The total limits under Facilities 2, 3 and 8 shall not exceed ₹400 million				
		<u>Facility 4</u> – Overdraft facility	₹100 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 5</u> – Import letter of credit – secured facility	₹750 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 6</u> – Import letter of credit – unsecured facility	₹750 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 7</u> – Financial guarantees/ standby letter of credit (trade) facility (Buyer’s credit facility)	₹750 million, as a sublimit of Facility 1	₹297.04 million	LIBOR + 2.25% ¹⁹	Tenor of maximum 180 days – Repayable on demand	
		<u>Facility 8</u> – Pre-shipment financing under export orders facility	₹400 million, as a sublimit of Facility 1 The total limits under Facilities 2, 3	₹200.00 million	11.75%	Tenor of 90 days – Repayable on demand	

¹⁹ Average rate of all outstanding standby letters of credit for buyer’s credits as on December 31, 2014.

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
			and 8 shall not exceed ₹400 million				
		<u>Facility 9</u> – Import loan facility	₹250 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 10</u> – Bond and guarantees facility for issue of bid bonds, advance payment guarantees, financial guarantees, performance guarantees and other guarantees favouring government, semi-government and other corporate bodies. No open ended or disputed guarantees shall be issued under this facility	₹150 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
15.	Yes Bank Limited (“YBL”)	Working capital facilities. (Facility letter dated March 22, 2013 and addendum dated May 11, 2013, amended and restated master facility agreement dated March 15, 2013 and supplemental master facility agreement dated August 2, 2013, and	₹400 million				

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		financial assistance letter ceding <i>pari passu</i> charge dated December 26, 2014)					
		<u>Facility 1</u> – Revolving bank guarantee performance for performance guarantee, mobilization advance, retention money guarantee, earnest money deposit and security deposit	₹400 million	₹161.06 million	Not applicable	Tenor of 63 months, including claim period	The facility is secured by a first <i>pari passu</i> charge over entire current assets of our Company (except charge on receivables exclusive to term lenders)
		<u>Facility 2</u> – Revolving bank guarantee (bid-bond) for the purpose of bidding for projects/ contracts	₹400 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 3</u> – Revolving bank guarantee (financial) for projects executed by our Company	₹100 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 4</u> – Revolving letter of credit – sight (inland) for procurement of equipment, machines, goods and any other working capital requirements of our	₹300 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		Company – redrawal is permitted during the availability period					
		<u>Facility 5</u> – Revolving letter of credit – sight (foreign) for the purpose of import of equipment, machines, goods or any other working capital requirements of our Company – redrawal is permitted during the availability period	₹300 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
		<u>Facility 6</u> – Revolving letter of credit – usance (inland) for procurement of equipment, machines, goods or any other working capital requirements of our Company	₹200 million, as a sublimit of Facility 1	₹29.53 million	Not applicable	Valid up to three months and usance period up to six months	
		<u>Facility 7</u> – Revolving letter of credit – usance (foreign) for procurement of equipment, machines, goods or any other working capital requirements of our Company	₹200 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2014	Interest Rate as on December 31, 2014 (Per Annum)	Tenor/ Repayment Schedule	Security
		<u>Facility 8</u> – Revolving letter of undertaking for buyers’ credit for import of equipment, machines, goods or any other working capital requirements of our Company	₹250 million, as a sublimit of Facility 1	₹25.90 million	LIBOR + 0.50% ²⁰	Valid up to 12 months – Repayable on demand	
		<u>Facility 9</u> – Cash credit facility for working capital requirements of our Company (Agreement for cash credit dated September 10, 2008 and supplemental cash credit agreement dated December 22, 2009)	₹155 million, as a sublimit of Facility 1 Combined exposure of Facilities 9 and 10 shall not exceed ₹155 million	₹128.86 million	13.25%	Repayable on demand	
		<u>Facility 10</u> –WCDL for working capital requirements of our Company (Revolving WCDL loan agreement dated October 15, 2010)	₹155 million, as a sublimit of Facility 1	Nil	Not applicable	Not applicable	

²⁰ Average rate of all outstanding letters of undertaking for buyer’s credits as on December 31, 2014.

The financing arrangements entered into by our Company include various restrictive conditions and covenants restricting certain corporate actions. During the currency of these financing arrangements, our Company is either required to take the prior approval of the lender before undertaking certain actions or notify the lender subsequently. For instance, our Company is required to obtain the prior written consent of certain lenders for, *inter-alia*, the following:

- To make any amendments in the memorandum and articles of association;
- To effect any change in capital structure, redeem, purchase, buyback, defease, retire, return or repay any of its shares or share capital or resolve to do so (except that our Company has the right to convert CCPS to Equity Shares);
- To enter into or implement any scheme for merger, amalgamation, compromise, demerger, reconstruction, reorganization, consolidation or other similar purpose;
- To effect any change in its ownership or control or constitution or shareholding or the management or majority of directors or partners;
- To change the shareholding of the promoters below a certain specific percentage in our Company;
- To avail further debt or undertake guarantee obligations on behalf of any third party;
- To declare any dividend, prepay loans from related parties or make certain other restricted payments;
- To transfer or create or allow to be created in any manner any charge, lien, hypothecation, mortgage, pledge or other encumbrance whatsoever on any of the properties, assets, actionable claims, etc., which constitute security to the bank for the loan, or transfer or create or allow to be created any security interest in any property or assets acquired in the future in favour of any person other than the bank;
- To undertake any new project, investment, acquisition of assets under lease or enter into borrowing arrangements;
- To make any investments by way of loans, any class of shares or debentures, partnership interest or other interest;
- To sell, assign or mortgage any fixed assets or equity interest charged in favour of the lenders;
- To set up or permit any company to become a subsidiary or joint venture company;
- To withdraw from business any existing unsecured loans from promoters/associates;
- To undertake any capital expenditure which is not in the ordinary course of business;
- To pay any consideration to any person for furnishing guarantees, indemnities or undertaking any other liability in connection with any indebtedness incurred or obligation undertaken for or by our Company;
- To permit any disposal/transfer of our Company's share capital by any person specified by the lenders;
- To enter into profit/income sharing arrangements with any other person; and
- To enter into contracts or arrangements whereby the business or operations of our Company are managed by some other person.

In addition, upon the occurrence of certain events or otherwise, certain lenders to our Company have the right to:

- upon the occurrence of an event of default, convert the whole or part of the outstanding amount of the facility into fully paid-up Equity Shares of our Company at a conversion price to be determined in accordance with applicable laws;
- appoint nominee Directors;
- review/revoke the sanction of the loan and in case the loan has already been disbursed, to withhold disbursement of the balance loan amount and to recall the loan already advanced in certain circumstances;
- impose penal/default interest;
- accelerate the facility and declare all amounts payable by our Company in respect of the facility to be due and payable immediately or otherwise payable on demand;
- enforce the security; and

- review the management set-up or organization of our Company.

The financing arrangements entered into by our Company also have cross-default provisions with respect to other facilities availed of by our Company and provisions prescribing debt to equity and other financial ratios. Further, certain financing arrangements of our Company also entitle the lenders to cancel the undrawn amount of the facility in certain circumstances, including downgrading of the credit rating of our Company by a credit rating agency or adverse remark, qualified opinion or its equivalent by the auditors of our Company.

Details of Unsecured Borrowings of our Company

Our Company did not have any unsecured borrowings as of December 31, 2014.

Details of Financing Arrangements entered into by our Company after December 31, 2014

Our Company has not entered into any new financing arrangements after December 31, 2014.

II. Details of Secured Borrowings of the Subsidiaries

A. SVIL

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount sanctioned	Amount outstanding as on December 31, 2014	Interest Rate as on December 31, 2014	Tenor/ Repayment Schedule	Security
1.	SCB	Term loan facility for financing the purchase of equipment and fixed assets (Facility letter and master credit terms dated April 25, 2014)	₹120 million with no tranche to be less than ₹40 million	₹100.00 million	12.10%	Maximum up to five years with one year moratorium; 16 quarterly repayments beginning from end of the 15 th month of each tranche. Availability period for drawdown of loan is 90 days.	The facility is secured by: • First charge on present and future moveable properties of SVIL including moveable plant and machinery, furniture and fittings, equipment, computer hardware/ software and SVIL's vaults in various cities; and • Corporate guarantee of our Company

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount sanctioned	Amount outstanding as on December 31, 2014	Interest Rate as on December 31, 2014	Tenor/ Repayment Schedule	Security
2.	SCB	Working capital facility (Facility letter dated October 14, 2013 as amended by enhanced facility letter dated March 24, 2014)	The combined exposure of all four facilities shall not exceed ₹180 million at any point of time subject to specific individual limits Limits under Facilities 2, 3 and 4 shall not exceed ₹90 million				Each of the four facilities is secured by: • First <i>pari passu</i> charge on the stocks and book debts of SVIL; and • Corporate guarantee of our Company.
		<u>Facility 1</u> – Bond and guarantees facility for issue of bonds, performance guarantees and other guarantees favouring government, semi-government and corporate authorities	₹180 million	₹50.00 million	Not applicable	Maximum up to one year	
		<u>Facility 2</u> – Overdraft facility to fund working capital requirements	₹90 million as a sublimit of Facility 1	₹84.66 million	12.50%	Maximum up to one day	
		<u>Facility 3</u> – Overdraft facility for meeting payment obligations of SVIL in respect of purchases from micro, small and medium enterprises	₹10 million as a sublimit of Facility 1	Nil	Not applicable	Not applicable	

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount sanctioned	Amount outstanding as on December 31, 2014	Interest Rate as on December 31, 2014	Tenor/ Repayment Schedule	Security
		Facility 4 – Short term loans facility for meeting working capital requirements	₹90 million as a sublimit of Facility 1	Nil	Not applicable	Not applicable	
3.	HDFC	Commercial vehicle loans for financing the purchase of certain commercial vehicles pursuant to approval letter dated July 4, 2013 Our Company is a co-borrower under these loans (Agreements for loan and guarantee amongst HDFC, SVIL and our Company dated February 22, 2014, December 26, 2013, November 25, 2013, October 12, 2013, September 2, 2013, August 16, 2013 and August 3, 2013)	₹115.50 million	₹81.11 million	9.95% to 11.00% (multiple tranches)	Five years with a 30 or 60 day moratorium; 58 or 59 monthly repayments thereafter.	The facility is secured by the commercial vehicles financed pursuant to each of the loans are hypothecated to, and charged, by way of first and exclusive charge in favour of HDFC.
4.	ICICI	Term loans for purchase of certain vehicles (Sanction letter dated October 17, 2014; and commercial vehicle	₹100 million	₹40.84 million	10.26%	Five years with a 60 day moratorium; 58 monthly repayments thereafter.	The facility is secured by: The commercial vehicles financed pursuant to each of these loans are

S. No.	Name of the Lender	Nature and Purpose of Facility	Amount sanctioned	Amount outstanding as on December 31, 2014	Interest Rate as on December 31, 2014	Tenor/ Repayment Schedule	Security
		credit facility application form dated November 5, 2014)					hypothecated to, and charged, by way of first and exclusive charge, in favour of, ICICI; and • Our Company has provided corporate guarantees in relation to these loans.
		(Sanction letter dated July 7, 2014; and commercial vehicle credit facility application form dated July 24, 2014)	₹30 million	₹26.40 million	10.34%		
		(Sanction letter dated April 28, 2014; and commercial vehicle credit facility application form dated May 25, 2014)	₹35 million	₹28.31 million	10.41%		
		(Sanction letter dated March 25, 2014 as amended by revised sanction letter dated April 15, 2014; and commercial vehicle credit facility application form dated April 19, 2014)	₹40 million	₹31.12 million	10.41%		

The financing arrangements entered into by the Subsidiaries include various restrictive conditions and covenants restricting certain corporate actions of such Subsidiaries and, in certain cases, the Group (being our Company and its Subsidiaries). During the currency of these financing arrangements, the relevant Subsidiary is either required to take the approval of the lender before or, in certain instances, notify the lender subsequent to (i) undertaking certain actions, and (ii) certain actions being undertaken by the Group (being our Company and its Subsidiaries). For instance, the Subsidiaries, in relation to themselves and in certain cases, the Group (being our Company and its Subsidiaries), are required to obtain the prior written consent of certain of their respective lenders for, *inter-alia*, the following:

- To make any amendments to the memorandum and articles of association;
- To create or allow to be created in any manner any charge, lien, hypothecation, mortgage, pledge or other encumbrance on any of the assets which constitute security to the bank for the loan, or transfer or create or allow to be created any security interest in any property or assets acquired in the future in favour of any person other than the bank;
- To effect any change in its ownership or control or constitution or shareholding or the management or majority of directors or partners;
- To enter into any scheme of merger, amalgamation, compromise, demerger, expansion or reconstruction;
- To sell, transfer or otherwise dispose-off any of its assets on terms by which they are, or may be, leased to, or reacquired by, it or any Group (being our Company and its Subsidiaries) member;
- To sell, transfer or otherwise dispose-off any of its receivables on recourse terms;
- To enter into any arrangement under which money or benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts or enter into any other preferential arrangement having the same effect in circumstances where the arrangement or transaction is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset;
- To dispose of all or any part of their assets or make any acquisition or investment except in the ordinary course of trading or, in relation to a disposal of assets only, of assets in exchange for other assets comparable or superior as to type and value;
- To make any change to the general nature of its business from that carried on at time of entering the relevant financial arrangement;

In addition, upon the occurrence of certain events or otherwise, certain lenders to the Subsidiaries have the right to:

- cancel the relevant facility, whereupon no further utilization of such facility may be made;
- declare all monies/amounts due, owing or outstanding (whether or not otherwise due) under the relevant facility as being immediately due and payable or otherwise payable on demand;
- enforce the security interest under the created under the relevant finance documents;
- enter any place or premises where the relevant secured assets or their records are kept and inspect, value, take charge of, seize, recover, receive, or convert to money, such secured assets through public auction or private sale, as they deem fit; and
- compromise or settle with any relevant third party;

The financing arrangements entered into by the Subsidiaries have cross-default provisions with respect to the relevant obligors; and provisions prescribing various financial covenants including, debt to tangible net worth, debt to EBITDA and debt service coverage ratios, and minimum asset cover requirements.

In addition, (i) our Company has undertaken to certain lenders of the Subsidiaries to not, without obtaining prior written consent of such lenders, (i) do or permit any change in its constitution or management control in any manner whatsoever, (ii) alter, modify or amend its constitutional documents, or (iii) merge, demerge or amalgamate. Further, in the event that our Company fails to pay the lenders of the Subsidiaries, the guaranteed amount as agreed, on demand being made by the lenders, our Company shall be liable to pay default interest.

Details of Financing Arrangements entered into by the Subsidiaries after December 31, 2014

None of the Subsidiaries has entered into any financing arrangements after December 31, 2014.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there is no (i) litigation against our Company, the Directors or the Subsidiaries or any other person whose outcome could have a material adverse effect on the position of our Company; (ii) litigation against the Directors involving violation of statutory regulations or alleging criminal offence; (iii) criminal/civil prosecution against the Directors in respect of tax liabilities; (iv) pending proceeding initiated for economic offences against our Company, the Subsidiaries and the Directors; (v) adverse finding in respect of our Company and the Subsidiaries as regards compliance with the securities laws; (vi) past case in which penalty was imposed by the relevant authorities on our Company, the Subsidiaries and the Directors; (vii) outstanding litigation or default relating to matters likely to affect the operations and finances of our Company and the Subsidiaries, including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013; (viii) outstanding litigation, default, non-payment of statutory dues, proceeding initiated for economic offences or civil offences (including any past case, if found guilty), any disciplinary action taken by the SEBI or any recognised stock exchange against our Company, the Subsidiaries and the Directors; and (ix) small scale undertaking or any other creditor to whom our Company owes a sum exceeding ₹100,000 which is outstanding for more than 30 days. Further, except as stated below, (a) there are no inquiries, inspections or investigations, initiated or conducted against our Company or the Subsidiaries, under the Companies Act, 2013 or the Companies Act, 1956, in the last five years; (b) no prosecutions have been filed (whether pending or not), fines imposed or compounding of offences for our Company or the Subsidiaries, in the last five years immediately preceding the year of this Draft Red Herring Prospectus; and (c) no material frauds have been committed against our Company in the last five years.

Litigation/Proceedings involving our Company

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
<i>Civil Proceedings</i>								
1.	O.S. 1114/2013	May 31, 2013	Om Associates (through its partner Mr. Pradeep Gupta), Mr. Pradeep Gupta and Ms. Shubha Gupta (“Om Associates”)	Our Company (through our Chairman and Managing Director, Mr. Ravi B. Goyal) and Mr. Prakash Shetty, a Senior Manager of	Civil Judge (Senior Division), Kanpur Nagar	Not applicable	The plaintiffs filed a suit for specific performance against our Company in response to our request to Om Associates to hand over the management of two ATMs situated at Armapore Estate Colony, Kanpur Nagar and Air Force Station, Lucknow to a third party.	The matter is currently pending and the next date of hearing is on April 1, 2015.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
				our Company			The plaintiffs contended that Om Associates had been empanelled by our Company and that our Company had agreed to engage Om Associates for the provision of manpower and maintenance services with respect to such ATMs. Our Company has disputed the claim and stated that there was no committed duration of services and arrangement with the plaintiff. The plaintiffs have also filed an application seeking a temporary injunction restraining our Company from handing over charge of the ATMs to any other person during the pendency of the suit. Our Company filed a reply and written statement to the interlocutory application on March 14, 2014. Om Associates filed a rejoinder to this statement on May 23, 2014.	
2.	Civil Suit	November	Dhawan Service	Our Company	Additional Civil	₹230,555	Pursuant to an agreement	The matter is

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
	No. 485	19, 2013	Station (through its proprietor Mr. Suresh Dhawan)	and ICICI Bank, Gohana Branch	Judge (Senior Division), Gohana		dated April 28, 2011 entered into among our Company, ICICI Bank and Hindustan Petroleum Corporation Limited, an ATM was set up at Dhawan Service Station and our Company was required to pay the electricity bill for the operation of such ATM. The plaintiff filed a suit for mandatory and permanent injunction directing our Company to pay electricity charges of ₹230,555 for the month of October 2013 which it contended had not been paid by our Company despite repeated notices and intimation. On November 19, 2013, the plaintiff also filed an application for an ad-interim injunction to restrain our Company from operating the ATM at the premises until the payment of the outstanding amount of ₹230,555. Pursuant to an order dated March 1, 2014, the	currently pending and next date of hearing is on April 8, 2015.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							Additional Civil Judge set aside the <i>ex parte</i> orders passed against ICICI Bank Limited and our Company on November 22, 2013 and November 26, 2013, respectively, and permitted the defendants to file written statements by April 11, 2014. Our Company filed a written statement on April 11, 2014 together with a reply to the application for an ad-interim injunction. Our Company also filed an application on May 23, 2014 for the removal of the ATM and related assets from the premises.	
3.	Civil Suit No. 250	December 1, 2014	Mr. Dharm Dutt Sharma	Our Company and Punjab National Bank	Civil Judge (Senior Division), Narnaul	₹403,135	Pursuant to a leave and license agreement dated September 12, 2013 entered into between the plaintiff and the defendants, an ATM was deployed on the premises taken on rent from the plaintiff. Subsequently, the plaintiff requested our Company to check the functioning of	The matter is currently pending and next date of hearing is on April 18, 2015.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							the ATM since such ATM was having technical problems. Thereafter, our Company sent a notice to terminate the leave and license agreement on July 15, 2014. However, the plaintiff requested our Company not to vacate the premises and continue the operation of the ATM. Accordingly, the plaintiff filed a suit for mandatory injunction against our Company on December 1, 2014 to prevent our Company from vacating the premises and seeking the payment of an amount of ₹403,135. The plaintiff alleged that he had incurred a cost of ₹200,000 towards the renovation of the premises for the deployment of the ATM in accordance with the terms of the agreement and had paid electricity charges of ₹3,135 payable by our Company. The plaintiff also prayed for damages of ₹200,000.	

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							In the alternative, the plaintiff also prayed for a decree ordering our Company to pay the rent for the entire term of the agreement, i.e., ₹2,500 per month for the period from October 6, 2013 to September 5, 2016 (excluding ₹7,500 already paid by our Company), ₹2,750 per month for the period from September 6, 2016 to September 5, 2019 and ₹3,025 per month for the period from September 2019 to September 2021.	
4.	Not available	Not available	Mr. Bhavdeep Singh (S.P.A. of Dr. Sunita)	Our Company (through Mr. Ravi B. Goyal, our Managing Director) and others	Rent Controller, Kurukshetra	₹69,000	Pursuant to an agreement dated November 8, 2013, our Company rented premises belonging to the petitioner for the installation of an ATM. The petitioner contended that our Company had not paid an amount of ₹69,000 towards rent and electricity charges for the period from August 22, 2014 until date. However, the petitioner admitted that electricity charges for the period from December 2014 to	This matter is currently pending and the first date of hearing is on April 27, 2015.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							February 2015 had been paid by our Company. Accordingly, a petition was filed for the ejectment of our Company from the premises and prayed that our Company be directed to hand over vacant and peaceful possession of such premises to the petitioner.	
5.	CS 556 of 2015	March 13, 2015	Mr. Som Chand	Our Company and others	Civil Judge, Senior Division, Jagadhari	Not applicable	Pursuant to a leave and license agreement dated November 10, 2013, our Company took on rent the premises belonging to the plaintiff for a period of eight years for the deployment of an ATM on such premises. The plaintiff received a notice dated February 22, 2015 from our Company to terminate the leave and license agreement. The plaintiff contended that such termination before the expiry of the term of the agreement was illegal, null and void and not binding on the plaintiff	This matter is currently pending and the next date of hearing is on March 30, 2015.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							and did not wish for our Company to vacate the premises. Accordingly, a suit was filed praying for a declaration that the notice of termination issued by our Company to the plaintiff was illegal, null and void and be set aside. The plaintiff also prayed for a permanent injunction restraining our Company from vacating the premises. In the alternative, the plaintiff also prayed for a direction for the payment of the rent by our Company until the expiry of the original term of the leave and license agreement.	
<i>Criminal Proceedings</i>								
1.	Case No. 17	January 15, 2015	State of Haryana	Mr. Dhirendra Attri, a regional manager of our Company	Shivaji Colony Police Station, Rohtak	Not applicable	Our Company received a notice dated January 16, 2015 addressed to Mr. Attri, a regional manager of our Company, in relation to non-compliance with an order dated	The police are investigating the matter.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							December 30, 2014 passed by the District Magistrate, Rohtak (the “Order”) for the benefit of the public at large. According to the Order, the operation of ATMs in Rohtak would be restricted without grouting of such ATMs, installation of CCTV cameras and deputation of security guards. Pursuant to a reply dated January 19, 2015, our Company disputed the allegation in the notice. Our Company stated that it was in compliance with the requirements of grouting and had installed cameras in the ATMs and lobbies. Our Company also stated that, pursuant to the terms of the agreements entered into with banks for the deployment and management of such ATMs, the deputation of security guards was the sole responsibility of the respective bank and accordingly, such requirement could only be	

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							fulfilled by the relevant bank. Accordingly, our Company stated that it was in compliance with the Order and prayed that a closure report be filed in the matter.	
<i>Income Tax Proceedings</i>								
1.	Appeal with respect to assessment year 2009-2010	April 16, 2013	Our Company	Deputy Commissioner of Income Tax, Circle 6(1), Mumbai	Commissioner of Income-Tax, Appeals	Interest at the applicable rate	The Deputy Commissioner of Income Tax, Circle 6(1), Mumbai passed an order granting a refund of ₹15,103,070 to our Company. Our Company filed an appeal against such order claiming the payment of interest on the refund amount.	The matter is currently pending before the Commissioner of Income-Tax Appeals.
<i>Indirect Tax Proceedings</i>								
1.	1743/10 and 1835/10	May 22, 2013	Our Company	Deputy Commissioner, Commercial Tax, Lucknow	Commercial Tax Tribunal, Bench II, Lucknow	₹2,538,000	The Deputy Commissioner initiated VAT assessment in relation to our Company for the period April 1, 2007 to December 31, 2007 and passed an <i>ex parte</i> order and determined tax liability ₹2,538,000 for the abovementioned period. Our Company did not receive any such notices	The matter is currently pending before the Commercial Tax Tribunal, Bench II, Lucknow.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							for assessment prior to the passing of the <i>ex parte</i> order by the authority. Our Company filed an appeal before the Commissioner Appeals (Commercial). Pursuant to an order dated October 25, 2012, the Commissioner Appeals (Commercial Tax) upheld the order of the Deputy Commissioner. Subsequently, our Company filed an appeal before the Commercial Tax Tribunal, Bench II, Lucknow on May 22, 2013. Pursuant to an order dated June 20, 2013 the Tribunal granted a conditional stay on the demand with a stipulation on our Company to deposit ₹600,000 in cash and the balance amount through a bank guarantee.	
2.	C/637/of 2011 and C/638/of 2011	August 8, 2011	Our Company	Commissioner of Customs (Import), Nhava Sheva	Customs, Excise and Service Tax Appellate Tribunal, West Regional Bench, Mumbai	₹311,357,712	ATMs (Procash 1500Xe) supplied to our Company were detained in March 2008 by the Commissioner of Customs, on the ground that the machines were	The matter has been remanded to the Commissioner of Customs and we have

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
					("CESTAT")		cash dispensers that had been incorrectly declared as ATMs, to avail of exemptions under Customs Notification No. 25/2005 dated March 1, 2005. Pursuant to an order dated March 31, 2011, the Commissioner of Customs (Import), Nhava Sheva held that the Procash 1500Xe was not an ATM, as it did not have cash/cheque deposit features and were not eligible for exemption and imposed penalties on our Company and Mr. Ravi B. Goyal. Our Company and Mr. Ravi B. Goyal filed appeals before the CESTAT against such order. The CESTAT in an order dated May 1, 2013 held that if the Procash 1500Xe machine also performed other bank transactions including, <i>inter-alia</i>, the provision of mini	deposited ₹9,000,000 in the form of a fixed deposit. Our Company has not received any further notices in this respect.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							statements and balance enquiries, it was an ATM. Accordingly, the CESTAT allowed the appeal and remanded the matter back to the Commissioner of Customs for fresh adjudication by following the principles of natural justice.	
3.	OR 985/4/11-12	November 28, 2011	Commercial Tax Inspector, Mattancherry	Our Company	Deputy Commissioner, Commercial Taxes, Mattancherry	₹883,750	A consignment of auto tank gauging systems of our Company was detained at the check-post by the Commercial Tax Inspector, owing to certain irregularities noticed in the forms with respect to the consignment. Our Company furnished bank guarantees in favor of the authorities, and the consignment was released.	The matter is pending before the Deputy Commissioner, Commercial Taxes, Mattancherry.
4.	OR 981/2/11-12	November 27, 2011	Commercial Tax Inspector, Mattancherry	Our Company	Deputy Commissioner, Commercial Taxes, Mattancherry	₹883,750	A consignment of auto tank gauging systems of our Company was detained at the check-post by the Commercial Tax Inspector, owing to certain irregularities noticed in the forms with respect to the consignment. Our Company furnished bank	The matter is pending before the Deputy Commissioner, Commercial Taxes, Mattancherry.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							guarantees in favor of the authorities, and the consignment was released.	
5.	KVAT-3042/2012	October 5, 2012	Our Company	Intelligence Officer, Squad No. 1, Commercial Taxes, Ernakulam	Deputy Commissioner, Appeals, Commercial Taxes, Ernakulam	₹5,854,684	Pursuant to verification of our books of accounts in Cochin, our Company received a notice from the Office of the Deputy Commissioner (Intelligence), Department of Commercial Taxes, Edapally, Kochi stating that our Company had claimed certain exemptions on local sales without furnishing documentary evidence to prove the exemption. Pursuant to a letter dated January 30, 2012, our Company conceded that we had made certain erroneous filings, and stated that our Company was in the business of operating and managing ATMs and that we did not transfer the right to use any goods. Accordingly, our Company contended that we were not liable to pay value added tax under the Kerala Value Added Tax Act, 2002.	The matter is pending before the Deputy Commissioner, Appeals, Commercial Taxes, Ernakulam.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							Pursuant to an order dated August 14, 2012, the Intelligence Officer, Squad No. 1, Commercial Taxes, Ernakulam rejected our Company's contentions and stated that our Company had suppressed turnover and had failed to maintain true and correct accounts for the year 2010-2011, and imposed a penalty of ₹5,854,684. Pursuant to an interlocutory order dated November 16, 2012, the collection of such penalty has been stayed until the disposal of the appeal.	
6.	E/525/2012	December 18, 2012	Commissioner of Central Excise, Puducherry	Our Company	CESTAT	₹5,156,057	Our Company imports ATMs, together with an application software package. Pursuant to a show cause notice dated August 10, 2011, the Office of the Commissioner of Central Excise noted that imported ATMs were opened at our premises at Puducherry, accessories including cameras and sensors were installed and also that	The matter is pending before the CESTAT.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							certain ATMs were re-painted or painted on with a logo of AGS, and that basic as well as customized software was loaded onto such ATMs prior to the installation of such ATMs. The notice stated that the loading of such software made the ATMs functional and accordingly, the activity amounted to manufacture, on which excise duty was payable. Pursuant to a reply dated January 23, 2012, our Company stated that it only loaded the ATMs with package software, and as such, its activities did not amount to manufacturing. The Commissioner of Central Excise, Puducherry held that the loading of software and testing of ATMs did not amount to manufacture and passed an order dated August 8, 2012 dropping the proceedings initiated against our Company. However, the Chief	

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							Commissioner's Office, Chennai, pursuant to a review order dated November 30, 2012, directed the Commissioner of Central Excise, Puducherry to appeal to the CESTAT. Accordingly, the Commissioner of Central Excise, Puducherry filed an appeal and an application for a stay on the operation of the order-in-original before the CESTAT on December 18, 2012. The CESTAT passed an order rejecting the application for stay on April 2, 2013.	
7.	STI No. 8 of 2013	January 8, 2013	Our Company	Additional Commissioner of Service Tax-I	Commissioner of Central Excise (Appeals), Mumbai	₹1,632,823 together with interest at the applicable rate	Our Company claimed CENVAT credit on certain invoices raised with respect to the purchase of certain goods and services by our Company, in connection with the provision of services by our Company. Pursuant to an order dated October 31, 2012, the Additional Commissioner of Service Tax-I disallowed the CENVAT credit claimed	The matter is pending before the Commissioner of Central Excise (Appeals), Mumbai.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							on the ground that our Company was engaged in trading activities which are not subject to central excise duty or service tax. We have filed an appeal against such order.	
8.	Not available	September 17, 2014	Our Company	Joint Excise and Taxation Commissioner (Appeals), Rohtak	Haryana Value Added Tax Tribunal	₹685,720	Our Company was transporting ATMs to Haryana without carrying documents relating to registration under the Haryana Value Added Tax Act, 2003 and the claim of transfer of goods. The Assistant Excise and Taxation Officer, Rohtak issued a demand notice for the payment of ₹685,720 by our Company. Our Company contended in our written statement that we did not require such a permit since the ATMs were being transferred as a branch transfer and for the purpose of provision of services. The Assistant Excise and Taxation Officer cum Taxing Authority, Rohtak passed an order dated December 16, 2013 confirming the demand against us.	The matter is pending before the Haryana Value Added Tax Tribunal.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							Our Company filed an appeal dated February 19, 2014 before the Joint Excise and Taxation Commissioner (Appeals), Rohtak against this order. Pursuant to an order dated July 21, 2014, the Joint Excise and Taxation Commissioner (Appeals), Rohtak upheld the order passed by the Assistant Excise and Taxation Officer cum Taxing Authority, Rohtak. Our Company has paid the amount and filed an appeal against such order before the Haryana Value Added Tax Tribunal.	
9.	Not available	June 27, 2014	Our Company	Commercial Tax Officer, Circle II, Tripunithura	Deputy Commissioner, Appeals, Commercial Taxes, Ernakulam	₹475,989	Pursuant to an order dated May 6, 2014, the Commercial Tax Officer, Circle II, Tripunithura raised a demand for additional tax of ₹475,989 from our Company, in relation to certain exemptions claimed by our Company that were held to be inapplicable. The Commercial Tax Officer	The matter is pending before the Deputy Commissioner (Appeals) Commercial Taxes, Ernakulam.

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							noted that there had been a wilful attempt on the part of our Company to evade tax. Our Company filed an appeal against this order before the Deputy Commissioner (Appeals), Commercial Taxes and applied for a stay on the operation of the order passed by the Commercial Tax Officer. Pursuant to an interlocutory order dated August 30, 2014, the collection of such amount has been stayed until the disposal of the appeal.	
10.	W.P. No. 7020/2014 and W.P. No. 7054/2014	September 24, 2014	Our Company	Assistant Commissioner, Commercial Tax, Indore	High Court of Madhya Pradesh ("MPHC")	₹646,988	Pursuant to an order dated July 25, 2014, the Assistant Commissioner, Commercial Tax, Indore disallowed the set-off of certain input credits claimed by our Company in relation to the purchase of certain air-conditioners, computer parts, batteries and ATMs. The Assistant Commissioner, Commercial Tax, Indore rejected the contention that our Company was providing a service by setting up and maintaining	The matter has been remanded by the MPHC to the assessing officer for fresh assessment. Our Company has not received any further notices in this respect.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							ATMs and accordingly, no sales tax was payable and held that the receipt of ATM machines on a lease basis would attract sales tax. The MPHC, in an order dated September 24, 2014 noted that the Assistant Commissioner, Commercial Tax, Indore had not considered several important aspects, including the ATM-related lease agreements entered into by our Company, and remitted the matter to the assessing officer for a fresh assessment.	
11.	W.P. No. 18604/2014	September 24, 2014	Our Company (through our Director, Mr. Badrinarain K. Goyal)	Commissioner of Sales Tax, Odisha and the Deputy Commissioner of Sales Tax, Cuttack- I, West Circle, Cuttack	High Court of Orissa	₹16,648,692	Pursuant to a VAT assessment of our Company for the period from April 1, 2011 to March 31, 2013 undertaken by the assessing officer, during verification of certain invoices of our Company, the assessing officer, concluded that our entire transaction will be chargeable to sales tax. Accordingly, the assessing officer held that our	The matter is currently pending before the Orissa High Court.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							Company did not provide any service, as it did not retain ownership of the ATMs, and (i) disallowed input credit with respect to the purchase of certain air-conditioners; and (ii) sought to levy value added tax on certain revenues of our Company and accordingly passed the order dated August 2, 2014. Our Company has filed a writ petition before the High Court of Orissa challenging the order dated August 2, 2014.	
12.	W.P. No. 18597/2014	September 24, 2014	Our Company (through our Director, Mr. Badrinarain K. Goyal)	Commissioner of Sales Tax, Odisha and the Deputy Commissioner of Sales Tax, Cuttack- I, West Circle, Cuttack	High Court of Orissa	₹1,461,489	Pursuant to an assessment order dated August 2, 2014, the assessing officer held that a delivery by our Company of ATMs in the state of Odisha attracted entry tax under the Odisha Entry Tax Act, 1999. We have filed a writ petition challenging such assessment proceedings and the order on various grounds including, <i>inter-alia</i> , that our Company brings ATMs and spare	The matter is currently pending before the Orissa High Court.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							parts from outside Odisha and installs such machines in banks otherwise than by way of purchase, and certain procedural aspects of the notice issued by the Deputy Commissioner of Sales Tax.	

Notices received by our Company

1. Our Company received a reminder legal notice dated June 12, 2013 from Mr. Mohammed Naushad for the payment of ₹290,000 towards arrears of rent and costs of ₹1,000. Mr. Naushad had previously sent our Company a legal notice on May 17, 2013. Our Company replied to this notice on July 3, 2013 rejecting Mr. Naushad's claims and has in turn, demanded a refund of the security deposit. Our Company has not received further communication from Mr. Naushad in this respect.
2. Our Company received a notice on August 6, 2013 from Ms. Seema Kumavat for the payment of ₹30,000-40,000 and other facilitation charges incurred by her to set up a three phase electricity connection and civil work, the deposit of receipts of electricity bills by our Company and the cancellation of the notice of termination dated July 20, 2013 issued by our Company to Ms. Kumavat in relation to property leased for the deployment of an ATM. Our Company replied to this notice on October 8, 2013 denying that such amounts were payable by us and requesting Ms. Kumavat to allow our Company to remove the ATM and related assets from the premises. Our Company has not received further communication from Ms. Kumavat in this respect.
3. Our Company received a notice dated August 23, 2013 from Mr. Jasmer Singh and Mr. Harbinder Singh for the payment of ₹100,000 as damages for causing loss by refusing to take on rent the premises owned by them after the necessary additions and alterations were made at their expense for the installation of an ATM. Our Company replied to this notice on September 27, 2013 disputing the claim and denying that such amount was payable by us. Our Company has not received further communication from Messrs. Singh in this respect.
4. Our Company received a demand notice dated January 8, 2014 from Mr. Randhir Singh to pay a total amount of ₹28,000 towards arrears of rent. Our Company replied to this notice on February 17, 2014 stating that the relevant agreement had been terminated with the consent of Mr. Singh and a new agreement between Mr. Singh and the relevant bank was to be executed. This matter is pending.
5. Our Company received a notice dated February 11, 2014 from Mr. Karta Ram demanding that our Company pay an amount of ₹834,120 towards arrears of rent and withdraw the letter of termination sent by our Company on January 15, 2014 in relation to a leave and license agreement entered into with

Mr. Ram. Our Company replied to this notice on February 26, 2011 stating that the termination was in accordance with the agreement and requested a refund of the security deposit of ₹21,000. This matter is pending.

6. Our Company received a demand notice dated March 10, 2014 from Mr. K. Bharathan to pay an amount of ₹344,400 towards arrears of rent and other expenses and to surrender possession of the premises. Our Company replied to this notice on March 28, 2014 stating that we would hand over possession on April 1, 2014 and that the amount payable by us, after adjustment against the security deposit, was ₹54,000. This matter is pending.
7. Our Company received a demand notice dated March 12, 2014 from Mr. Yogesh Kumar to pay an amount of ₹36,000 as a security deposit in relation to an agreement entered into with Mr. Kumar, failing which such agreement would stand terminated. This matter is pending.
8. Our Company received a legal notice dated April 3, 2014 from Mr. K.P. Sachdeva to pay an amount of ₹11,974 towards electricity charges and ₹16,000 towards rent, together with interest. The notice also called upon our Company not to make defaults in the future and install an ATM at the premises within one month. Our Company replied to this notice on April 15, 2014 disputing that such outstanding charges were payable by us. This matter is pending.
9. Our Company received a demand notice dated April 30, 2014 from Mr. Om Prakash for the payment of ₹52,000, together with interest at the rate of 18% per annum towards arrears of rent pursuant to an agreement entered into with Mr. Prakash and an amount of ₹5,500 towards costs. Our Company replied to this notice on May 22, 2014 requesting for the bank account number to credit the amount. This matter is pending.
10. Our Company received a demand notice dated July 14, 2014 from Ms. Neelam Mehta for the payment of ₹108,000 towards arrears of rent, together with interest. Our Company replied to this notice on August 6, 2014 stating that the agreement entered into with Ms. Mehta had been terminated by a letter dated October 31, 2013 and Ms. Mehta was to refund an outstanding security deposit of ₹24,000 owed to our Company. This matter is pending.
11. Our Company received a notice dated August 4, 2014 from the Office of the General Manager, Haryana Roadways in relation to a fixed deposit to be deposited by our Company pursuant to an agreement entered into with Haryana Roadways for the installation of an ATM and called upon our Company to deposit such amount. Our Company replied to this notice on August 16, 2013 stating that the required bank guarantee and cheques had been deposited with the relevant authority and calling upon the General Manager to withdraw the noticed dated August 4, 2014 against us. Our Company has not received further communication from the General Manager, Haryana Roadways in this respect.
12. Our Company received a demand notice dated August 7, 2014 from Mr. Asa Nand to pay an amount of ₹22,000 and ₹36,411 towards electricity charges and interior fittings, respectively, and ₹150,000 as damages for harassment and mental agony. Our Company replied to this notice on September 1, 2014 stating that the leave and license agreement entered into with Mr. Nand had been terminated by our Company's letter dated May 14, 2014, denying the allegations made in the notice from Mr. Nand, disputing that any dues were payable by us and called upon Mr. Nand to refund an outstanding security deposit of ₹18,000 owed to our Company. This matter is pending.
13. Our Company received a demand notice dated October 21, 2014 from Mr. Purushottam Lal for the payment of ₹39,000 towards arrears of rent, ₹1,000,000 towards damages caused to the property adjacent to the property leased by our Company for the deployment of an ATM and costs of ₹2,100. The notice alleged, *inter-alia*, that such damage was due to a fire caused by an exposed electrical wire in the ATM which was caused due to the negligence of our Company. The notice also called upon our Company to pay the pending electricity bill and install a new ATM to replace the ATM which was destroyed in the fire. Our Company replied to this notice on January 13, 2015 disputing that such dues were payable by us and alleging that the fire was caused by Mr. Lal's negligence. Our Company also called upon Mr. Lal to withdraw his notice dated October 21, 2014 with immediate

effect. Mr. Lal sent a notice dated February 18, 2015 to our Company alleging that the fire was caused due to the failure of our Company to depute a security guard at the premises and called upon our Company to make the payment of ₹65,000 together with interest towards arrears of rent and make available a copy of the receipt for deposit of electricity charges for Mr. Lal's record.

14. Our Company received a notice dated November 28, 2014 from the Vishrambaugh Police Station, Sangli for the production of a lease agreement entered into with Mr. Ravindra Patil requiring the installation of a VSAT dish, in connection with an investigation into the death of Mr. Patil from an electric shock on June 4, 2014. Our Company also received a notice dated July 31, 2014 from the Electrical Inspector, Miraj division requesting for information in relation to such incident from us. The police are investigating the matter.
15. Our Company has received a demand notice from Ms. Asha Devi Singhal to pay an amount of ₹30,000 towards advance rent and ₹10,000 per month towards arrears of rent for the period between March, 2013 and the date of the notice. Ms. Singhal has also claimed financial loss of ₹100,000 in civil construction for the deployment of an ATM by our Company. Ms. Singhal has also written a letter dated August 10, 2013 to the police against our Company. This matter is pending.

Notices sent by our Company

1. Our Company sent a notice dated November 6, 2012 to terminate a lease agreement entered into with Mr. Dheeraj Dubey. Mr. Dubey sent a reply dated December 5, 2012 calling upon our Company to pay an amount of ₹500,000 towards rent for the remainder of the original term of the lease agreement and costs of ₹3,000. The letter also alleged, *inter-alia*, that our Company had committed the offence of criminal breach of trust by terminating the lease agreement before the expiry of the term of such agreement. Our Company replied on December 22, 2012 and offered a one-time settlement amount of ₹48,000. However, Mr. Dubey refused and prevented the removal of our Company's equipment and material from the property. Mr. Dubey also sent a letter to the Station Inspector, Annapurna Police Station, Indore stating that our Company owed outstanding dues of ₹144,000 towards arrears of rent. Our Company sent a notice dated December 3, 2013 calling upon Mr. Dubey to allow our Company to move its equipment and material from the property. Subsequently, our Company removed the ATM and related assets from the premises. However, Mr. Dubey has not withdrawn his notice dated December 5, 2012.
2. Our Company sent a notice dated June 22, 2013 to terminate a lease agreement entered into with Mr. G. Nooka Raju. Our Company received a reply dated June 27, 2013 from Mr. Raju requesting our Company to revoke the termination of the lease of the premises and pay an amount of ₹200,000 incurred by Mr. Raju towards the installation of a separate electricity unit for the ATM deployed by our Company at the property. Our Company sent a further notice dated July 23, 2013 to Mr. Raju denying such amount was payable by us and calling upon Mr. Raju to refund the security deposit of ₹22,500. Our Company has not received further communication from Mr. Raju in this respect.
3. Our Company sent a notice dated December 2, 2014 to PAX Technologies Private Limited, India giving notice to terminate an agreement for distributorship entered into between our Company and PAX Technologies Private Limited, India. Our Company also sent an email dated December 3, 2014 to PAX Technology Limited, China ("PAX") stating that our Company wished to terminate the agreement dated March 12, 2014 in accordance with the terms of the agreement. PAX sent an email dated December 9, 2014 in response stating that their legal department and investor relations team was concerned that the cancellation of the agreement without a letter stating clear reasons for cancellation could have negative effects from an investor-relations point of view and could be considered in the market to be a delaying tactic employed to keep PAX "out of business" while our Company at the same time continued to purchase devices from competitors. PAX stated that either our Company should order at least part of the commitment in order to settle the termination of the agreement (three months' worth, i.e., 7500 terminals) or PAX would approach Indian courts to decide the matter.

Among other correspondence, PAX sent an email dated December 11, 2014 stating that no formal letter had been received from our Company explaining the reasons for termination (in at least some level of detail) or any indication of willingness to abide by the quotas agreed to in the contract. Our Company replied stating that the termination had been initiated as per the signed agreement on the basis of the termination and breach of contract clauses therein, which had already been mentioned in the termination notice. PAX replied to this email requesting (i) a formal letter from our Company stating the reasons for termination of the contract; and (ii) a response from our Company on whether we agree to settle and bring closure by agreeing to place orders for at least a couple of months' worth of the agreed quota. The email also stated that if no reply was received, lawyers in India and China would be engaged.

Our Company then received a letter dated December 14, 2014 from PAX, acknowledging the receipt of the notice of termination sent by our Company and stating that we had contractually agreed to order a total of 30,000 terminals over the course of 12 months but none of these orders had materialized. The letter stated, *inter-alia*, that should our Company "be considering an IPO in future", PAX would "reserve the right to initiate legal action to inform investors and the markets" of our Company's "prior signing of contractual agreements which led to no business happening, an action which could be considered as attempts to inflate company value."

4. Our Company sent a notice dated January 31, 2015 to terminate a leave and license agreement entered into with Ms. Chander Kala. Pursuant to a reply dated February 13, 2015, Ms. Kala alleged that the notice of termination issued by our Company was illegal and arbitrary and called upon our Company to pay an amount of ₹888,000 together with interest towards rent for the remaining period of the original term of the agreement, the advance rent for four months for occupation of the premises, ₹60,000 towards charges incurred by Ms. Kala for the selection of the site and submit a no dues certificate for electricity charges for the premises taken on rent from Ms. Kala.
5. Our Company sent a notice dated February 1, 2015 to terminate a leave and license agreement entered into with Mr. Prabhu Dayal Garg. Pursuant to a reply dated February 13, 2015, Mr. Garg called upon our Company to pay an amount of ₹277,849 (₹105,000 towards commission paid to a representative of our Company, ₹160,000 for the replacement of furniture and ₹12,849 towards outstanding electricity charges) before vacating the premises rented from Mr. Garg.

Notices from statutory or regulatory authorities

1. Our Company received a notice dated July 9, 2012 from the Deputy Director, Regional Office, Maharashtra Employees' State Insurance Corporation for the payment of contribution under the Employees' State Insurance Act, 1948 for the period from July 2010 to January 2011. Our Company replied on July 18, 2012 stating that the contributions for the relevant period had been made and enclosed the challans for such payments.
2. Our Company received a notice dated October 22, 2012 from the Regional Office, Employees' State Insurance Corporation, Mumbai for the payment of ₹291,582 towards interest on delayed contributions for the period from July 2010 to June 2012 under the Employees' State Insurance Act, 1948. Our Company paid such amount on December 14, 2014 and accordingly, this matter is resolved.
3. Our Company received a show cause notice dated October 22, 2012 from the Regional Office, Employees' State Insurance Corporation, Mumbai for the payment of ₹14,593 towards damages for default in making contributions under the Employees' State Insurance Act, 1948 for the period from July 2010 to June 2012. Our Company paid such amount on December 14, 2014 and accordingly, this matter is resolved.

4. Our Company received a show cause notice dated April 1, 2014 from the National Sample Survey Organisation (Field Operations Division) under the Collection of Statistics Act, 2008 and the Collection of Statistics Rules, 2011 in relation to the non-submission of information in the form of a return for the survey year 2012-2013 by our Company. Our Company sent a reply dated April 25, 2014 with the required information. Our Company has not received further communication from the National Sample Survey Organisation in this respect.
5. Our Company received a show cause notice dated April 23, 2013 from the Inspector of Security Guards Board for Brihan Mumbai and Thane District under the Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act, 1981 and the Private Security Guards (Regulation of Employment and Welfare) Scheme (Amended), 2005 in relation to the submission of certain documents. Our Company sent a reply dated May 7, 2013 stating that the required documents had been submitted on May 6, 2013 by the contractor. Our Company has not received further communication from the Inspector of Security Guards Board for Brihan Mumbai and Thane District in this respect.
6. Our Company received a demand notice dated December 12, 2013 from the Dabhel Group Gram Panchayat for the payment of ₹15,800 towards house tax for the period of April 1, 2013 to March 31, 2014. Our Company paid this amount on January 13, 2014 and accordingly, this matter is resolved.
7. Our Company received a show cause notice dated March 26, 2014 from the Deputy Chief Labour Commissioner (Central), Dhanbad in relation to contravention of the Payment of Gratuity Act, 1972 and the rules thereunder as noted in the inspection-report-cum-show cause notice dated May 8, 2013 served on our Company by the Labour Enforcement Officer (Central), Jharia requesting our Company to rectify the irregularities and report compliance. Our Company sent a reply dated June 7, 2014 to the Deputy Chief Labour Commissioner (Central), Dhanbad stating that the premises on which the inspection was carried out did not belong to our Company and at the time of the inspection, our Company was carrying out certain work for the owner of the premises. Our Company has not received further communication for the Deputy Chief Labour Commissioner (Central), Dhanbad.
8. Our Company received a show cause notice dated April 4, 2014 from the Regional Director, Employees' State Insurance Corporation, Puducherry in relation to the determination and recovery of ₹1,163,893 towards arrears of contribution and failure to furnish returns of contributions under the Employees' State Insurance Act, 1948. Pursuant to a reply dated May 3, 2014, our Company disputed the amount and requested for time until the third week of May 2014 to file a statement with full particulars of contributions actually due as per our Company's records. Our Company paid an amount of ₹98,637 towards omitted wages for the period from August 2010 to March 2012 against such demand. Subsequently, the Regional Director, Employees' State Insurance Corporation, Puducherry issued three notices, each dated February 19, 2015, for the payment of ₹12,542 towards arrears of contribution, ₹19,104 towards damages for delayed payment of contribution and ₹9,306 towards interest for delayed payment of contribution. Pursuant to a letter dated March 5, 2015, our Company made the payment of such amounts and submitted the challans to the Regional Director, Employees' State Insurance Corporation, Puducherry. However, the matter is pending for hearing with respect to the balance amount of ₹1,024,304.
9. Our Company received a notice from the Office of the Assistant Commissioner of Sales Tax (Investigation), Mumbai, on June 25, 2014 requesting our Company to submit all books of accounts from April 1, 2007 until the date of the notice. Our Company provided certain documents to the Office of the Assistant Commissioner of Sales Tax (Investigation), Mumbai, in connection with this matter. Our Company also deposited ₹20,000,000 with the government treasury and provided a bank guarantee of ₹5,000,000 as security in connection with this matter. Subsequently, our Company received two notices from the Office of the Assistant Commissioner of Sales Tax (Investigation), Mumbai, each dated November 20, 2014 alleging tax evasion on the part of our Company, and requesting our Company to show cause as to why action should not be taken against our Company in this respect. Our Company sent a reply dated December 10, 2014 and submitted the relevant documents. Our Company has not received further communication in this respect.

10. Our Company received a scrutiny assessment notice dated September 5, 2014 from the Office of the Deputy Commissioner of Income Tax 6(1)-1, Mumbai, in relation to a refund of ₹102,099,454 claimed by our Company in the assessment year 2013-2014. Pursuant to a letter dated October 10, 2014, our Company has requested for additional time to respond. This matter is pending.
11. Our Company received a notice dated October 21, 2014 from the Senior Labour Inspector, Bannerghatta Road, Bengaluru in relation to certain non-compliances under the Karnataka Shops and Establishments Act, 1961, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Karnataka Labour Welfare Fund Act, 1965 and the Child Labour (Prohibition and Regulation) Act, 1986 noted by the Senior Labour Inspector during an inspection at the premises of our Company in Bangalore. Our Company replied on October 29, 2014, submitting a compliance report and assuring the authority that we would keep all registers and records required under the Karnataka Shops and Establishments Act, 1961 and the Minimum Wages Act, 1948 readily available for inspection in the future.
12. Our Company received a notice dated November 11, 2014 from the Deputy Commissioner of Income Tax, (TDS)-1(1) in relation to the recovery of ₹24,744,916 towards short payments, late payments and late deductions of interest with respect to TDS by our Company from financial year 2009 until date. Our Company filed an application on December 22, 2014 to keep the demand in abeyance, stating that we were in the process of quarter-wise, year-wise reconciliation and had also submitted various requests for rectification. This matter is pending.
13. Our Company received a show cause notice dated November 26, 2014 from the Deputy Director, Regional Office Maharashtra, Employees' State Insurance Corporation in relation to the determination and recovery of ₹2,590 towards damages for delayed payment of contribution by our Company for the period from July 2012 to July 2014. Our Company has disputed such amount and a revised notice is awaited. This matter is pending.
14. Our Company received a notice dated January 15, 2015 from the Deputy Director, Regional Office Maharashtra, Employees' State Insurance Corporation for the payment of interest of ₹6,208 towards delayed contribution under the Employees' State Insurance Act, 1948 for the period from July 2012 to July 2014. Pursuant to a reply dated January 30, 2015, our Company disputed the amount payable, stated that payments for certain months during the relevant period had been made in time and accordingly, requested the Deputy Director, Regional Office Maharashtra, Employees' State Insurance Corporation to review the interest/damages payable by our Company.
15. Our Company has received the following notices in relation to local body taxes from various municipal authorities:
 - i. Our Company received a notice dated April 22, 2013 from the Local Body Tax Department, Mira Bhayander Municipal Corporation calling upon our Company to furnish returns in the prescribed format for the period from April 1, 2010 to March 31, 2013 together with all transactions of sale and purchase and every half-yearly and yearly return for such period. Our Company has not submitted such books of account as per a discussion with the relevant officer.
 - ii. Our Company received a notice dated June 25, 2013 from the Local Body Tax Department, Kalyan-Dombivali Municipal Corporation in relation to non-submission of returns for the period from July 1, 2012 to March 31, 2013, failure to apply for registration under the Bombay Provincial Municipal Corporation (Local Body Tax) Rules, 2010 ("**LBT Rules**") and the non-submission of books and accounts. Our Company has obtained registration under the LBT Rules on March 15, 2013. This matter is pending.

- iii. Our Company received a notice dated December 8, 2013 from the Local Body Tax Department, Bhiwandi Nizampur City Municipal Corporation in relation to non-payment of tax for the period from May 22, 2013 to July 31, 2013. Our Company has paid an amount of ₹25,956 towards the relevant taxes and the interest.
- iv. Our Company received two notices dated February 14, 2014 and July 28, 2014, respectively, from the Dhule Municipal Corporation in relation to registration under the Municipal Corporation Act and LBT Rules before September 4, 2013 and non-payment of local body taxes. Our Company obtained registration under such legislation on December 3, 2013.
- v. Our Company received a notice dated February 25, 2014 from the Aurangabad Municipal Corporation in relation to the non-submission of half-yearly and yearly returns for the period of 2011 to 2013 for assessment and called upon our Company to show cause as to why a penalty of ₹5,000 per return should not be imposed. A team from our Company met the relevant officer and stated that we were not registered under the Maharashtra Municipal Corporation Act, 1949 (the “**Municipal Corporation Act**”) and the LBT Rules and could not, therefore, make payments without a registration number. The officer allotted a registration number to our Company verbally and we have been making payments on the basis of such registration number. Subsequently, our Company obtained a registration certificate. Our Company is yet to submit books and accounts for the completion of such assessment and accordingly, this matter is pending.
- vi. Our Company received a notice dated July 16, 2014 from the authority for local body taxes at Nashik in relation to the imposition of penalty during assessment for the period from May 22, 2013 to March 31, 2013. Our Company is yet to submit books and accounts for the completion of such assessment and accordingly, this matter is pending.
- vii. Our Company received a notice dated August 27, 2014 from the Nagpur Municipal Corporation for the submission of certain documents and books of account in relation to the returns furnished for the period from April 1, 2013 to March 31, 2014 by our Company. Our Company is yet to submit such documents and accounts and accordingly, this matter is pending.
- viii. Our Company received two notices, each dated November 10, 2014, from the Local Body Tax Department, Ulhasnagar Municipal Corporation in relation to non-submission of returns the period from April 1, 2012 to March 31, 2014. Our Company has submitted the returns for such period and accordingly, this matter has been settled.
- ix. Our Company received a notice dated December 11, 2014 from the Local Body Tax Department, Thane Municipal Corporation for the submission of certain documents and books of account in relation to the returns furnished for the period from April 1, 2013 to March 31, 2014 by our Company. Our Company is yet to submit such documents and accounts and accordingly, this matter is pending.
- x. Our Company received two notices, each dated December 28, 2014, from the Local Body Tax Department, Latur Municipal Corporation, Latur in relation to non-submission of returns for the periods from November 1, 2012 to March 31, 2013 and April 1, 2013 to March 31, 2014, respectively, and the submission of certain documents and books of account in relation to such returns. This matter is pending.

Inquiries, inspections or investigations under the Companies Act, 2013 or the Companies Act, 1956

There are no inquiries, inspections or investigations under the Companies Act, 2013 or the Companies Act, 1956 in relation to our Company.

Past penalties; prosecution filed, fines imposed or compounding of offences

Companies Act

1. Our Company filed an application for compounding of offences under Section 621A of the Companies Act, 1956, with the RoC on November 24, 2010 for failing to appoint a whole-time Company Secretary, as required under Section 383A of the Companies Act, 1956. Pursuant to a letter dated January 21, 2011, the RoC directed that Mr. Ravi B. Goyal also file an application for compounding such offences in his capacity as an “officer in default”. On May 19, 2011, Mr. Ravi B. Goyal filed such application. The RoC forwarded the application to the Company Law Board, Mumbai Bench. Our Company appointed a whole-time Company Secretary on September 15, 2010. Pursuant to an order dated September 9, 2011, the Company Law Board, Mumbai Bench, compounded the offences and imposed a penalty of ₹30,000 each on our Company and Mr. Ravi. B. Goyal in connection therewith.
2. Our Company, Mr. Ravi B. Goyal (our Managing Director) and Ms. Rashmi C. Sarvaiya (the Company Secretary of our Company at the time) filed an application for compounding of offences under Section 621A of the Companies Act, 1956 with the RoC on May 27, 2011 for failure to comply with the requirements of Section 297 of the Companies Act, 1956 with respect to certain transactions of our Company with entities in which directors and/or their relatives were interested, namely, Advanced Graphic Systems, AGS Sundyne Technologies Private Limited, Fillon Technologies India Private Limited, Instrument Research Associates Private Limited and India Transact Services Private Limited without the prior approval of the Central Government. The RoC forwarded our application to the Regional Director, Western Region, Mumbai, Ministry of Corporate Affairs (“**Regional Director**”). Pursuant to an order dated July 27, 2011, the Regional Director compounded the offence and imposed a penalty of ₹18,000 each on our Company, Mr. Ravi B. Goyal and Ms. Rashmi C. Sarvaiya in connection therewith.
3. Our Company, Mr. Ravi B. Goyal (our Managing Director) and Ms. Rashmi C. Sarvaiya (the Company Secretary of our Company at the time) filed an application for compounding of offences under Section 621A of the Companies Act, 1956 with the RoC on November 3, 2011 for failure to comply with the requirements of Section 314 of the Companies Act, 1956 with respect to the appointment of Mr. S.P. Chaudhry, a director of our Company, to an office of profit. The consent of the shareholders of our Company by way of a special resolution was to have been obtained for such appointment. The RoC forwarded our application to the Company Law Board, Mumbai Bench. Pursuant to an order dated December 4, 2013, the Company Law Board, Mumbai Bench compounded the offences and imposed a penalty of ₹20,000 each on our Company, Mr. Ravi B. Goyal and Ms. Rashmi C. Sarvaiya in connection therewith.
4. Our Company, Mr. Ravi. B. Goyal (our Managing Director) and Ms. Rashmi C. Sarvaiya (the Company Secretary of our Company at the time) filed an application for compounding of offences under Section 621A of the Companies Act, 1956 with the RoC on March 21, 2012, for the failure of our Company to comply with the requirements of Section 297 of the Companies Act, 1956 in relation to certain payments made to Mr. Kiran B. Goyal, a relative of Mr. Ravi B. Goyal and Mr. Badrinarain K. Goyal, as a professional consultant of our Company, between February 1, 2010 and February 29, 2012. In a letter dated April 24, 2012, the RoC stated that the application would not be taken forward on the grounds that the transaction in question, being a transaction with a director or relatives of a director for rendering professional consultancy and payment of professional consultancy service charges, did not, in the opinion of the RoC, fall within the purview of Section 297 of the Companies Act, 1956.
5. Our Company filed an application under Section 314(2B) of the Companies Act, 1956 with the Ministry of Corporate Affairs, Government of India (“**MCA**”) on March 29, 2012, to waive the recovery of certain payments made to Mr. Kiran B. Goyal, a relative of Mr. Ravi B. Goyal and Mr. Badrinarain K. Goyal, between February 1, 2010 and February 29, 2012, that were not in compliance with the Director’s Relatives (Office or Place of

Profit) Rules, 2003. Pursuant to an order dated November 1, 2012, the MCA rejected the application on the grounds that our Company has not submitted the requisite exclusive employment certificate of Mr. Kiran B. Goyal in our Company.

6. Our Company, Mr. Ravi B. Goyal (our Managing Director), Ms. Rashmi O. Savita (the Company Secretary of our Company at the time) and Mr. Sudip D. Bandyopadhyay (a Director of our Company) filed an application for compounding of offences under Section 621A of the Companies Act, 1956 with the RoC on December 3, 2013 for failure to comply with the requirements of Section 295 of the Companies Act, 1956 with respect to certain inter-corporate deposits of ₹50 million with Destimoney Securities Private Limited, a private company of which Mr. Sudip D. Bandyopadhyay was the managing director. Pursuant to an order dated May 19, 2014, the Company Law Board, Mumbai Bench compounded the offences and imposed a penalty of ₹5,000 each on our Company, Mr. Ravi B. Goyal, Ms. Rashmi O. Savita and Mr. Sudip D. Bandyopadhyay in connection therewith.
7. Our Company, Mr. Ravi B. Goyal (our Managing Director), Ms. Rashmi O. Savita (the Company Secretary of our Company at the time) and Mr. Sudip D. Bandyopadhyay (a director of our Company) filed an application for compounding of offences under Section 621A of the Companies Act, 1956 with the RoC on December 3, 2013 for failure to comply with the provisions of Section 283 of the Companies Act, 1956 with respect to the automatic vacation of the office of Mr. Sudip D. Bandyopadhyay in relation to inter-corporate deposits of ₹50 million with Destimoney Securities Private Limited, a private company of which Mr. Sudip D. Bandyopadhyay was the managing director, without the prior approval of the Board of Directors and the Central Government. Pursuant to an order dated May 21, 2014, the Company Law Board, Mumbai Bench compounded the offences and imposed a penalty of ₹5,000 each on our Company, Mr. Ravi B. Goyal, Ms. Rashmi O. Savita and Mr. Sudip D. Bandyopadhyay in connection therewith.
8. Our Company has received a certificate for grant of immunity from prosecution under the Companies Act, 1956 under the Company Law Settlement Scheme, 2010 (the “**CLSS, 2010**”) in relation to belated filings of two documents. Our Company had to pay an additional fee for the filing of such forms in terms of the CLSS, 2010.

RBI

1. Our Company filed an application on May 13, 2011 for compounding of offence under FEMA for failure to comply with certain overseas direct investment and reporting requirements under the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended (“**FEMA 120**”), including the filing of certain Form ODIs and Form APRs and intimation to the RBI of the remittance of SGD 100 (approximately ₹3,400) to a resident of Singapore in relation to subscription of shares by our Company in our wholly-owned subsidiary, AGS Infotech Singapore Pte. Limited (now known as Global Transact Services Pte. Ltd.), incorporated under the laws of Singapore. Pursuant to an order dated October 14, 2011, the Foreign Exchange Department, RBI, compounded the offences and ordered our Company to pay ₹5,000 as compounding fees.

Others

1. Our Company received a claim application from the Labour Enforcement Officer, Jharia dated October 24, 2013 with respect to the payment of wages lower than the minimum wages to certain employees of our Company in the period between April 17, 2013 and April 18, 2013. Pursuant to an order dated December 16, 2013, the Regional Labour Commissioner directed our Company to pay a total amount of ₹4,416 to the four employees who had been paid wages which were lower than minimum wages.
2. The Regional Labour Commissioner (Central), Chennai sent a show cause notice dated February 20, 2014 addressed to Axis Bank Limited in relation non-payment of wages, overtime wages and rest wages under the Contract Labour (Regulation and Abolition) Act, 1970 to security guards, field officers and coordinators at various ATMs in Tamil Nadu and Puducherry. The provision of security guards, field officers and coordinators at these ATMs was

sub-contracted by our Company to Clear Secured Services Private Limited. Clear Secured Services Private Limited and Axis Bank Limited replied to this notice on March 8, 2014 stating that there were no pending wages due to the personnel and Clear Secured Services Private Limited had been regular and prompt in making all payments to the security guards, field officers and contractors, strictly adhering to the contract entered into with our Company.

3. On April 18, 2014, an inspection of one of our ATM sites under construction at Shaw and Sons Petrol Pump, Bhaga, was carried out by the Labour Enforcement Officer (Central), Jharia and certain non-compliances under the Minimum Wages Act, 1948 and Minimum Wages (Central) Rules, 1950 were noted. The matter was transferred to the Lok Adalat. Our Company paid a fine of ₹500 and settled the matter.
4. A notice dated December 3, 2014 was sent to Ratnakar Bank by the Sub Registrar, Division II, Solapur North I, calling upon Ratnakar Bank to produce a list of the branches where ATM services are provided by “private companies” under the name of Ratnakar Bank, the duration and status of registration of the rental agreements for such premises and whether stamp duty has paid on such agreements. Our Company has entered into these lease agreements for the deployment of ATMs of Ratnakar Bank in Solapur. Our Company has not received further communication in this respect.

Disciplinary action taken by the SEBI or any stock exchange

No disciplinary action has been taken by the SEBI or any stock exchange against our Company.

Outstanding dues to small scale undertaking(s) or any other creditor

There are no amounts owed to small scale undertakings exceeding ₹0.10 million, which is outstanding for more than 30 days. Other than in the ordinary course of business, there are no outstanding dues to other creditors for more than 30 days.

Material frauds committed against our Company in last five years

Except as disclosed below, there have been no material frauds committed against our Company in the last five years:

1. In financial year 2013, there were certain cases of attempted burglary/thefts of items at various ATMs by third parties amounting to ₹2,417,503. Our Company filed complaints with the concerned regulatory authorities as well as insurance claims for the recovery of such amount.
2. In financial year 2014, there were certain cases of attempted burglary/thefts of items at various ATMs by third parties amounting to ₹5,868,300. Our Company filed complaints with the concerned regulatory authorities as well as insurance claims for the recovery of such amount.

Litigation/Proceedings involving the Subsidiaries

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
<i>Criminal Proceedings</i>								
1.	Complaint No. 34A	February 9, 2015	Mr. Nilakantha Mishra, on behalf of ITSL	New Fashions (a sole proprietorship) through its owner, Mr. Abinash Kumar Singh	Station House Officer, Sahkurpur Police Station, New Delhi	₹2,042,000	ITSL received a request for POS terminal deployment for New Fashions (the “Merchant”) from Ratnakar Bank Limited. The terminal was configured by ITSL and installed at the Merchant’s location. ITSL requested the Merchant to provide the relevant documents in respect of the transactions being performed by the Merchant since the amounts involved were large. However, such documents were not provided and accordingly, ITSL withheld the credit of amounts for subsequent transactions to the Merchant’s account. The Merchant stopped using the POS terminal for further transactions. Further, the Merchant sent	The police are investigating the matter.

S. No.	Reference No.	Date	Plaintiffs/ Petitioners/ Complainants/ Applicants/ Appellants	Defendants/ Respondents/ Opponents	Forum	Amount under Consideration	Brief Description of the Case	Status
							letters to certain cardholders indicating that their payments had not been processed and that accordingly, their goods could not be delivered. ITSL received charge backs amounting to ₹2,042,000 in respect of such transactions. Accordingly, ITSL filed a complaint against the Merchant with respect to such fraudulent transactions.	

In addition, SVIL has also filed three FIRs (including against certain employees) in connection with incidents related to shortage of cash in certain ATMs and theft of cash. The aggregate amount under consideration for these incidents is ₹2,878,100. The police are investigating all three matters.

Notices from statutory or regulatory authorities

SVIL received a notice dated February 4, 2014 from the Senior Labour Inspector, 14th Circle, Bengaluru in relation to certain non-compliances under the in relation to certain non-compliances under the Karnataka Shops and Establishments Act, 1961, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Karnataka Labour Welfare Fund Act, 1965 and the Industrial Employment (Standing Orders) Act, 1946. SVIL replied to such notice on February 11, 2014 stating that all registers and records were being submitted for review by the Senior Labour Inspector.

Inquiries, inspections or investigations under the Companies Act, 2013 or the Companies Act, 1956

There are no inquiries, inspections or investigations under the Companies Act, 2013 or the Companies Act, 1956 in respect of the Subsidiaries.

Past penalties; prosecution filed, fines imposed or compounding of offences

Except as stated below, there are no past penalties imposed on, prosecutions filed against, fines imposed on or compounding of offences by the Subsidiaries:

Companies Act

ITSL has received a certificate for grant of immunity from prosecution under the Companies Act, 1956 under the CLSS, 2010 in relation to the belated filing of a form. ITSL had to pay an additional fee for the filing of such form in terms of the CLSS, 2010.

Disciplinary action taken by the SEBI or any stock exchange

No disciplinary action has been taken by the SEBI or any stock exchange against the Subsidiaries.

Litigation/Proceedings involving the Directors

For details on litigation proceedings and compounding orders involving Mr. Ravi B. Goyal, please see “ - *Litigation/Proceedings involving our Company*” and “- *Past penalties; prosecution filed, fines imposed or compounding of offences*” on pages 323 and 352, respectively.

For details on litigation proceedings involving Mr. Badrinarain K. Goyal, please see “ - *Litigation/Proceedings involving our Company*” on page 323.

Other than as disclosed above, there are no litigation proceedings involving the Directors.

Past penalties imposed on the Directors

For details on compounding orders involving Mr. Ravi B. Goyal and Mr. Sudip Bandyopadhyay, please see “-*Past penalties; prosecution filed, fines imposed or compounding of offences*” on page 352.

Other than as disclosed above, there are no past penalties which have been imposed on the Directors.

Litigation involving our Promoter and the Group Entities

Except as stated below or elsewhere in this section there is no (i) outstanding litigation in which our Promoter is involved; (ii) outstanding litigation against our Promoter and the Group Entities whose outcome could have a material adverse effect on the consolidated results of operations or financial condition of such entity or our Company; (iii) default to financial institutions or banks by our Promoter and the Group Entities; (iv) non-payment of statutory dues and dues towards instrument holders such as debt instrument holders, fixed deposits and arrears on cumulative preference shares, by our Promoter and the Group Entities; (v) proceeding initiated for economic offences or civil offences (including the past cases, if found guilty), any disciplinary action taken by the SEBI or any recognized stock exchange against our Promoter and the Group Entities; (vi) outstanding litigation or default in respect of Group Entities with which our Promoter was associated in the past but is no longer associated; (vii) default or litigation relating to over dues, labor problems, lock-outs or strikes against our Promoter and the Group Entities; (viii) litigation against our Promoter involving violation of statutory regulations or alleging criminal offence; (ix) adverse finding in respect of the persons/entities connected with our Company, Promoter or Group Entities in respect of compliance with the securities laws; and (x) past case in which penalties were imposed by the relevant authorities on our Promoter and the Group Entities.

Litigation/Proceedings involving our Promoter

For details on litigation proceedings and compounding orders against Mr. Ravi B. Goyal, please see “ - *Litigation/Proceedings involving our Company*” and “- *Litigation/Proceedings involving our Company - Past penalties; prosecution filed, fines imposed or compounding of offences*” on pages 323 and 352, respectively.

Notices from statutory or regulatory authorities

Our Promoter has not received any notices from statutory or regulatory authorities.

Past penalties imposed on our Promoter

For details on the compounding orders against Mr. Ravi B. Goyal, please see “-*Litigation/Proceedings involving our Company - Past penalties; prosecution filed, fines imposed or compounding of offences*” on page 352.

Disciplinary action taken by the SEBI or any stock exchange against the Promoter

No disciplinary action has been taken by the SEBI or any stock exchange against our Promoter.

Outstanding Cases against Group Entities with which our Promoter was associated in the past but is no longer associated

There are no outstanding cases against Group Entities with which our Promoter was associated in the past but is no longer associated.

Litigation/Proceedings involving the Group Entities

There are no litigation proceedings involving the Group Entities.

Past penalties imposed on the Group Entities

There are no past penalties which have been imposed on the Group Entities.

Disciplinary action taken by the SEBI or any stock exchange against the Group Entities

No disciplinary action has been taken by the SEBI or any stock exchange against the Group Entities.

Defaults in relation to borrowings from financial institutions/ banks

No defaults have been called by any financial institution or bank in relation to borrowings from such financial institution or bank. For details of our financing arrangements, see the section “*Financial Indebtedness*” on page 296.

Details of default and non-payment of statutory dues

Except as stated below, there have been no instances of default or non-payment of statutory dues by our Company:

1. For financial year 2007 - ₹8,616,117 towards non-payment of value added tax in Maharashtra and central service tax;
2. For financial year 2012:
 - a. ₹4,212 towards non-payment of TDS (in relation to the period of February 2011);
 - b. ₹12,456 towards delay in deposit of works contract tax (in relation to the period of July 2011);
 - c. ₹2,142,822 towards delay in deposit of contribution under the Employees' State Insurance Act, 1948 (in relation to the period from July 2010 to September 2011);
 - d. ₹4,434,476 towards delay in deposit of central sales tax (in relation to the period from April 2011 to August 2011);
 - e. ₹15,415,894 towards delay in deposit of service tax (in relation to the period from April 2011 to September 2011);
3. For financial year 2014:
 - a. ₹1,982,892 towards delay in deposit of self assessment tax (in relation to the period from April 2013 to September 2013); and
 - b. ₹1,125,630 towards non-payment of profession tax.

Material developments since September 30, 2014

Other than as disclosed in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 275, in the opinion of the Board, there has not arisen, since the date of the last restated financial information 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.

GOVERNMENT AND OTHER APPROVALS

On the basis of the list of material approvals provided below, our Company can undertake the Offer and our Company and the Subsidiaries can undertake each of their respective current business activities and other than as stated below, no further approvals from any regulatory authority is required to undertake the Offer or continue such business activities. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring Prospectus.

I. APPROVALS IN RELATION TO THE OFFER

Please see the section “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 371 for the approvals and authorizations obtained by our Company in relation to the Offer.

II. APPROVALS IN RELATION TO OUR BUSINESS

A. Material approvals obtained by our Company

1. Incorporation Details

- Certificate of incorporation dated December 11, 2002 issued to our Company by the RoC.
- Fresh certificate of incorporation dated June 3, 2010 issued to our Company by the RoC consequent to change of name to AGS Transact Technologies Private Limited.
- Fresh certificate of incorporation dated July 20, 2010 issued to our Company by the RoC consequent to conversion from a private limited company to a public limited company and the resultant change in the name.

2. Certificate of authorization dated June 30, 2014 to set up, own and operate payment systems for white label ATMs issued to our Company by the RBI, with effect from June 30, 2014 and valid until June 30, 2019. Certain key conditions of the certificate of authorization include, among others, the following:

- Our Company is required to comply with the PSS Act, the FEMA, the Companies Act, 1956, the Prevention of Money Laundering Act, 2002 and all applicable rules, regulations, guidelines, circulars, orders, notifications issued thereunder;
- The authorization cannot be transferred or assigned without the prior approval of the RBI;
- Our Company is not entitled to any fees other than the applicable “interchange” fee that would be payable to an acquirer bank with respect to a bank owned ATM;
- Our Company is not permitted to charge customers any amount (whether directly or indirectly) to use a white label ATM;
- Our Company is required to put in place a customer grievance redressal mechanism containing a definite time frame for the resolution of any grievances;
- Our Company is required to intimate the RBI of the names of the nodal officers appointed to ensure regulatory compliance, together with their complete contact information, and any change thereof;
- Any change in the mode of operation or the settlement procedure would require the prior approval of the RBI;
- The introduction in India of any new payment system product or service (other than as authorized) would not be permitted without the prior approval of the RBI;
- Our Company is required to ensure due diligence and adhere to “fit and proper person” criteria prior to effecting any changes in the Board. Our Company is also required to inform the RBI of any such changes;
- Our Company is required to maintain appropriate agreements with sponsor banks and ATM network operators to address customer complains within a definite time period; and

- Our Company is required to be fully responsible and accountable for the activities of other associates engaged in white label ATM operations.
3. Approval from the FIPB dated May 15, 2013 for foreign investment in a company proposing to set up, own and operate white label ATMs in India.

The FIPB has approved foreign equity participation of 43.17% of the equity share capital of our Company and the approval of the FIPB shall be necessary where our Company intends to increase the foreign equity beyond the percentage approved for an activity which is on the approval route.

Our Company is required to notify the FIPB within 30 days of the allotment of shares to non-resident shareholders or the receipt of funds in connection with such allotment, where such allotment will not increase foreign equity participation beyond 43.17% of the equity of our Company.

Such approval is also subject to other conditions, including the authorization from the RBI under the PSS Act and a minimum net worth of ₹1,000 million.

4. We have obtained registrations under applicable shops and establishments legislations in the relevant states in India where we operate including, but not limited to, the following:

- Andhra Pradesh Shops and Establishments Act, 1988;
- Assam Shops and Establishments Act, 1971;
- Bihar Shops and Establishments Act, 1953;
- Bombay Shops and Establishments Act, 1948;
- Delhi Shops and Establishments Act, 1954;
- Jammu and Kashmir Shops and Establishment Act, 1966;
- Karnataka Shops and Commercial Establishments Act, 1961;
- Kerala Shops and Commercial Establishments Act, 1950;
- Madhya Pradesh Shops and Establishments Act, 1958.
- Orissa Shops and Commercial Establishments Act, 1956;
- Puducherry Shops and Establishments Act, 1964;
- Punjab Shops and Commercial Establishments Act, 1958;
- Rajasthan Shops and Commercial Establishments Act, 1958;
- Tamil Nadu Shops and Establishments Act, 1947;
- Uttarakhand Shops and Commercial Establishment Act, 1962;
- Uttar Pradesh Shops and Commercial Establishment Act, 1962; and
- West Bengal Shops and Establishments Act, 1963.

5. We have obtained registrations under tax legislations, including, but not limited to, the following:

- Andhra Pradesh Value Added Tax Act, 2005;
- Andhra Pradesh Tax on Professions, Trades, Callings and Employment Act, 1976;
- Assam Professions, Trades, Callings and Employment Taxation Act, 1947;
- Assam Value Added Tax Act, 2003;
- Bihar Tax on Professions, Trades, Callings and Employments Act, 2011;
- Bihar Value Added Tax Act, 2005;
- Central Excise Act, 1944;
- Central Sales Tax Act, 1956;
- Daman and Diu Value Added Tax Regulation, 2005;
- Delhi Value Added Tax Act, 2004;
- Finance Act, 1994;
- Goa Value Added Tax Act, 2005;

- Gujarat Value Added Tax Act, 2003;
- Gujarat State Tax on Professions, Trades, Callings and. Employments Act, 1976
- Haryana Value Added Tax Act, 2003;
- Income Tax Act, 1961;
- Jammu & Kashmir Value Added Tax Act, 2005;
- Jharkhand Value Added Tax Act, 2005;
- Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976;
- Karnataka Value Added Tax Act, 2003;
- Kerala Value Added Tax Act, 2003;
- Madhya Pradesh Professional Tax Act, 1995;
- Madhya Pradesh Value Added Tax Act, 2002;
- Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975;
- Maharashtra Value Added Tax Act, 2002;
- Orissa State Tax on Professions, Trades, Callings and Employments Act, 2000;
- Orissa Value Added Tax Act, 2004;
- Puducherry Value Added Tax Ordinance, 2007;
- Punjab Value Added Tax Act, 2005;
- Rajasthan Value Added Tax Act, 2003;
- Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992;
- Tamil Nadu Value Added Tax Act, 2006;
- Uttar Pradesh Value Added Tax Act, 2007;
- Uttarakhand Value Added Tax Act, 2005;
- West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979;
and
- West Bengal Value Added Tax Act, 2003.

6. We have obtained registrations under applicable labour law legislations including, but not limited to:

- Bombay Labour Welfare Fund Act, 1953;
- Contract Labour (Regulation and Abolition) Act, 1970, as a principal employer, covering our establishments in:
 - i. Bangalore, Karnataka;
 - ii. Secunderabad, Andhra Pradesh;
 - iii. Mumbai, Maharashtra;
 - iv. Navi Mumbai, Maharashtra; and
 - v. New Delhi.
- Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948 covering our branches/units in:
 - i. Bangalore, Karnataka;
 - ii. Chennai, Tamil Nadu;
 - iii. Cuttack, Odisha;
 - iv. Ernakulam, Kerala;
 - v. Hyderabad, Andhra Pradesh;
 - vi. Indore, Madhya Pradesh;
 - vii. Jaipur, Rajasthan;
 - viii. Kolkata, West Bengal;
 - ix. Mumbai, Maharashtra;
 - x. New Delhi; and
 - xi. Patna, Bihar.
- Karnataka Labour Welfare Fund Act, 1965;
- Kerala Labour Welfare Fund Act, 1975;
- Madhya Pradesh Shram Kalyan Nidhi Adhiniyam, 1982; and
- Tamil Nadu Labour Welfare Fund Act, 1972.

7. We have obtained a trade license from the Kolkata Municipal Corporation.
8. We have obtained an importer-exporter code with respect to our operations in Daman, Kalamboli and Puducherry. This code is subject to the condition that in case of any change in the name/address or constitution of the holder of the importer-exporter code, the import-exporter code holder shall cease to be eligible to import or export against the importer-exporter code after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the importer-exporter code by the concerned licensing authority.
9. We have obtained certain environmental and other licenses with respect to our operations in Daman and Diu, including but not limited to the following:
 - License to work a factory under the Factories Act, 1948 and the rules made thereunder;
 - Occupancy certificate under the Goa, Daman and Diu Village Panchayat (Regulation of Building) Rules, 1971;
 - License under the Water (Prevention & Control of Pollution) Act, 1974; and
 - Micro manufacturing enterprise registration issued by the General Manager, District Industries Centre, Daman.
10. We have obtained a certificate of approval for our quality management system which was found to conform to the requirements of the standard ISO 9001:2008 with respect to our operation office, two manufacturing units, repair centre and warehouse from Indian Register Quality Systems (“**IRQS**”), a department of Indian Register of Shipping. Certain key conditions of this approval include, among others,
 - i. that the approval is subject to continued satisfactory maintenance of our quality management system to the above standard, which will be monitored by IRQS; and
 - ii. that the certificate shall expire on July 18, 2015.
11. We have received an approval dated April 29, 2014 of the Ministry of Corporate Affairs, Government of India under Section 297(1) of the Companies Act, 1956 for entering into contracts in relation to, *inter-alia*, the sale and purchase of various IT products, annual maintenance and other IT services with Advanced Graphic Systems, AGS Sundyne, Fillon and IRA for the period from May 13, 2014 to March 31, 2015. Certain key conditions of such approval include the following:
 - i. the contract shall be for a period of one year from May 13, 2014 to March 31, 2015;
 - ii. the total value of the contract with the related party should not exceed the limits specified for such contract in the approval;
 - iii. the prices to be paid to or received from the related party shall be reasonable and not be higher or lower, as the case may be, than the prevailing market rates; and
 - iv. our Company is required to ensure that the contract is competitive and is not less advantageous to us as compared to similar contracts with other parties.

B. Material approvals obtained by the Subsidiaries

1. SVIL

- (i) SVIL has obtained registrations under applicable shops and establishments legislations in the relevant states in India where it operates including, but not limited to, the following:
 - Andhra Pradesh Shops and Establishments Act, 1988;
 - Bombay Shops and Establishments Act, 1948;
 - Delhi Shops and Establishments Act, 1954;

- Karnataka Shops and Commercial Establishments Act, 1961;
 - Kerala Shops and Commercial Establishments Act, 1950;
 - Orissa Shops and Commercial Establishments Act, 1956;
 - Punjab Shops and Commercial Establishments Act, 1958; and
 - Tamil Nadu Shops and Establishments Act, 1947.
- (ii) SVIL has obtained registrations under applicable labour law legislations including, but not limited to:
- Bombay Labour Welfare Fund Act, 1953;
 - Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
 - Employees' State Insurance Act, 1948 covering our branches/units in:
 - i. Ahmedabad, Gujarat;
 - ii. Bangalore, Karnataka;
 - iii. Bhopal, Madhya Pradesh;
 - iv. Chennai, Tamil Nadu;
 - v. Coimbatore, Tamil Nadu;
 - vi. New Delhi;
 - vii. Ernakulam, Kerala;
 - viii. Gurgaon, Haryana;
 - ix. Hyderabad, Andhra Pradesh;
 - x. Jaipur, Rajasthan;
 - xi. Khordha, Odisha;
 - xii. Mohali, Punjab; and
 - xiii. Mumbai, Maharashtra.
 - Kerala Labour Welfare Fund Act, 1975; and
 - Madhya Pradesh Shram Kalyan Nidhi Adhiniyam, 1982.
- (iii) SVIL has obtained a trade license from the Bhubaneswar Municipal Corporation. SVIL has also obtained a provisional trade license from the Greater Hyderabad Municipal Corporation.
- (iv) SVIL has obtained registrations under tax legislations, including, but not limited to, the following:
- Finance Act, 1994;
 - Gujarat State Tax on Profession, Trade, Calling and Employments Act, 1976;
 - Income Tax Act, 1961;
 - Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976;
 - Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975;
 - Orissa State Tax on Professions, Trades, Callings and Employments Act, 2000;
 - Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992; and
 - Telangana Tax on Profession, Trade, Calling and Employment Act, 1987.
- (v) Mr. Ravi B. Goyal has obtained licenses from local police authorities to run private security agencies under the Private Security Agencies (Regulation) Act, 2005 in the relevant states in India in which SVIL operates, including but not limited to:
- Tamil Nadu; and
 - Karnataka.

Certain key conditions of such licenses include, among others, the following:

- The licensee is required to inform the controlling authority of any change of management within seven days of such change;

- The licensee, employees and all security guards are required to undergo training prescribed under the Private Security Agencies (Regulation) Act, 2005 and the rules made thereunder, within a period of six months from obtaining the license; and
 - The licensee is required to inform the controlling authority of any criminal matter, case or charge against any of the persons forming the agency, or any employee, security guard or supervisor engaged or employed by the agency.
- (vi) SVIL has obtained an importer-exporter code. This code is subject to the condition that in case of any change in the name/address or constitution of the holder of the importer-exporter code, the import-exporter code holder shall cease to be eligible to import or export against the importer-exporter code after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the importer-exporter code by the concerned licensing authority.

2. ITSL

- (i) Certificate of authorization dated May 30, 2014 for ITSL to set up and operate payment system for semi-closed pre-paid payment instruments services in India from the RBI, with effect from May 30, 2014 and valid until May 31, 2019. Certain key conditions of the certificate of authorization include, among others, the following:
- The payment services are required to have been launched within six months of obtaining such authorization.
 - ITSL is required to intimate the RBI of the names of the nodal officers appointed to ensure regulatory compliance, together with their complete contact information, and any change thereof.
 - ITSL is required to comply with the PSS Act, the FEMA, the Companies Act, 1956, the Prevention of Money Laundering Act, 2002 and all applicable rules, regulations, guidelines, circulars, orders, notifications issued thereunder.
 - ITSL is required to maintain proper records of pre-paid payment instrument holders and the beneficiaries of with respect to all transactions.
 - The authorization cannot be transferred or assigned without the prior approval of the RBI.
 - ITSL is required to ensure preservation and protection of security and confidentiality of customer information in the custody or possession of the payment system operator.
 - Any change in the mode of operation or the settlement procedure would require the prior approval of the RBI.
 - Any new product or service to be introduced in India (other than the one authorized) would not be permitted without the prior approval of the RBI.
 - ITSL is required to ensure due diligence and adhere to “fit and proper person” criteria prior to effecting any changes in their board of directors. ITSL is also required to inform the RBI of any such changes.
 - ITSL is required to be fully responsible and accountable for the activities of merchants, distributors, agents and sub-agents participating in the operation of the authorized payment system.
- (ii) ITSL has obtained registrations under applicable shops and establishments legislations including, but not limited to, the Bombay Shops and Establishment Act, 1948.
- (iii) ITSL has obtained registrations under tax legislations, including, but not limited to, the following:
- Central Sales Tax Act. 1956;
 - Income Tax Act, 1961;
 - Finance Act, 1994;

- Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975; and
 - Maharashtra Value Added Tax Act, 2002.
- (iv) ITSL has obtained an importer-exporter code. This code is subject to the condition that in case of any change in the name/address or constitution of the holder of the importer-exporter code, the import-exporter code holder shall cease to be eligible to import or export against the importer-exporter code after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the importer-exporter code by the concerned licensing authority.

3. Novus Cambodia

Novus Cambodia has obtained a certificate of patent tax (self-assessment system) for the year 2014 issued by the head of the taxation branch of Khan Chamkarmorn.

4. Novus Philippines

Novus Philippines has obtained a business permit issued by the City of Taguig, Republic of the Philippines. Such permit is valid until December 31, 2015.

C. Material licenses and approvals for which applications have been made by our Subsidiaries

SVIL has made applications for licenses under the PSAR Act in Andhra Pradesh, Haryana, Kerala, Maharashtra and Punjab.

III. INTELLECTUAL PROPERTY

A. Registrations obtained by our Company and the Subsidiaries

S. No.	Name	Registration Number	Class	Date of Expiry
Our Company				
1.	AGS*	1748021	16	October 23, 2018
2.	AGS*	1748024	2	October 23, 2018
3.	AGS*	1748014	6	October 23, 2018
4.	AGS*	1748013	7	October 23, 2018
5.	AGS*	1748010	35	October 23, 2018
6.	AGS*	1748009	36	October 23, 2018
7.	AGS*	1748018	36	October 23, 2018
8.	AGS*	1748023	6	October 23, 2018
9.	AGS Logo*	1748015	2	October 23, 2018
10.	AGS Logo*	1748016	1	October 23, 2018
11.	AGS Logo	1480246	35	August 20, 2016
12.	AGS*	1748017	42	October 23, 2018
13.	AGS*	1748008	42	October 23, 2018
14.	AGS*	1748019	35	October 23, 2018
15.	AGS*	1748022	7	October 23, 2018
16.	AGS*	1748025	1	October 23, 2018
17.	AGS*	1727859	21	September 1, 2018
18.	AGS*	1727856	6	September 1, 2018
19.	AGS*	1727862	42	September 1, 2018
20.	AGS*	1727854	1	September 1, 2018
21.	AGS*	1727861	36	September 1, 2018
22.	AGS*	1727860	35	September 1, 2018

S. No.	Name	Registration Number	Class	Date of Expiry
23.	AGS*	1727858	16	September 1, 2018
24.	AGS*	1727857	7	September 1, 2018
25.	AGS*	1727855	2	September 1, 2018
26.	AGS BLU	2353371	9	June 24, 2022
27.	AGS BLU	2353370	9	June 24, 2022
28.	AGS Endura*	1827724	9	June 9, 2019
29.	AGS Endura*	1827725	41	June 9, 2019
30.	AGS Endura	1827727	42	June 9, 2019
31.	AGS Endura	1827728	35	June 9, 2019
32.	AGS Endura	1827729	35	June 9, 2019
33.	AGS Endura*	1842098	41	July 20, 2019
34.	AGS Endura	1842099	42	July 20, 2019
35.	AGS Endura*	1842102	9	July 20, 2019
36.	AGS Handy*	1757222	9	November 23, 2018
37.	AGS Handy*	1757228	35	November 23, 2018
38.	Ags Handy*	1757221	9	November 23, 2018
39.	AGS Handy*	1757227	35	November 23, 2018
40.	AGS Handybook*	1757231	35	November 23, 2018
41.	AGS Handybook*	1757218	9	November 23, 2018
42.	AGS Handyman	1757220	9	November 23, 2018
43.	AGS Handyman*	1757229	35	November 23, 2018
44.	AGS Infotech	1907226	1	January 10, 2020
45.	AGS Infotech	1907227	2	January 10, 2020
46.	AGS Infotech	1907228	6	January 10, 2020
47.	AGS Infotech	1907229	7	January 10, 2020
48.	AGS Infotech*	1907230	9	January 10, 2020
49.	AGS Infotech	1907232	21	January 10, 2020
50.	AGS Infotech	1907233	35	January 10, 2020
51.	AGS Infotech	1907234	1	January 10, 2020
52.	AGS Infotech	1907235	41	January 10, 2020
53.	AGS Infotech	1907236	42	January 10, 2020
54.	AGS Primus*	1827726	9	June 9, 2019
55.	AGS Primus*	1827730	41	June 9, 2019
56.	AGS Primus*	1842095	41	July 20, 2019
57.	AGS Primus	1842096	42	July 20, 2019
58.	AGS Primus	1842097	35	July 20, 2019
59.	AGS Primus*	1842100	9	July 20, 2019
60.	AGS Primus	1827731	42	June 9, 2019
61.	AGS Service (Yellow Spanner)	1871334	6	October 7, 2019
62.	AGS Service (Yellow Spanner)	1871335	2	October 7, 2019
63.	AGS Service (Yellow Spanner)	1871336	1	October 7, 2019
64.	Fastlane	2431025	6	November 20, 2022
65.	Fastlane	2431023	16	November 20, 2022
66.	Fastlane	2431033	16	November 20, 2022
67.	Fastlane	2431022	17	November 20, 2022
68.	Fastlane	2431030	40	November 20, 2022
69.	Fastlane	2431028	17	November 20, 2022
70.	Handy*	1757223	9	November 23, 2018
71.	Handy*	1757226	35	November 23, 2018
72.	Handybook*	1757217	9	November 23, 2018
73.	Handybook*	1757232	35	November 23, 2018
74.	Handyman*	1757230	35	November 23, 2018
75.	Handyman	1757219	9	November 23, 2018

S. No.	Name	Registration Number	Class	Date of Expiry
76.	iCD	2205814	6	September 14, 2021
77.	iCD	2205815	9	September 14, 2021
78.	iCD	2205816	6	September 14, 2021
79.	iCD	2205817	9	September 14, 2021
80.	Kashier	1547508	16	April 8, 2017
81.	Kashier	1547509	36	April 8, 2017
82.	Kisan ATM	1547507	16	April 8, 2017
83.	Y	1757225	35	November 23, 2018
84.	Y	1757224	9	November 23, 2018
ITSL				
1.	India Transact [#]	1479513	6	August 16, 2016
2.	India Transact	1748005	42	October 23, 2018
3.	India Transact	1748006	42	October 23, 2018
4.	India Transact [#]	1479515	25	August 16, 2016
Novus SGP				
1.	Broadcast	T1312807B	36	August 12, 2023
2.	Connect	T1312806D	36	August 12, 2023
3.	Correlate	T1312805F	36	August 12, 2023
4.	Empower	T1312804H	36	August 12, 2023
5.	Novus Technologies	T1312798Z	42	August 12, 2023
6.	Operate	T1312802A	36	August 12, 2023
7.	Transact	T1312801C	36	August 12, 2023
8.	Transform	T1312800E	36	August 12, 2023
9.	Youbank	T1312799H	36	August 12, 2023

* Trademark registrations assigned to our Company pursuant to a deed of assignment between our Company and Advanced Graphic Systems dated June 3, 2011.

[#] Trademark registration assigned to ITSL pursuant to a deed of assignment between ITSL and our Company dated September 10, 2013.

Two copyright registrations obtained in connection with the Youpay logo have been assigned to our Company by ITSL pursuant to a deed of assignment dated September 5, 2014.

B. Applications made by our Company and the Subsidiaries

S. No.	Name	Reference Number	Class	Date of Application
Our Company				
1.	AGS (logo with word)	2784894	1	August 1, 2014
2.	AGS (logo with word)	2785896	2	August 1, 2014
3.	AGS (logo with word)	2784897	6	August 1, 2014
4.	AGS (logo with word)	2784898	7	August 1, 2014
5.	AGS (logo with word)	2878899	9	August 1, 2014
6.	AGS (logo with word)	2784900	12	August 1, 2014
7.	AGS (logo with word)	2785901	16	August 1, 2014
8.	AGS (logo with word)	2784902	21	August 1, 2014
9.	AGS (logo with word)	2784903	35	August 1, 2014
10.	AGS (logo with word)	2784904	36	August 1, 2014
11.	AGS (logo with word)	2784906	41	August 1, 2014
12.	AGS (logo with word)	2784907	42	August 1, 2014
13.	AGS	2784908	1	August 1, 2014
14.	AGS	2784909	2	August 1, 2014
15.	AGS	2784910	6	August 1, 2014
16.	AGS	2784911	7	August 1, 2014
17.	AGS	2784912	9	August 1, 2014
18.	AGS	2784913	12	August 1, 2014
19.	AGS	2784914	16	August 1, 2014

S. No.	Name	Reference Number	Class	Date of Application
20.	AGS	2784915	21	August 1, 2014
21.	AGS	2784916	35	August 1, 2014
22.	AGS	2784917	36	August 1, 2014
23.	AGS	2784918	41	August 1, 2014
24.	AGS	2784919	42	August 1, 2014
25.	AGS Infotech	1907231	16	January 4, 2010
26.	AGS Service (Yellow Spanner)	1871334	6	October 5, 2009
27.	AGS Service (Yellow Spanner)	1871333	7	October 5, 2009
28.	AGS Service (Yellow Spanner)	1871330	9	October 5, 2009
29.	AGS Service (Yellow Spanner)	1871332	16	October 5, 2009
30.	AGS Service (Yellow Spanner)	1871328	21	October 5, 2009
31.	AGS Service (Yellow Spanner)	1871331	35	October 5, 2009
32.	AGS Service (Yellow Spanner)	1871326	36	October 5, 2009
33.	AGS Service (Yellow Spanner)	1871329	41	October 5, 2009
34.	AGS Service (Yellow Spanner)	1871327	42	October 5, 2009
35.	AgsSmart Fuel	2748804	9	June 3, 2014
36.	AgsSmart Fuel	2748803	4	June 3, 2014
37.	AgsSmart Fuel	2748799	42	June 3, 2014
38.	AgsSmart Fuel	2748805	35	June 3, 2014
39.	Fastlane	2431027	9	November 21, 2012
40.	Fastlane	2431027	6	November 21, 2012
41.	Fastlane	2431024	9	November 21, 2012
42.	Fastlane	2431017	38	November 21, 2012
43.	Fastlane	2431021	35	November 21, 2012
44.	Fastlane	2431020	40	November 21, 2012
45.	Fastlane	2431019	42	November 21, 2012
46.	Fastlane	2431018	45	November 21, 2012
47.	Fastlane	2431032	42	November 21, 2012
48.	Fastlane	2431031	45	November 21, 2012
49.	Fastlane	2431029	35	November 21, 2012
50.	Fastlane	2431016	38	November 21, 2012
51.	Genuine	2229653	6	November 4, 2011
52.	Genuine	2229653	9	November 4, 2011
53.	Genuine	2229653	16	November 4, 2011
54.	Genuine	2229653	21	November 4, 2011
55.	Genuine	2229653	36	November 4, 2011
56.	Genuine	2229653	42	November 4, 2011
57.	Genuine	2229651	21	November 4, 2011
58.	Genuine	2229651	36	November 4, 2011
59.	Genuine Cash Sort	2229649	9	November 4, 2011
60.	Genuine Cash Sort	2229649	36	November 4, 2011
61.	Genuine Coin Sort	2229650	9	November 4, 2011
62.	Genuine Coin Sort	2229650	36	November 4, 2011
63.	Genuine Trace	2229648	9	November 4, 2011
64.	Kisan ATM	1547506	6	April 9, 2007
65.	Ongo	2874044	7	January 1, 2015
66.	Ongo	2874042	36	January 1, 2015
67.	Ongo	2874043	38	January 1, 2015
68.	Ongo	2873452	42	December 31, 2014
69.	Ongo	2873451	37	December 31, 2014
70.	Ongo	2873450	35	December 31, 2014
71.	Ongo	2873449	9	December 31, 2014
72.	Ongo	2898268	7	February 10, 2015
73.	Ongo	2898269	9	February 10, 2015
74.	Ongo	2898270	35	February 10, 2015
75.	Ongo	2898273	36	February 10, 2015
76.	Ongo	2898275	37	February 10, 2015
77.	Ongo	2898278	38	February 10, 2015
78.	Ongo	2898280	42	February 10, 2015
79.	Ongo ATM+	2898281	7	February 10, 2015
80.	Ongo ATM+	2898283	9	February 10, 2015

S. No.	Name	Reference Number	Class	Date of Application
81.	Ongo ATM+	2898284	35	February 10, 2015
82.	Ongo ATM+	2898285	36	February 10, 2015
83.	Ongo ATM+	2898287	37	February 10, 2015
84.	Ongo ATM+	2898289	38	February 10, 2015
85.	Ongo ATM+	2898290	42	February 10, 2015
86.	Smart Fuel	2748798	42	June 3, 2014
87.	Smart Fuel	2748800	4	June 3, 2014
88.	Smart Fuel	2748801	9	June 3, 2014
89.	Smart Fuel	2748802	35	June 3, 2014
90.	Youpay	2787670	9	August 6, 2014
91.	Youpay	2787671	36	August 6, 2014
92.	Youpay*	2695879	9	March 10, 2014
93.	Youpay*	2695880	36	March 10, 2014
94.	Youpay	2787673	36	August 6, 2014
SVIL				
1.	Securevalue	2364905	36	July 17, 2012
2.	Securevalue	2364905	39	July 17, 2012
3.	Securevalue	2364905	45	July 17, 2012
4.	Securevalue	2364904	36	July 17, 2012
5.	Securevalue	2364904	39	July 17, 2012
6.	Securevalue	2364904	45	July 17, 2012
ITSL				
1.	India Transact	1480244	16	August 16, 2006
2.	Swipe-it	2454801	9	January 4, 2013
3.	Swipe-it	2454802	36	January 4, 2013
4.	Swipe-it	2454803	38	January 4, 2013
5.	Swipe-it	2454804	42	January 4, 2013
6.	Swipe-it	2454797	9	January 4, 2013
7.	Swipe-it	2454798	36	January 4, 2013
8.	Swipe-it	2454799	38	January 4, 2013
9.	Swipe-it	2454800	42	January 4, 2013
10.	YOUPAY	2695879	9	March 10, 2014
11.	YOUPAY	2695880	36	March 10, 2014

* Pursuant to a deed of assignment dated September 5, 2014, these applications were assigned to our Company by ITSL.

Our Company filed four Form TM-60s with the Registrar of Trade Marks with respect to four logos of our Company to ascertain whether any trademark resembles the artistic work of such logos.

Our Company has also filed two Form TM-60s with respect to the ‘Ongo’ and ‘Ongo ATM+’ labels on February 12, 2015 to ascertain whether any trademark resembles the artistic work of such labels.

SVIL filed a Form TM-60 with the Registrar of Trade Marks with respect to the ‘Secure Value’ logo on July 20, 2012 to ascertain whether any trademark resembles the artistic work of such logo.

ITSL filed two Form TM-60s with the Registrar of Trade Marks with respect to the ‘YOUPAY’ logos on July 21, 2014 to ascertain whether any trademark resembles the artistic work of such logos.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Board has approved the Offer pursuant to the resolution passed at its meeting held on January 30, 2015 and the Shareholders have approved the Offer pursuant to the resolution passed at the EGM held on February 3, 2015.

The Board has approved this Draft Red Herring Prospectus pursuant to the resolution passed at its meeting held on March 21, 2015.

Mr. Ravi B. Goyal has authorized the sale of his portion of the Offer for Sale pursuant to a consent letter dated March 18, 2015. TPG has authorized the sale of the TPG Offered Shares and Oriole has authorized the sale of the Oriole Offered Shares pursuant to the resolutions passed by their boards of directors dated March 17, 2015 and March 20, 2015, respectively.

The Promoter Selling Shareholder has confirmed that: (i) he has held the Equity Shares proposed to be offered and sold in the Offer by way of the Offer for Sale for a period of at least one year, prior to the date of filing this Draft Red Herring Prospectus and, to the extent that the Equity Shares being offered by him in the Offer have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and issued by capitalizing the securities premium of our Company; and (ii) the Equity Shares proposed to be offered and sold by the Promoter Selling Shareholder in the Offer shall be transferred to the Allottees free from any liens, charges, or encumbrances, or transfer restriction of any kind (including but not limited to, pre-emptive rights).

Each of the Investor Selling Shareholders severally and not jointly has specifically confirmed that: (i) it has held the Equity Shares proposed to be offered and sold in the Offer by way of the Offer for Sale for a period of at least one year, prior to the date of filing this Draft Red Herring Prospectus including the Equity Shares received pursuant to conversion of any convertible instruments held by the Investor Selling Shareholders in accordance with Regulation 26(6) of the SEBI Regulations and, to the extent that the Equity Shares being offered by the Investor Selling Shareholders in the Offer have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and issued by capitalizing the securities premium of our Company; and (ii) the Equity Shares proposed to be offered and sold by it in the Offer shall be transferred to the Allottees free from any liens, charges, or encumbrances, or transfer restriction of any kind (including but not limited to, pre-emptive rights).

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Our Company intends to seek a clarification from the FIPB confirming that participation by non-resident investors in the Offer and/or the Pre-IPO Placement is permitted and that our Company is permitted to receive foreign investment up to 100% of its equity share capital under the automatic route in terms of the current foreign investment policy and further that there is no restriction on purchase or sale of the Equity Shares by eligible non-resident investors on the stock exchanges.

Prohibition by the SEBI or Other Governmental Authorities

Our Company, our Promoter, our Directors, the members of the Promoter Group, the Group Entities and the persons in control of our Company have not been debarred from accessing or operating in the capital markets under any order or direction passed by the SEBI or any other regulatory or governmental authority. Each of the Investor Selling Shareholders severally and not jointly confirms that such Investor Selling Shareholder, has not been prohibited from accessing or operating in the 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, our Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or governmental authority.

Mr. Bharat Dhirajlal Shah, one of our Directors, is also a director of the following companies which are associated with the securities market:

- i. Faering Capital Trustee Company Private Limited, a registered venture capital fund;
- ii. HDFC Securities Limited, a registered stock broker with membership of the BSE, MCX-SX and NSE; and
- iii. IDFC Alternatives Limited, a registered investment adviser.

The SEBI had carried out an inspection of books and records of HDFC Securities Limited for the period of April 1, 2010 to March 31, 2011 and issued an administrative warning pursuant to a letter dated July 5, 2012 in relation to the incorporation of certain objectionable clauses in the 'know your customer' (KYC) document. Such objectionable clauses have been removed in compliance with the observation. (Letter reference numbers COM/AUG-12/003 dated August 3, 2012 and COM/DEC-12/028 dated December 24, 2012)

Further, in July 2014, certain observations with respect to updates in the anti-money laundering policy and KYC documentation on financial information of clients were reported by the SEBI after an inspection and accordingly administrative warning was issued to HDFC Securities Limited. In light of such observations reported by the SEBI, HDFC Securities Limited has taken steps to comply with the observations and has furnished its report of the action taken to the SEBI through letters dated August 18, 2014 (reference number COM/AUG-14/018) and December 11, 2014 (reference number COM/DEC-14/021).

Mr. Jagadish Capoor, one of our Directors, is also a director of HDFC Securities Limited.

Mr. Sudip Bandyopadhyay, one of our Directors, is also a director of Destimoney Securities Private Limited, which is a registered stock broker with membership of the BSE, MCX-SX and NSE and is a DP with CDSL.

Other than Mr. Bharat Dhirajlal Shah, Mr. Jagadish Capoor and Mr. Sudip Bandyopadhyay, none of our Directors is in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any such entity.

Prohibition by the RBI

None of our Company, our Directors, our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter, our Directors or our Group Entities has been identified as a wilful defaulter by the RBI or any other authority. There are no violations of securities laws committed by any of them in the past or are pending against them. The Investor Selling Shareholders severally and not jointly confirm that they have not been identified as wilful defaulters by RBI or other government authorities and there are no violations of securities laws committed by them in the past or pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI Regulations, as set forth below:

- Our Company has net tangible assets of at least ₹30 million 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 million, calculated on a restated 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 million 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 of our Company as per the audited balance sheet of the preceding financial year; and

- Our Company has not changed its name in the last financial year.

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 financial information included in this Draft Red Herring Prospectus as at, and for the last five years ended financial year 2014 are set forth below:

(₹ in million, unless otherwise stated)

Particulars	For the six-months period ended	Financial Year				
	September 30, 2014	2014	2013	2012	2011	2010
Net tangible assets, as restated	4,125.77	3,974.83	3,982.39	2,328.04	679.98	655.13
Monetary assets, as restated	336.42	96.02	107.13	179.55	93.85	70.48
Monetary assets, as restated as a % of net tangible assets, as restated	8.15%	2.42%	2.69%	7.71%	13.80%	10.76%
Pre-tax operating profit, as restated	547.97	654.51	300.35	432.19	165.56	259.35
Net worth, as restated	4,311.60	4,170.11	4,134.46	2,453.67	703.96	678.36

- Net tangible assets means the sum of all net assets of our Company excluding intangible assets as defined in Accounting Standard 26 issued by Institute of Chartered Accountants of India.
- Monetary assets include cash on hand, cheques in hand and balance with banks (including the deposits accounts and interest accrued thereon).
- 'Pre-tax operating profit', has been calculated as net profit before the aggregate of tax, extra-ordinary items, finance costs and other income.
- Net worth has been defined as the aggregate of share capital, securities premium and reserves and surplus (excluding revaluation reserves) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and debit balance of profit and loss account, if any.

Financial years 2014, 2012 and 2010 are the three most profitable years out of the immediately preceding five financial years in terms of our restated consolidated financial information.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 failing which the entire application monies shall be refunded forthwith.

Our Company is in compliance with conditions specified in Regulation 4(2) of the SEBI Regulations to the extent applicable.

Disclaimer Clause of the 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 BOOK RUNNING LEAD MANAGERS, AXIS CAPITAL LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, HDFC BANK LIMITED, ICICI SECURITIES LIMITED AND KOTAK MAHINDRA CAPITAL COMPANY LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH 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 AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS 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 BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 24, 2015 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS 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 MATERIALS 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, WE CONFIRM THAT:
 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA 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 THE SECURITIES AND EXCHANGE BOARD OF INDIA, 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, 1956, TO THE EXTENT NOT REPLACED BY THE COMPANIES ACT, 2013, THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED.
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS;

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER'S 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 CLAUSES (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S 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 THE SECURITIES AND EXCHANGE BOARD OF INDIA. 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 ISSUER, 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 TO THE EXTENT APPLICABLE;
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 73 OF THE COMPANIES ACT, 1956 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, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY;
11. WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 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 THE SECURITIES AND

EXCHANGE BOARD OF INDIA FROM TIME TO TIME;

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER – 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, PROMOTER’S EXPERIENCE, ETC.;
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, 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 MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)’ AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA 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 CERTIFIED BY MANUBHAI & SHAH, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 106041W) PURSUANT TO ITS CERTIFICATE DATED MARCH 21, 2015.

The filing of this Draft Red Herring Prospectus does not, however, absolve any person, other than the Investor Selling Shareholders, who has authorized the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of 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. The SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

The filing of this Draft Red Herring Prospectus does not, however, absolve either of the Investor Selling Shareholders from any liabilities to the extent of the statements made by each of them in respect of their proportion of the Equity Shares offered by such Investor Selling Shareholder as part of the Offer for Sale, under Section 34 or 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 RHP 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 32 of the Companies Act, 2013.

Price information of past issues handled by the BRLMs

1. Price information of past public issues handled by Axis

S. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index on Listing Date (Closing)	Closing Price as on 10 th Calendar Day from Listing Day (₹)	Benchmark Index as on 10 th Calendar Day from Listing Day (Closing)	Closing Price as on 20 th Calendar Day from Listing Day (₹)	Benchmark Index as on 20 th Calendar Day from Listing Day (Closing)	Closing Price as on 30 th Calendar Day from Listing Day (₹)	Benchmark Index as on 30 th Calendar Day from Listing Day (Closing)
1.	Monte Carlo	3,504.30	645.00	December 19, 2014	584.00	567.30	-12.05%	8,225.20	526.55	8,246.30	511.35	8234.60	476.00	8,550.70

S. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index on Listing Date (Closing)	Closing Price as on 10 th Calendar Day from Listing Day (₹)	Benchmark Index as on 10 th Calendar Day from Listing Day (Closing)	Closing Price as on 20 th Calendar Day from Listing Day (₹)	Benchmark Index as on 20 th Calendar Day from Listing Day (Closing)	Closing Price as on 30 th Calendar Day from Listing Day (₹)	Benchmark Index as on 30 th Calendar Day from Listing Day (Closing)
	Fashions Limited													
2.	Bharti Infratel Limited ¹	41,727.6	220.00	December 28, 2012	200.00	191.65	-12.89%	5,908.35	207.4	5,988.4	204.95	6,039.20	210.30	6,074.80
3.	Tara Jewels Limited	2,200.0	230.00	December 6, 2012	242.00	229.9	-0.04%	5,930.90	230.25	5,857.9	223.75	5,905.6	235.30	6,016.15
4.	MT Educare Limited	990.0	80.00	April 12, 2012	86.05	90.35	12.94%	5,276.85	107.9	5,200.6	107.1	5,239.15	91.15	4,928.90
5.	NBCC Limited ²	1,249.7	106.00	April 12, 2012	101.00	96.95	-8.54%	5,276.85	96.35	5,200.6	94.75	5,239.15	86.55	4,928.90

Source: www.nseindia.com

¹ Price for retail individual bidders was ₹210.00 per equity share and for anchor investors was ₹230.00

² Price for retail individual bidders and eligible employees was ₹100.70 per equity share.

Notes:

a. The S&P CNX NIFTY is considered as the Benchmark Index.

b. Price on NSE is considered for all of the above calculations.

c. In case 10th/20th/30th day is not a trading day, closing price on NSE of the next trading day has been considered.

Summary statement of price information of past public issues handled by Axis

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			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%
2014-2015	1	3,504.30	-	-	1	-	-	-	-	1	-	-	-	-
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	4	46,167.3	0	0	3	0	0	1	0	0	2	0	0	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.

2. Price information of past public issues handled by Citi

S. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index on Listing Date (Closing)	Closing Price as on 10 th Calendar Day from Listing Day (₹)	Benchmark Index as on 10 th Calendar Day from Listing Day (Closing)	Closing Price as on 20 th Calendar Day from Listing Day (₹)	Benchmark Index as on 20 th Calendar Day from Listing Day (Closing)	Closing Price as on 30 th Calendar Day from Listing Day (₹)	Benchmark Index as on 30 th Calendar Day from Listing Day (Closing)
1.	Just Dial Limited ¹	9,191.41	530.00	June 5, 2013	590.00	611.45	15.37%	19,568.22	629.30	19,177.93	625.45	18,629.15	655.80	19,495.82

¹ A discount of ₹47 per equity share was offered to retail individual bidders

Notes:

a. The Benchmark Index is the BSE Sensex.

b. In case 10th/20th/30th day is not a trading day, closing price on the BSE of a trading day immediately prior to the 10th/20th/30th day, is considered.

Summary statement of price information of past public issues handled by Citi

Financial Year	Total no. of IPOs	Total Funds Raised (₹million)	Nos. of IPOs trading at Discount on Listing Date			No. of IPOs trading at Premium on Listing Date			No. of IPOs trading at Discount as on 30th Calendar Day from Listing Day			No. of IPOs trading at Premium as on 30th Calendar Day from Listing Day		
			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%
April 1, 2014 – September 15, 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-14	1	9,191.41	-	-	-	-	-	1	-	-	-	-	-	1
2012-13	-	-	-	-	-	-	-	-	-	-	-	-	-	-

3. Price information of past public issues handled by HDFC

S. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index on Listing Date (Closing)	Closing Price as on 10 th Calendar Day from Listing Day (₹)	Benchmark Index as on 10 th Calendar Day from Listing Day (Closing)	Closing Price as on 20 th Calendar Day from Listing Day (₹)	Benchmark Index as on 20 th Calendar Day from Listing Day (Closing)	Closing Price as on 30 th Calendar Day from Listing Day (₹)	Benchmark Index as on 30 th Calendar Day from Listing Day (Closing)
1.	Bharti Infratel Limited ¹	41,727.6	220.0 ⁽¹⁾	December 28, 2012	200.00	191.65	-12.89	5,908.35	207.40	5,988.40	204.95	6,039.20	210.30	6,074.80
2.	Snowman Logistics Limited	1,974.00	47	September 12, 2014	76	79.8	69.79	8,105.50	99.2	8,146.30	84.7	7,852.40	84.3	7,884.25

Source: www.nseindia.com

¹ In Bharti Infratel Limited, the anchor investor issue price was ₹230 per equity share and the issue price to Retail Individual Bidders was ₹210 per equity share.

Notes:

a. Benchmark Index considered above in all the cases was Nifty.

b. 10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date/day.

Summary statement of price information of past public issues handled by HDFC

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing day			Nos. of IPOs trading at premium as on 30th calendar day from listing day		
			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%
2012-13	1	41,727.6	-	-	1	-	-	-	-	-	1	-	-	-
2013-14	Nil	Nil	-	-	-	-	-	-	-	-	-	-	-	-
2014-15	1	1,974.00	-	-	-	1	-	-	-	-	-	1	-	-

4. Price information of past public issues handled by I-Sec

S. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index on Listing Date (Closing)	Closing Price as on 10 th Calendar Day from Listing Day (₹)	Benchmark Index as on 10 th Calendar Day from Listing Day (Closing)	Closing Price as on 20 th Calendar Day from Listing Day (₹)	Benchmark Index as on 20 th Calendar Day from Listing Day (Closing)	Closing Price as on 30 th Calendar Day from Listing Day (₹)	Benchmark Index as on 30 th Calendar Day from Listing Day (Closing)
1.	Shemaroo Entertainment Limited	1,200.00	170 ⁽¹⁾	October 1, 2014	180	171.00	0.59%	7945.55	154.00	7,859.95	160.35	7927.75	163.95	8322.20
2.	Wonderla Holidays Limited	1,812.50	125	May 9, 2014	160	157.80	26.24%	6858.80	166.80	7,263.55	212.60	7235.65	216.15	7654.60
3.	Bharti Infratel Limited	41,727.60	220 ⁽²⁾	December 28, 2012	200	191.65	-12.89%	5,908.35	207.40	5,988.40	204.95	6,039.20	210.30	6,074.80
4.	Credit Analysis and Research Limited	5,399.78	750	December 26, 2012	940	922.55	23.01%	5,905.60	929.25	5,988.40	931.05	6,056.60	924.85	6,074.65
5.	Tara Jewels Limited	1,794.99	230	December 6, 2012	242	229.90	-0.04%	5,930.90	230.25	5,857.90	223.75	5,905.60	234.00	5,988.40

Source: www.nseindia.com

⁽¹⁾ Discount of ₹10 per equity share offered to retail investors and Premium of ₹10 per equity share to Anchor investors. All calculations are based on Issue Price of ₹220.00 per equity share

⁽²⁾ Discount of ₹17 per equity share offered to retail investors. All calculations are based on Issue Price of ₹170.00 per equity share

Notes:

a. Benchmark Index considered above in all the cases was NIFTY

b. 10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date / day

Summary statement of price information of past public issues handled by I-Sec

Financial Year	Total no. of IPOs	Total Funds Raised (₹million)	Nos. of IPOs trading at Discount on Listing Date			No. of IPOs trading at Premium on Listing Date			No. of IPOs trading at Discount as on 30th Calendar Day from Listing Day			No. of IPOs trading at Premium as on 30th Calendar Day from Listing Day		
			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%
2014-15	2	3,012.50	0	0	0	0	1	1	0	0	1	1	0	0
2013-14	0	Nil	0	0	0	0	0	0	0	0	0	0	0	0
2012-13	3	48,922.37	0	0	2	0	0	1	0	0	1	0	0	2

5. Price information of past public issues handled by Kotak

S. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	Closing Price on Listing Date (₹)	% Change in Price on Listing Date (Closing) vs. Issue Price	Benchmark Index on Listing Date (Closing)	Closing Price as on 10 th Calendar Day from Listing Day (₹)	Benchmark Index as on 10 th Calendar Day from Listing Day (Closing)	Closing Price as on 20 th Calendar Day from Listing Day (₹)	Benchmark Index as on 20 th Calendar Day from Listing Day (Closing)	Closing Price as on 30 th Calendar Day from Listing Day (₹)	Benchmark Index as on 30 th Calendar Day from Listing Day (Closing)
1.	Ortel Communications Limited	1,736.49	181.00	March 19, 2015	160.05	162.25	(10.36%)	8,634.65	NA	NA	NA	NA	NA	NA
2.	Bharti Infratel Limited ⁽¹⁾	41,727.60	220.00	December 28, 2012	200.00	191.65	-12.89%	5,908.35	207.40	5,988.40	204.40	6,001.85	210.30	6,074.80
3.	PC Jeweller Limited ⁽²⁾	6,013.08	135.00	December 27, 2012	137.00	149.20	10.52%	5,870.10	181.65	5,988.40	168.90	6,056.60	157.55	6,074.65
4.	Credit Analysis & Research Limited	5,399.78	750.00	December 26, 2012	940.00	922.55	23.01%	5,905.60	934.75	6,016.15	923.45	6,024.05	920.85	6,019.35
5.	Specialty Restaurants Limited	1,760.91	150.00	May 30, 2012	152.00	159.60	6.40	4,950.75	182.45	5,068.35	206.65	5,064.25	213.05	5,149.15

Source: www.nseindia.com; NA – Not available

Notes:

1. In Bharti Infratel Limited, the anchor investor issue price was ₹230 per equity share and the issue price after discount to Retain Individual Bidders was ₹210 per equity share.
2. In PC Jeweller Limited, the issue price after discount to Retail Individual Bidders and Eligible Employees was ₹130 per equity share.

Summary statement of price information of past public issues handled by Kotak

Financial Year	Total no. of IPOs	Total Funds Raised (₹million)	Nos. of IPOs trading at Discount on Listing Date			No. of IPOs trading at Premium on Listing Date			No. of IPOs trading at Discount as on 30th Calendar Day from Listing Day			No. of IPOs trading at Premium as on 30th Calendar Day from Listing Day		
			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%
April 1, 2014 – March 23, 2015	1	1,736.49	-	-	1	-	-	-	NA	NA	NA	NA	NA	NA
2013-14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-13	4	54,901.36	-	-	1	-	-	3	-	-	1	-	1	2

NA – Not available

Track record of past issues handled by BRLMs

For details regarding the track record of the BRLMs, as specified in Circular (CIR/MIRSD/1/2012) dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs, as set forth in the table below:

S. No.	Name of BRLM	Website
1.	Axis	http://www.axiscapital.co.in
2.	Citi	http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
3.	HDFC	http://www.hdfcbank.com
4.	I-Sec	http://www.icicisecurities.com
5.	Kotak	http://www.investmentbank.kotak.com

Caution - Disclaimer from our Company, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Promoter Selling Shareholder and the BRLMs 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.agsindia.com, or the respective websites of the Subsidiaries or our Group Entities, would be doing so at his or her own risk. Each of the Investor Selling Shareholders, their respective directors, affiliates, associates and officers accept/undertake no responsibility for any statements made other than those made by such Investor Selling Shareholder in relation to them and to the Equity Shares offered by them respectively, by way of the Offer for Sale in the Offer.

The Promoter Selling Shareholder accepts responsibility that this Draft Red Herring Prospectus contains all information about him as the Promoter Selling Shareholder in the context of the Offer for Sale and he assumes responsibility for statements in relation to the Promoter Selling Shareholder included in this Draft Red Herring Prospectus. Further, each Investor Selling Shareholder severally and not jointly accepts responsibility only for statements expressly made by such Investor Selling Shareholder in relation to itself in this Draft Red Herring Prospectus.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into among the Underwriters, our Company and the Selling Shareholders.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs 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 of our Company, our Directors, 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, the 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 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 Equity Shares. Our Company, the Investor Selling Shareholders, the Promoter Selling Shareholder, 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 Equity Shares.

Our customers include affiliates of the BRLMs or the BRLM entity. Axis Bank, ICICI Bank and HDFC Bank are our top three customers. The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter, Promoter Group, Group Entities, 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 or become customers or suppliers to our Company, the Promoter, Promoter Group, Group Entities, 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

The 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 authorized to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized 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 non-residents, including FIIs, Eligible NRIs and FPIs. 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 the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India 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 or the Subsidiaries since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the Securities Act, and 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional investors (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) of the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the 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 prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the 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 prior to filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at Corporate Finance Department, Plot No.C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.

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, 100, Everest, 5th Floor, Marine Drive, Mumbai 400 002, Maharashtra, 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 Promoter Selling Shareholder will forthwith repay all moneys received from the applicants in pursuance of the Red Herring Prospectus as required by applicable law. Our

Company and the Promoter Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 12 Working Days of the Bid/Offer Closing Date. The Promoter Selling Shareholder also confirms that he shall provide assistance to our Company, the BRLMs, as may be reasonably required and necessary, 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. Further, the Investor Selling Shareholders severally and not jointly specifically confirm that they shall provide cooperation to our Company, the BRLMs, as may be reasonably required and necessary, 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. If our Company does not allot Equity Shares pursuant to the Offer within 12 Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Consents

Consents in writing of: (a) the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the Chief Financial Officer, the Domestic Legal Counsel to our Company, the Domestic Legal Counsel to the Underwriters, the International Legal Counsel to the Underwriters, the Legal Advisors to the Investor Selling Shareholders as to Indian Law, the Bankers to our Company and lenders to our Company or the Subsidiaries (where such consent is required) and (b) the BRLMs, the Registrar to the Offer, the Syndicate Members, the Escrow Collection Banks, the Refund Banks and the Bankers to the Offer to act in their respective capacities, have been obtained/ will be obtained prior to filing of the Red Herring Prospectus with the RoC and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013.

Our Company has received written consent from the Statutory Auditor namely, S.R. Batliboi & Associates LLP, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “Expert” defined under Section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditors on the restated consolidated and unconsolidated financial information, each dated March 12, 2015, and the statement of tax benefits dated March 17, 2015 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

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 Auditor namely, S.R. Batliboi & Associates LLP, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “Expert” defined under Section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditors on the restated consolidated and unconsolidated financial information, each dated March 12, 2015, and the statement of tax benefits dated March 17, 2015 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

Offer Related Expenses

The expenses of the Offer include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. The details of the estimated Offer expenses are set forth below:

Activity	Estimated Expenses* (₹ in million)	As a % of the Total Estimated Offer Expenses	As a % of the Total Offer size
Fees payable to the BRLMs	[●]	[●]	[●]
Offer related advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar	[●]	[●]	[●]
Underwriting commission, fees payable to the Bankers to the Offer, brokerage and selling commission, as applicable	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers**	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs**	[●]	[●]	[●]
Others (listing fees, legal fees, etc.)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

* Will be incorporated at the time of filing of the Prospectus.

** Disclosure of commission and processing fees will be incorporated at the time of filing the Red Herring Prospectus.

Other than listing fees, expenses in relation to the legal counsel of our Company and in relation to corporate advertisements which will be paid by our Company and expenses in relation to the legal counsel to the Investor Selling Shareholders which shall be paid by the Investor Selling Shareholders, all costs, fees and expenses with respect to the Offer will be shared between our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in proportion to the Equity Shares issued under the Fresh Issue and sold under the Offer for Sale, respectively, upon completion of the Offer. To the extent required under applicable law, any payments by our Company in relation to the Offer for Sale shall be on behalf of the Promoter Selling Shareholder and the Investor Selling Shareholders and such payments will be reimbursed by the Promoter Selling Shareholder and the Investor Selling Shareholders to our Company in proportion to the Equity Shares sold under the Offer for Sale.

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 expenses) will be as per the Syndicate Agreement, a copy of which will be available for inspection at the Registered Office.

Fees Payable to the Registrar to the Offer

The fees payable 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 stated in the agreement dated March 24, 2015 among our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which is available for inspection at the Registered 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.

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is an initial public offering of our Company, 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 inception of our Company.

Particulars regarding Public or Rights Issues by our Company during the last Five Years

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 the section “*Capital Structure – Notes to Capital Structure - Issue of Equity Shares for Consideration other than Cash*” on page 73, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Previous capital issue during the previous three years by our Company, listed Group Entities, Subsidiaries of our Company

None of our Company, the Subsidiaries or Group Entities has made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. None of the Subsidiaries or the Group Entities is listed on any stock exchange.

Performance vis-à-vis objects – Public/Rights Issue of our Company and/or listed Group Entities, Subsidiaries of our Company

Our Company has not undertaken any previous public or rights issue. None of the Subsidiaries or the Group Entities is listed on any stock exchange.

Outstanding Debentures or Bonds or Preference Shares other instruments

Except for the employee stock options granted under the ESOS 2012 as disclosed in the section “*Capital Structure - Notes to Capital Structure – Employee Stock Option Plans*” on page 80, our Company does not have any outstanding debentures or bonds or preference shares or other instruments as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up 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.

Mechanism for Redressal of Investor Grievances

The agreement among the Registrar to the Offer, our Company and the Selling Shareholders provides for the retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the non-ASBA process may be addressed to the Registrar to the Offer, 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, amount paid on application, date of Bid cum Application Form and the name and address of the Syndicate Member or the Registered Broker where the Bid cum Application Form was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the Syndicate Members at the Specified Locations or the Registered Broker 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 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 Designated Branch or the collection centre of the SCSB or the Syndicate Member at the Specified Locations or the Registered Broker at the Broker Centres where the Bid cum Application Form was submitted.

Further, with respect to the Bid cum Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, 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 has constituted a Stakeholders Relationship Committee comprising Mr. Sudip Bandyopadhyay (Chairman), Mr. Jagadish Capoor and Mr. Bharat Dhirajlal Shah. For details, see the section “*Our Management – Committees of the Board*” on page 178.

Our Company has also appointed Mr. Ajit Pethe, Company Secretary of our Company, as the Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Ajit Pethe

Company Secretary and Compliance Officer

AGS Transact Technologies Limited

601-602 Trade World, B Wing

Kamala Mill Compound

Senapati Bapat Marg, Lower Parel

Mumbai 400 013

Maharashtra, India

Tel: +91 22 6781 2000

Fax: +91 22 2493 5384

Email: ipo@agsindia.com

Changes in Statutory Auditors

There have been no changes in our Company’s statutory auditors during the three years preceding the date of this Draft Red Herring Prospectus, except as described below:

Name of Auditors	Date of Appointment	Date of Resignation	Reasons for Change
SRBC & Co. LLP	September 9, 2011	July 29, 2013	Expiry of term and did not seek re-appointment.
S.R. Batliboi & Associates LLP	July 30, 2013	-	Appointment as Auditors.

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 the section “*Capital Structure*” on page 70.

Revaluation of Assets

Our Company has not re-valued its assets in the last five years.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue and sale of capital, and listing and trading of securities issued from time to time by the SEBI, the Government of India, Stock Exchanges, RoC, the RBI 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 and/or any other regulatory authorities while granting its approval for the Offer.

Ranking of Equity Shares

The Equity Shares being issued and Allotted 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* with the existing Equity Shares including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section “*Main Provisions of Articles of Association*” on page 449.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act and the Memorandum of Association and Articles of Association and provisions of the Listing Agreement. For further details in relation to dividends, see the sections “*Dividend Policy*” and “*Main Provisions of Articles of Association*” on pages 196 and 449, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹10 each and the Offer Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, the Promoter Selling Shareholder, the Investor Selling Shareholders, in consultation with the BRLMs and will be advertised in [●] editions of English national newspaper [●], [●] editions of Hindi national newspaper [●] and [●] editions of Marathi newspaper, each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and such advertisement shall be made available to the Stock Exchanges for the purpose of uploading on their websites.

At any given point of time there shall be only one denomination of the Equity Shares.

Compliance with the SEBI Regulations

Our Company shall comply with all disclosure and accounting norms as specified by the SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws and the Articles of Association, the Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- 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 law, 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 terms of the Listing Agreement and the Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see the section “*Main Provisions of Articles of Association*” on page 449.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated October 19, 2010 among NSDL, our Company and the Registrar to the Offer; and
- Agreement dated October 25, 2010 among CDSL, our Company and the Registrar to the Offer.

Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the sole Bidder, or the first Bidder, along with other joint Bidders, may nominate in the prescribed manner 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. Where a nomination made in the prescribed manner purports to confer on any person the right to vest the Equity Shares, the nominee shall, on the death of the holder of the Equity Shares, or as the case may be, on the death of the joint holders, become entitled to all the rights in the Equity Shares of the holder or, as the case may be, the joint holders, in relation to such Equity Shares to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. 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 minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- 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 dividend, interests, 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 dematerialised form, there is no requirement to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective depository participant.

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 the minimum number of securities as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, as applicable, 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 Regulations and applicable law.

Further, in accordance with Regulation 26(4) of the SEBI 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.

The Promoter Selling Shareholder shall reimburse to our Company any expense incurred by our Company on behalf of him with regard to refunds, interest for delays, etc., for the Equity Shares being offered in the Offer in proportion of the Equity Shares contributed by him to the Offer.

The Investor Selling Shareholders, severally and not jointly, specifically confirm that they shall reimburse to our Company any expense incurred by our Company on behalf of the Investor Selling Shareholders with regard to refunds, interest for delays, etc., in proportion of the Equity Shares contributed by each of the Investor Selling Shareholders to the Offer.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Shares and the Anchor Investor lock-in as detailed in the section “*Capital Structure – Notes to Capital Structure – Details of Promoter’s Contribution and Lock-in*” on page 73, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or split, except as provided in the Articles of Association. For further details, see the section “*Main Provisions of Articles of Association*” on page 449.

The Equity Shares have not been and will not be registered under the Securities Act, and 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional investors (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a)(2) of the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Option to receive Equity Shares in dematerialised form

Allotment of Equity Shares will only be in dematerialised form. The Equity Shares will be traded on the dematerialised segment of the Stock Exchanges.

OFFER STRUCTURE

Public Offer of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including share premium of ₹[●] per Equity Share) aggregating up to ₹13,500 million consisting of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹4,000 million by our Company and Offer for Sale of up to [●] Equity Shares aggregating up to ₹9,500 million by the Selling Shareholders of which up to [●] Equity Shares aggregating up to ₹500 million are being offered by the Promoter Selling Shareholder, up to [●] Equity Shares aggregating up to ₹5,510 million are being offered by TPG and up to [●] Equity Shares aggregating up to ₹3,490 million are being offered by Oriole. The Offer will constitute [●]% of the fully diluted post-Offer paid-up equity share capital of our Company.

Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may undertake the Pre-IPO Placement of up to 6,000,000 Equity Shares with certain investors for an aggregate amount not exceeding ₹2,000 million at their discretion. Our Company and the Selling Shareholders will complete the issuance and allotment and transfer of Equity Shares pursuant to the Pre-IPO Placement prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued and transferred pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue and the Offer for Sale, as applicable, subject to a minimum Offer of [●]% of the post-Offer paid-up Equity Share capital being offered to the public.

The Offer is being made through the Book Building Process.

	QIBs⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/allocation ⁽²⁾	[●] Equity Shares	Not less than [●] Equity Shares available for allocation	Not less than [●] Equity Shares available for allocation
Percentage of Offer Size available for Allotment/allocation	50% of the Offer size shall be available for allocation to QIBs However, up to 5% of the net QIB Category (excluding the Anchor Investor Portion) shall 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 Category	Not less than 15% of the Offer	Not less than 35% of the Offer
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis only to Mutual Funds; and (b) [●] Equity Shares shall be allotted on a proportionate basis to all	Proportionate	In the event, the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the

	QIBs⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
	QIBs including Mutual Funds receiving allocation as per (a) above.		minimum Bid lot (“Maximum RII Allottees”). The Allotment to Retail Individual Investors will then be made in the following manner: • In the event the number of Retail Individual Investors who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) Retail Individual Investors shall be Allotted the minimum Bid lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the Retail Individual Investors who have received Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid lot). • In the event the number of Retail Individual Investors who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the Retail Individual Investors (in that category) who will then be Allotted minimum Bid lot shall be determined on draw of lots basis.
Mode of Bidding	Through ASBA process only	Through ASBA process only	Through ASBA process or non-ASBA process
Minimum Bid	Such number of Equity Shares in multiples [•] Equity Shares so that the Bid Amount exceeds ₹200,000.	Such number of Equity Shares in multiples [•] Equity Shares so that the Bid Amount exceeds ₹200,000.	[•] Equity Shares

	QIBs⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares, whereby the Bid Amount does not exceed ₹200,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter.
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply ⁽³⁾	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, Mutual Funds, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, FVCIs, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, in accordance with applicable law, National Investment Fund set up by resolution no. F. No. 2/3/2005-DD11 dated November 23, 2005 of 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.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta).
Terms of Payment ⁽⁴⁾	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form.	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form.

	QIBs⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
	(including for Anchor Investors). ⁽⁵⁾		

- (1) Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI 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. For details, see the section "Offer Procedure" on page 396.
- (2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under the SEBI Regulations. The Offer will be made through the Book Building Process wherein 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. Out of the QIB Category (excluding the Anchor Investor Portion), 5% will be available for allocation on a proportionate basis only to Mutual Funds. The remainder will be available for allocation on a proportionate basis to QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer will be available for allocation to Retail Individual Investors in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.
- (3) In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.
- (4) In case of ASBA Bidders, the SCSB shall be authorized to block such funds in the ASBA Account of the Bidder that are specified in the Bid cum Application Form.
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form. Any balance amount payable by the Anchor Investors, due to a difference between the Anchor Investor Offer Price and the Anchor Investor Allocation Price, shall be payable by the Anchor Investors within two Working Days of the Bid/Offer Closing Date.

Under-subscription, if any, in any category except the QIB Category, would be met with spill-over from other categories at the discretion of our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange.

Withdrawal of the Offer

Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment of Equity Shares. In such an event our Company will 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 the SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day of receipt of such notification. Our Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed of such withdrawal.

If our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue or offer for sale of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the 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.

Bid/Offer Programme

BID/OFFER OPENS ON	 ● *
BID/OFFER CLOSES ON	 ● **

* Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may 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 Regulations.

** Our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about ●
Initiation of refunds	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 is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs. While our Company and the Promoter Selling Shareholder 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 12 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period, 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. The Investor Selling Shareholders severally and not jointly confirm that they shall extend reasonable cooperation, in order to facilitate their respective portions of the Equity Shares offered as part of the Offer for Sale.

Except in relation to the Bids received from Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time, “IST”) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding centres mentioned on the Bid cum Application Form or in case of ASBA Bidders, at the Designated Branches, or by the members of the Syndicate at the Specified Locations or by the Registered Brokers at the Broker Centres.

On the Bid/Offer Closing Date, the Bids and any revision in the Bids shall be accepted only between **10.00 a.m. and 3.00 p.m. (IST)** and shall be uploaded until (i) 4.00 p.m. (IST) in case of Bids by QIBs and Non-Institutional Investors, 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 Investors, after taking into account the total number of applications received up to the closure of timings for acceptance of Bid cum Application Forms and reported by the BRLMs to the Stock Exchanges.

On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Investors after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that the Bids not uploaded on the electronic bidding system would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid/Offer Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, 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 the Offer. Bids will be accepted only on Working Days. None of 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, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. Any revision in Price Band shall not exceed 20% on the 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 of the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of 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 changes on the websites of the BRLMs and the terminals of the other members of the Syndicate Members and by intimation to SCSBs.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues issued by the SEBI pursuant to the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 (the “General Information Document”) included below under the section “- Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to reflect amendments to the SEBI Regulations and the provisions of the Companies Act, 2013 and the SEBI FPI Regulations, to the extent applicable to a public offer. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Our Company, the Selling Shareholders and the BRLMs 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 the Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations, of which one-third 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. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

There is a common Bid cum Application Form for ASBA Bidders as well as for non-ASBA Bidders. Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Syndicate Members, the Registered Brokers at the Broker Centres, the SCSBs and the Registered Office and Corporate Office of our Company. An electronic copy of the Bid cum Application Form will also be available on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) and the physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLMs for download at least one day prior to the Bid/Offer Opening Date.

QIBs (other than Anchor Investors) and Non-Institutional Investors shall mandatorily participate in the Offer only through the ASBA process. Retail Individual Investors can participate in the Offer through the ASBA process as

well as the non-ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders must provide bank account details in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected. In relation to non-ASBA Bidders, the bank account details shall be available from the depository account on the basis of the DP ID, Client ID and PAN provided by the non-ASBA Bidders in their Bid cum Application Form.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application 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
Eligible NRIs, FPIs or FVCIs, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
Anchor Investors**	[●]

* Excluding electronic Bid cum Application Form

** Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLMs.

Who can Bid?

In addition to the categories of Bidders set forth under “– General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Non-Institutional Investors (NIIs) category; and
- Scientific and/or industrial research organisations authorized in India to invest in the Equity Shares.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may purchase the 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 BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLMs and any persons related to the BRLMs, or the Promoter and the Promoter Group cannot apply in the Offer under the Anchor Investor Portion (other than Mutual Funds sponsored by entities related to the BRLMs).

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, the Promoter Selling Shareholder and the Investor Selling Shareholders severally and not jointly reserve the right to reject any Bid without assigning any reason therefor. 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 may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

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 scheme. 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

Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their NRE Account or FCNR Account, maintained with banks authorized by the RBI to deal in foreign exchange. Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form for Non-Residents (blue in colour), accompanied by a bank certificate confirming that the payment has been made by debiting the NRE Account or FCNR Account, as the case may be. Payment for Bids by non-resident Bidder bidding on a repatriation basis will not be accepted out of NRO Accounts.

Eligible NRIs Bidding on non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR Accounts as well as the NRO Account. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour).

Bids by FPIs (including FIIs)

On January 7, 2014, the SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely, 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely, 'foreign portfolio investors' or 'FPIs'. On March 13, 2014, the RBI amended the FEMA Regulations and specified conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration with the SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a QFI who has not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Accordingly, QFIs who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in the Offer.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to 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 the Equity Share capital of our Company. 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 followed by a special resolution passed by the Shareholders. 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.

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. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Further, pursuant to a circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative 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.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour). FPIs are required to Bid through the ASBA process to participate in the Offer.

Bids by SEBI-registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations and the SEBI FVCI Regulations, *inter-alia*, prescribe the investment restrictions on VCFs and FVCIs registered with the SEBI. Further, the SEBI AIF Regulations prescribe, *inter-alia*, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with the SEBI 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 AIF Regulations.

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, the Promoter Selling Shareholder and the Investor Selling Shareholders severally and not jointly reserve the right to reject any Bid without assigning any reason therefor.

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, the Promoter Selling Shareholder and the Investor Selling Shareholders severally and not jointly reserve the right to reject any Bid without assigning any reason therefor.

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 Circular – Para-banking Activities dated July 1, 2014 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 investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. 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 insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company, the Promoter Selling Shareholder and the Investor Selling Shareholders severally and not jointly reserve the right to reject any Bid without assigning any reason therefor.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, 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 (face value) 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 points (a), (b) and (c) above, as the case may be.

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 ASBA applications.

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 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, the Promoter Selling Shareholder and the Investor Selling Shareholders severally and not jointly reserve the right to reject any Bid, without assigning any reason therefor.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs 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 the Red Herring Prospectus.

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 the details about the PAN, DP ID and Client ID are correct and the Bidder's depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a Syndicate Member or Registered Broker or SCSB (except in case of electronic forms).
6. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. QIBs (other than Anchor Investors) and the Non-Institutional Investors should submit their Bids through the ASBA process only;
8. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form and a Transaction Registration Slip ("**TRS**") for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);
11. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;
12. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
13. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process for any other purpose;
14. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;
15. 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 the 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;

16. Ensure that the Demographic Details (as defined below) are updated, true and correct in all respects;
17. 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;
18. Ensure that the signature of the First Bidder, in case of joint Bids, is included in the Bid cum Application Forms;
19. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
20. Ensure that the category and sub-category is indicated;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the electronic bidding of the Stock Exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;
24. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the Syndicate Members, the SCSBs or the Registered Brokers, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
25. Ensure that you tick the correct investor category, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the online IPO system of the Stock Exchanges;
26. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/or relevant SCSB and/ or the Designated Branch and/ or the Registered Broker at the Broker Centres (except in case of electronic forms);
27. Ensure that the Bid cum Application Form is delivered within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
28. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised->

[Intermediaries](#), updated from time to time). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;

29. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
30. Ensure that the entire Bid Amount is paid at the time of submission of the Bid or in relation to the ASBA Bids, ensure that you have correctly signed the authorization/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; and
31. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.
32. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FIIs, FPIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs for a Bid Amount of up to ₹200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount of more than ₹200,000 would be considered under Non-Institutional Category for the purposes of allocation.

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 on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;
4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
5. If you are an ASBA Bidder, the payment of the Bid Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted under the ASBA process;
6. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Registered Brokers only;
7. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company, the Selling Shareholders or the Registrar to the Offer;
8. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;
9. Anchor Investors should not Bid through the ASBA process;
10. Do not Bid at Cut-off Price (if you are bidding under the category of QIBs or the Non-Institutional category);
11. Do not Bid for a Bid Amount exceeding ₹200,000 ((if you are bidding under the Retail category);

12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
13. Do not submit the General Index Register number instead of the PAN;
14. In case you are a Bidder other than an ASBA Bidder, do not submit the Bid without payment of the entire Bid Amount. In case you are an ASBA Bidder, do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
15. In case you are an ASBA Bidder, do not instruct your respective banks to release the funds blocked in the ASBA Account for any other purpose;
16. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. 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;
18. 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;
19. If you are a QIB, do not submit your Bid after 3.00 p.m. on the Bid/ Offer Closing Date for QIBs;
20. If you are a Non-Institutional Investor or Retail Individual Investor, do not submit your Bid after 3.00 p.m. on the Bid/ Offer Closing Date;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
23. In case of ASBA Bidders, do not submit more than five Bid cum Application Forms per ASBA Account;
24. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres;
25. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, updated from time to time); and
26. Do not submit ASBA Bids to a Registered Broker unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment Instructions

In terms of the RBI circular (DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS 2010 standard compliant cheques are processed in three CTS centres thrice a week until April 30, 2014, thereafter twice a week until October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Offer Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Offer Closing Date.

Payment into Escrow Account for non-ASBA Bidders

The payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Retail Individual Investors: “[●]”
- (b) In case of Non-Resident Retail Individual 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: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

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 Regulations, in [●] edition of [●] (English language), [●] edition of [●] (Hindi language) and [●] edition of [●] (Marathi language), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholders and the BRLMs intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.
- (b) After signing the Underwriting Agreement, our Company and the Selling Shareholders will update and file the updated Red Herring Prospectus with the RoC in accordance with the 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 of not 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 and the Selling Shareholders

Our Company undertakes that:

- if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given 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;
- if our Company or the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company or any Selling Shareholder subsequently decides to proceed with the Offer;
- 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 will be taken within 12 Working Days of the Bid/Offer Closing Date;
- the Allotment letters will be issued or the application money will be refunded within 15 days from the Bid/Offer Closing Date or such lesser time as specified by the SEBI or else the application money will be refunded to the Bidders forthwith, 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 unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company in proportion to the Equity Shares offered in the Offer;
- where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 Working 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;
- except as disclosed in this Draft Red Herring Prospectus, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and
- adequate arrangements shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment.

The Promoter Selling Shareholder undertakes that:

- the Equity Shares being sold by him in the Offer for Sale have been held by him for the period specified in Regulation 26(6) of the SEBI Regulations and are in dematerialised form;
- he is the owner of, and has clear and marketable title to, the Equity Shares being sold in the Offer for Sale;

- the Equity Shares being sold by him in the Offer for Sale shall be transferred to the Allottees free and clear of any liens, charges, or encumbrances, or transfer restriction of any kind (including but not limited to, pre-emptive rights);
- he has authorized the Compliance Officer and the Registrar to the Offer to redress complaints, if any, in relation to the Equity Shares held by him and being offered pursuant to the Offer, he shall extend reasonable cooperation to our Company and the BRLMs in this regard;
- the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Promoter Selling Shareholder in proportion to the Equity Shares offered by him in the Offer;
- he shall not have recourse to the proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received; and
- he will take all such steps as may be required to ensure that the Equity Shares being offered by him in the Offer for Sale are available for transfer in the Offer within the time period specified under applicable law.

Each Investor Selling Shareholders severally and not jointly undertakes that:

- the Equity Shares being sold by it in the Offer pursuant to the Offer for Sale have been held by it for a period of not less than one year prior to the date of this Draft Red Herring Prospectus including the Equity Shares received pursuant to conversion of any convertible instruments held by the Investor Selling Shareholders in accordance with Regulation 26(6) of the SEBI Regulations and, to the extent that the Equity Shares being offered by the Investor Selling Shareholders in the Offer have resulted from a bonus issue, the bonus issue has been of equity shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and are in dematerialised form;
- it has authorized the Compliance Officer and the Registrar to the Offer to redress complaints, if any, in relation to the Equity Shares held by it and being offered pursuant to the Offer, it shall extend reasonable cooperation to our Company and the BRLMs in this regard;
- it shall not have recourse to the proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received; and
- it will take all such steps as may be required to ensure that the Equity Shares being offered by it in the Offer for Sale are available for transfer in the Offer to the successful Bidders within the time period specified under applicable law.

Utilisation of Net Proceeds

The Board certifies 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 Fresh Issue shall be disclosed, and continue to be disclosed until the time any part of the proceeds of the Fresh Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- 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.

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, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. 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 Issues. 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 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 Issue 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 Issue and the relevant information about the Issuer undertaking the Issue 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 Issue. 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 Issue 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 refer to the section “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 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 26/27 of SEBI 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 Regulations, 2009, the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), 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 Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**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/Issue 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 Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

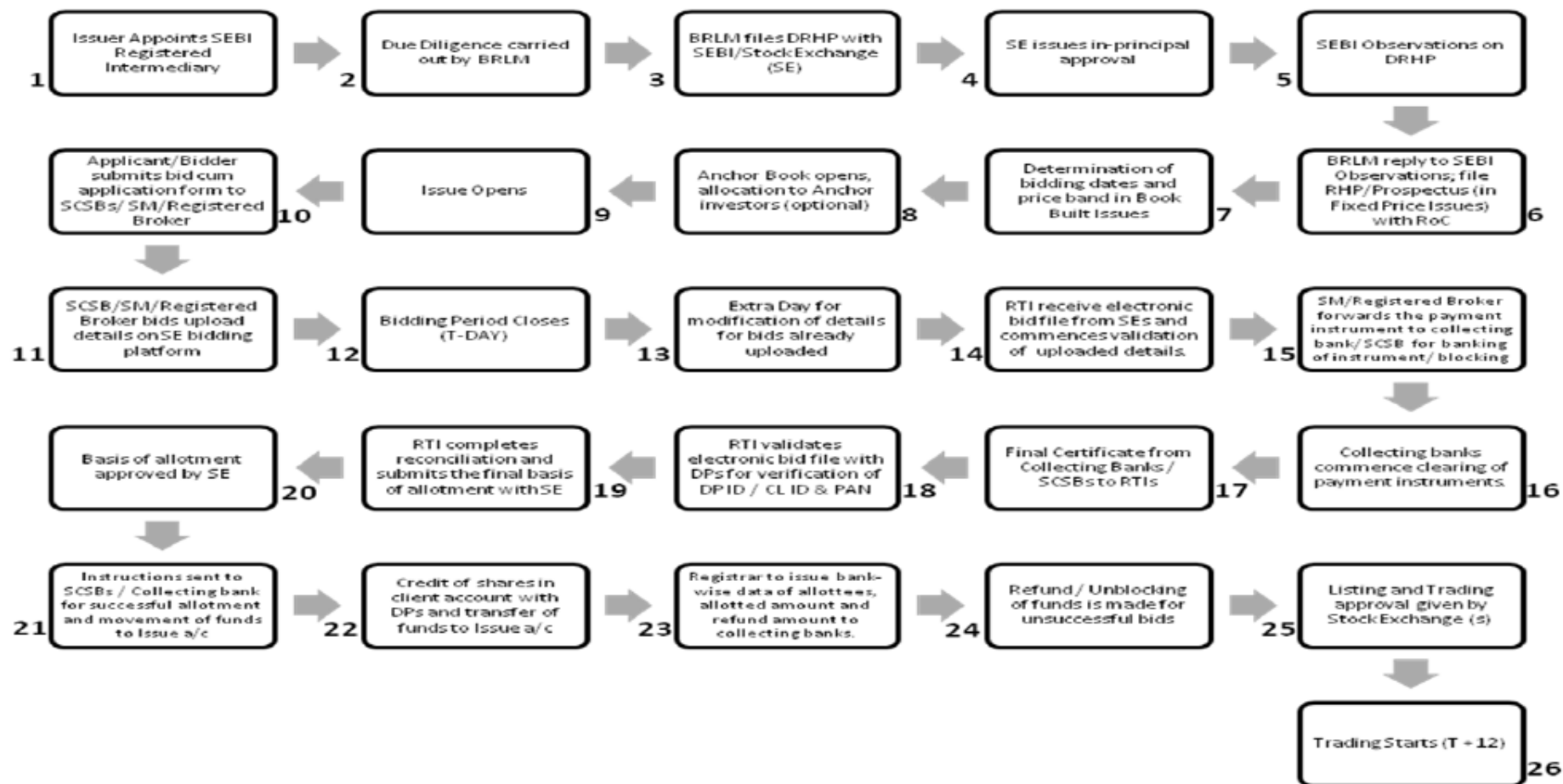
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue 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/Issue 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 BRLM(s), 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 Issue 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 Issue Date and Price
 - (ii) Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker.
 - (iii) Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform
 - (iv) Step 12: Issue period closes
 - (v) Step 15: Not Applicable



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 Issue 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 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 Non Institutional Investors (NIIs) category;
- 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; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs 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/Issue 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 cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or 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 color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color 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 FILING 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

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS																											
Logo To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE IN		Bid cum Application Form No. _____																											
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S/AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____																											
ESCROWBANK / SCSB BRANCH STAMP & CODE		SUB-BROKER'S/SUB-AGENT'S STAMP & CODE																													
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSB SERIAL NO.																													
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS		2. PAN OF SOLE / FIRST APPLICANT		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 - VC ☐ Others (Please specify) - OTH * HUF should apply only through Karta (Application by HUF would be treated on par with Individual)																											
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")		5. Category																													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Discount, if any</th> <th>Net Price</th> <th>"Cut-off" (Please tick)</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>7 6 5 4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td>4 3 2 1</td> <td>☐</td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td>☐</td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td>☐</td> </tr> </tbody> </table>		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	Discount, if any	Net Price	"Cut-off" (Please tick)	Option 1	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	☐	(OR) Option 2					☐	(OR) Option 3					☐	☐ Retail Individual ☐ Non-Institutional ☐ QIB	
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	Discount, if any	Net Price	"Cut-off" (Please tick)																										
Option 1	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	☐																										
(OR) Option 2					☐																										
(OR) Option 3					☐																										
7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)																															
Amount Paid (₹ in figures) _____ (₹ in words) _____ ☐ (A) CHEQUE/ DEMAND DRAFT (DD) ☐ (B) ASBA Cheque/DD No. _____ Dated DD MM YY Bank A/c No. _____ Drawn on (Bank Name & Branch) _____ Bank Name & Branch _____ PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment																															
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 FORM 2A 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 Filing up the Bid Cum Application Form given overleaf.																															
8A. SIGNATURE OF SOLE/ FIRST APPLICANT		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA option ONLY)		BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)																											
Date : _____, 2011		I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____																													
TEAR HERE																															
XYZ LIMITED		Acknowledgement Slip for Syndicate Member / SCSB		Bid cum Application Form No. _____																											
DPID / CLID		PAN																													
Amount Paid (₹ in figures)		Bank & Branch		Stamp & Signature of Banker																											
Cheque / DD/ASBA Bank A/c No.																															
Received from Mr./Ms.		Email																													
Telephone / Mobile																															
TEAR HERE																															
XYZ LIMITED	Option 1		Option 2		Stamp & Signature of Syndicate Member / SCSB																										
	Option 3																														
	No. of Equity Shares																														
	Bid Price																														
Amount Paid (₹)				Name of Sole / First Applicant																											
Cheque / DD/ASBA Bank A/c No.																															
Bank & Branch																															
Acknowledgement Slip for Bidder																															
				Bid cum Application Form No. _____																											

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - NR		FOR ELIGIBLE NRIs, FIIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS		
Logo To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE INE523L01018		Bid cum Application Form No. _____		
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S/AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant		
ESCROW BANK / SCSB BRANCH STAMP & CODE		SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ Email _____		
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSB SERIAL NO.		2. PAN OF SOLE / FIRST APPLICANT _____		
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL				6. Investor Status		
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID				☐ NRI Non-Resident Indian (Repatriation basis) ☐ FII Foreign Institutional Investor ☐ FVCI Foreign Venture Capital Investor ☐ FIISA FII Sub Account Corporate / Individual ☐ OTH Others (Please Specify)		
4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")				5. Category		
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)				☐ Retail Individual ☐ Non-Institutional ☐ QIB
		Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)	
Option 1	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	(Please tick)	
(OR) Option 2						
(OR) Option 3						
7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)				PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment		
Amount Paid (₹ in figures) _____ (₹ in words) _____						
☐ (A) CHEQUE/ DEMAND DRAFT (DD) Cheque/DD No. _____ Dated DD MM YY Drawn on (Bank Name & Branch) _____				☐ (B) 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 FORM 2A 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 APPLICANT		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY) I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue		BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)		
Date: _____, 2011		1) _____ 2) _____ 3) _____				
TEAR HERE						
XYZ LIMITED		Acknowledgement Slip for Syndicate Member / SCSB		Bid cum Application Form No. _____		
DPID / CLID		PAN				
Amount Paid (₹ in figures)		Bank & Branch		Stamp & Signature of Banker		
Cheque / DD/ASBA Bank A/c No.						
Received from Mr./Ms.		Email				
Telephone / Mobile						
TEAR HERE						
XYZ LIMITED	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / SCSB	Name of Sole / First Applicant	
	No. of Equity Shares					
	Bid Price					
	Amount Paid (₹)					
	Cheque / DD/ASBA Bank A/c No.					
Bank & Branch				Acknowledgement Slip for Bidder		
				Bid cum Application Form No. _____		

4.1.1 **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(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) 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 members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue 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 payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and 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.

4.1.2 FIELD NUMBER 2: PAN NUMBER 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(s) in whose 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. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. 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/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders 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.

4.1.3 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/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 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 Issue, 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 giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Fresh Issue, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (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.

4.1.4 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/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue 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 Issue 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 refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 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 Investors, 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.

In case the Bid Amount exceeds ₹200,000 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.
- (b) 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.
- (c) Bids by QIBs and NIIs 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. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

- (e) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (f) 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/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Issue size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (i) 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 Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue 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))).

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker 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.
- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue 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 and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, 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.
- (c) 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 Issue 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) 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.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per the SEBI Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs 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 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 Issue 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 Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **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 Issue 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 Issue 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.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

- (a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for 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) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.
- (c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.
- (d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("**Non-ASBA Mechanism**").
- (e) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for non-ASBA Bidders:

- (a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.
- (b) **For Bids made through a member of the Syndicate:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.
- (c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.
- (d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- (e) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.
- (g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Bidders

- (a) ASBA Bidders may submit the Bid cum Application Form either
 - i. in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
 - ii. 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

- iii. in physical mode to a member of the Syndicate at the Specified Locations, or
 - iv. Registered Brokers of the Stock Exchange
- (b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may 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) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate 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 the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
 - (g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, 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 the Registered Brokers to deposit Bid cum Application Forms.
 - (h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
 - (i) Upon receipt of the Bid cum Application 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 Bid cum Application 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 Bid cum Application 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 upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
 - (l) Upon submission of a completed Bid cum Application Form each ASBA 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 Bid cum Application 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 Issue, or until withdrawal or rejection of the Bid, as the case may be.

- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling 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 Issue, 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 Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Issue Closing Date.

4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 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 ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

- (c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/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.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
 - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - iv. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
 - v. Bidder/Applicant may contact our Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- (d) The following details (as applicable) should be quoted while making any queries –
 - i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted or
 - iii. In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof
 - iv. In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

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/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, 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) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.
- (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/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB 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.

[Remainder of this page intentionally left blank]

A sample Revision form is reproduced below:

COMMON BID REVISION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS		
Logo		To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE INE523L01018		
				Bid cum Application Form No. _____		
SYNDICATE MEMBERS STAMP & CODE		BROKER'S/AGENTS STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant		
				Mr. / Ms. _____		
ESCROW BANK / SCSSB BRANCH STAMP & CODE		SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		Tel. No (with STD code) / Mobile _____		
				2. PAN OF SOLE / FIRST APPLICANT		
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSSB SERIAL NO.		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)		
		7 6 5 4 3 2 1		Bid Price Discount, if any Net Price "Cut-off" (Please tick)		
Option 1						
(OR) Option 2						
(OR) Option 3						
5. TO (Revised Bid)						
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)		
		7 6 5 4 3 2 1		Bid Price Discount, if any Net Price "Cut-off" (Please tick)		
Option 1						
(OR) Option 2						
(OR) Option 3						
6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment						
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____						
☐ (A) CHEQUE/ DEMAND DRAFT (DD)						
Cheque/DD No. _____		Dated DD/MM/YYYY		☐ (B) ASBA		
Drawn on (Bank Name & Branch) _____		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 REVISION FORM AND THE ATTACHED FORM 2A 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 Revision Form given overleaf.						
7A. SIGNATURE OF SOLE/ JOINT APPLICANT(S)		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (FOR ASBA OPTION ONLY)		BROKER'S / SCSSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)		
Date : _____, 2011		I/We authorize the SCSSB to do all acts as are necessary to make the Application in the Issue				
		1) _____				
		2) _____				
		3) _____				
TEAR HERE						
XYZ LIMITED BID REVISION FORM		Acknowledgement Slip for Syndicate Member / SCSSB		Bid cum Application Form No. _____		
DPID / CLID		PAN				
Additional Amount Paid (₹)		Bank & Branch		Stamp & Signature of Banker		
Cheque / DD/ASBA Bank A/c No.						
Received from Mr./Ms. _____						
Telephone / Mobile _____		Email _____				
TEAR HERE						
XYZ LIMITED BID REVISION FORM	Option 1		Option 2		Option 3	
	No. of Equity Shares		Acknowledgement of Syndicate Member / SCSSB		Name of Sole / First Applicant	
	Bid Price					
	Additional Amount Paid (₹)					
	Cheque / DD/ASBA Bank A/c No.					
Bank & Branch						
Acknowledgement Slip for Bidder						
Bid cum Application Form No.						

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 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, 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 members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs 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 RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 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 RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue 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, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs 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 in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.
- (b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. 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.

- (c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant 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 member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount *i.e.*, original Bid Amount plus additional payment does not exceed ₹200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate / Registered Broker to whom the original Bid was submitted.
- (e) In case the total amount (*i.e.*, original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, 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 Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, 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 in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

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 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 Lead Manager to the Issue (LM) 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 RIIs, 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.
- (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 Issue 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 to Collection Bank(s) or SCSB 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 Issue 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 and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids 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 Issue 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) 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 Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII'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 Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue 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 are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("**Non-ASBA Mechanism**").
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 **Payment instructions for ASBA Applicants**

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

- (d) Applicants 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) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.3 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling 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 Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (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 Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application 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 Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.3.5.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

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/ REVISION FORM/APPLICATION 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	
Non-ASBA Application	1)	To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form
	2)	To Registered Brokers
ASBA Application	(a)	To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres
	(b)	To the Designated branches of the SCSBs where the ASBA Account is maintained

- (a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.
- (b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.
- (c) 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 Registrar of Companies (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.
- (d) Upon determination of the Issue 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 Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.
- (b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.
- (c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.
- (d) 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 Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs 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/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs 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/Issue 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/Issue Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or

the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

- (b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to
 - i. the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,
 - ii. the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
 - iii. the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
 - iv. With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.
- (b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) 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.
- (d) 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.
- (e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), 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, inter-alia, on the following grounds, which have been detailed at various places 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; and
- (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/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) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (h) PAN not mentioned in the Bid cum Application Form/Application Form 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;
- (i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (k) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;
- (p) Bids/Applications for a Bid/Application Amount of more than ₹200,000 by RIIs by applying through non-ASBA process;
- (q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

- (u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- (v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;
- (w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);
- (x) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted 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 Issue;
- (y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
- (z) 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 Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue 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 Retail category 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 Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.
- (c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. 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 Issue; 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 at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
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 BRLMs, may 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/Issue 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. RIIs, NIIs 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 Issue. As the Issue Price is mentioned in the Fixed Price Issue 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 Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs 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/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; 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 Investors 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 Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor 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 Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue 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 Issue Price, full Allotment may be made to the RIIs 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 Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs 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 RIIs 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 RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (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 NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs 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 Issue 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 Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue 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 Issue 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 Issue 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 Issue 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 Issue Price will be at the discretion of the issuer 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 ₹10 crores;
 - ☐ a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹10 crores and up to ₹250 crores subject to minimum allotment of ₹5 crores per such Anchor Investor; and
 - ☐ a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹250 crores subject to minimum allotment of ₹5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum 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.
- (c) **In the event that the Issue Price is higher than the Anchor Investor Issue 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 Issue Price and the Anchor Investor Issue 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.
- (d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI 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.

7.6 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 (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.
- (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 Issue.**

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 Issue.

- (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 12 Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may 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 12 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/Issue 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.

Any failure by the Issuer to make an application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares in accordance with Section 40 of the Companies Act, 2013 shall be punishable in accordance therewith.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid 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 prescribed, and 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 Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, without interest refund the entire subscription amount received within 15 days of the Bid/Issue Closing Date. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount, then every director of the Issuer who is an officer in default may, on and from such 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 Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) **In case of ASBA Bids/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- (b) **In case of Non-ASBA Bid/Applications:** Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.
- (c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. 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 Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds on account of the Company not receiving the minimum subscription of 90% of the Fresh Issue shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (d) In the case of Bids from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various 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 Bidders/Applicants' 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 Bidders/Applicants 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 Bidders/Applicants 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) **Direct Credit** - Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

- (d) **RTGS** - Bidders/Applicants 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; and
- (e) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received. Refunds 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, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue 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 Issue to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
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
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI Regulations, 2009.
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 Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application	An application, whether physical or electronic, used by Bidders/Applicants to make a

Term	Description
Supported by Blocked Amount/ (ASBA)/ASBA	Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
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/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) 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 Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue 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 /Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, 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. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, 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. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant 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 form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid 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/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building	The book building process as provided under SEBI Regulations, 2009, in terms of which the Issue is being made

Term	Description
Process/Book Building Method	
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form 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 Issue 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
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue 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
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, 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 the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or 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 Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI 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 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 promoter. 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 Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid

Term	Description
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
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
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 Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue 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
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs 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 Issue 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 Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including FPIs which are Category III foreign portfolio investors registered with SEBI that are not QIBs or RIIs 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 Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum

Term	Description
	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 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 Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
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 Issue 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/ Issue 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 Issue 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 Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QFIs	Qualified Foreign Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI 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 Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue 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(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form

Term	Description
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI Regulations, 2009
Retail Individual Investors / RIIs	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 Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII 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 indicates 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 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/cms/sebi_data/attachdocs/1316087201341.html
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 Issue 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 the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants)
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	All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI Regulations, the main provisions of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

The Articles of Association comprise two parts, Part A and Part B. In case of inconsistency or conflict between Part A and Part B, the provisions of Part B shall be applicable; however, Part B shall stand deleted, not have any force and be deemed to be removed from the Articles of Association upon the listing of the Equity Shares on any of the Stock Exchanges without any further action by our Company or the Shareholders. Set forth below are the main provisions of the Articles of Association as contained in Part A.

PART A

SHARE CAPITAL

Authorised Capital

- 3.a The Authorised Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum the Company from time to time.
- 3.b The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.

Increase in Authorised Capital

- 4. The Company in a General Meeting may, from time to time, by an Ordinary Resolution increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting, resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of the assets of the Company and with a right of voting at a General Meetings of the Company in conformity with Section 47 of the Companies Act, 2013. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of the Act. Any action taken or contemplated under this entire Article shall be subject to the other provisions of these Articles.

New Capital Same as Existing Capital

- 5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new 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 instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Preference Share Capital

- 6.a. Subject to the provisions of Section 55 of the Companies Act, 2013 and such other applicable provisions of the Act, the Company is hereby empowered to issue and allot preference shares (including compulsorily convertible preference shares).

Issue of Sweat Equity Shares

- 8(1) The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Companies Act, 2013 and the rules made there under of a class of shares already issued subject to the following conditions:
- a. the issue of sweat equity shares is authorised by a Special Resolution passed by the Company in a General Meeting;
 - b. the resolution specifies the number of shares, their current market value, consideration if any, and the class or classes of directors or employees to whom such equity shares are to be issued; and
 - c. not less than one year has at the date of issue elapsed since the date on which the Company was entitled to commence business.
- 8(2) The Company may also issue shares to employees including its Directors, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorised by a Special Resolution of the Company in a General Meeting subject to the provisions of the Act and the rules and applicable guidelines made thereunder, by whatever name called.
- 8(3) The rights, limitations, restrictions and provisions as are for the time being applicable to Equity Shares shall be applicable to the sweat equity shares issued under Section 54 of the Companies Act, 2013 and the holders of such shares shall rank pari passu with other equity shareholders.

Buy-back of Shares

- 9.a. Subject to Section 68 of the Companies Act, 2013 the Company may purchase its own shares or other specified securities out of its free reserves or out of its securities premium account or out of the proceeds of an earlier issue other than fresh issue of shares or other specified securities made specifically for buy-back purposes by passing a Special Resolution in the General Meeting of the Company.
- 9.b. Notwithstanding anything contained in these Articles, the Board of Directors may, when and if thought fit, buy-back such of the Company's own shares or securities, subject to such limits, upon such terms and conditions and subject to such approvals, as may be permitted under Section 68 of the Companies Act, 2013 and the applicable guidelines and regulations that may be issued in this regard.

Provided that nothing in this clause shall be taken to prohibit:

- (i) the provision by the Company, in accordance with any scheme for the time being in force, of money for the purchase of, or subscription for fully paid shares in the Company or its holding company, being a purchase or subscription by trustees of or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or
 - (ii) the making by the Company of loans, within the limit laid down in sub-section (3) clause (c) of Section 67 of the Companies Act, 2013 to persons (other than Directors or Managers) bonafide in the employment of the Company, with a view to enabling those persons to purchase or subscribe for fully paid shares in the Company or its holding Company to be held by themselves by way of beneficial ownership.
- 9.c. No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed in amount, his salary or wages at that time for a period of six months.

Reduction of Capital

10. The Company may from time to time by Special Resolution, subject to the provisions of Section 66 of the Companies Act, 2013 and other applicable provisions of the Act, reduce its share capital and any Capital Redemption Reserve Account or securities premium account in any manner for the time being authorised by law and in particular without prejudice to the generality of the foregoing power may by:

- a. extinguishing or reducing the liability on any of its shares in respect of Share Capital not paid-up;
 - b. either with or without extinguishing or reducing liability on any of its shares, (i) cancel paid-up share capital which is lost or is unrepresented by available assets; or (ii) pay off any paid-up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.
11. Any bonds, Debentures and debenture-stock or other Securities may subject to 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 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 redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with the right to conversion into or allotment of Equity Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Consolidation, Division and Subdivision of Shares

12. Subject to the provisions of Section 61(1)(b) and (d) of the Companies Act, 2013, the Company in a General Meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; and the resolution whereby any share is sub-divided, may determine that, as between the holders of the share resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or other. Subject as aforesaid, the Company in a General Meeting may also cancel shares which 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.

Modification of Class Rights

- 13.a. If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights or privileges attached to any class of shares (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Companies Act, 2013 and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of that class. The provisions of these Articles relating to General Meetings shall mutatis mutandis apply to every such separate class of General Meeting.
- 13.b. The rights conferred upon the holders of the Shares (including Preference Shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* therewith.

Shares at the disposal of the Directors

14. Subject to the provisions of Section 62 of the Companies Act, 2013 and other applicable provisions of the Act and these Articles, the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the applicable provisions of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to 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 Directors think 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 and 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 shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

Power to Issue Shares

- 15.a Where at any time, it is proposed to increase the subscribed capital of the Company by the issue of further shares, then such further shares shall be offered:
- i. to persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares by sending a letter of offer subject to the below conditions;
 - x. the offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted, will be deemed to have been declined;
 - y. the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (x) hereof shall contain a statement of this right;
 - z. After expiry of the time specified in the aforesaid notice 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 of Directors may dispose off 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 (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) 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 Act;
- 15.b The notice referred to in sub-clause x. 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 three days before the opening of the issue.
- 15.c Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans 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 the terms of such loans include a term providing for such option and such term has been approved by a Special Resolution passed by the Company in a General Meeting before the issue of such debentures or loans.
- 15.d The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Companies Act, 2013, the Rules and other applicable provisions of the Act.

Directors may allot shares as full paid- up

18. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

Registration of Shares

21. Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

CERTIFICATES

Share Certificates

- 22.a. Every Member 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 determine in accordance with the relevant laws) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares as the case may be. Every certificate is required to be issued by the Company in accordance with the Act and in the manner and form prescribed under the Companies (Share Capital and Debentures) Rules, 2014. Every certificate of shares shall be under the seal of the Company and 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 such form as the Directors may prescribe or approve, provided that 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 one of several joint holders shall be sufficient delivery to all such holder. Such certificate 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 coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors duly authorized by the Board for the purpose or the committee of the Board, if so authorised by the Board, and the Company Secretary or any person authorized by the Board for the purpose. Provided that, the Company Secretary appointed under the provisions of the Act, shall also be deemed to be authorized for the purpose of the Act and Rules prescribed under the Act. The manner of issue of every share certificate or the duplicate thereof, the form of such certificate and the 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;
- 22.b. Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Two. The Company shall comply with the provisions of Section 46 of the Companies Act, 2013;
- 22.c. 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.

Issue of new certificates in place of those defaced, lost or destroyed

23. 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, 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 deem 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 this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates 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 such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

The first named joint holder deemed sole holder

- 24.a. If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

Maximum number or joint holders

- 24.b. The Company shall not be bound to register more than three persons as the joint holders of any share.

Company not bound to recognise any interest in share other than that of registered holders

25. Except as ordered by a court of competent jurisdiction or as by Law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

UNDERWRITING AND BROKERAGE

Commission

27. Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company. However, such commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

Brokerage

28. The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

CALLS

Directors may make calls

- 29.1 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 a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board;

29.2 A call may be revoked or postponed at the discretion of the Board; and

29.9 A call may be made payable by instalments.

Notice of Calls

30. Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

Calls to date from Resolution

31. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

Calls on uniform basis

32. Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

Directors may extend time

33. 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 members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

Calls to carry interest

34. If any Member fails to pay any call 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 not exceeding 10% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

Sums deemed to be calls

35. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

Proof on trial of suit for money due on shares

36. On the trial or hearing of any action or suit brought by the Company against any Member or his 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 Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books; and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles; and that 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 was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Judgment, decree, partial payment not to proceed for forfeiture

37. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares 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 Member of 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 forfeiture of such shares as hereinafter provided.

Payments in anticipation of calls may carry interest

- 38.a. The Board may, if it thinks fit (subject to the provisions of the Act), agree to and receive from any Member 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 up, and upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Company may pay interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- 38.b. No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on Debentures issued by the Company.

LIEN

Company to have lien on shares

39. The Company shall have a first and paramount lien (a) on every shares/debentures (other than fully paid-up shares/ debentures), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture; and (b) on all shares/debentures (other than fully paid-up shares/debentures) that are registered in the name of each member, for all moneys, presently payable by him or his estate to the Company. Provided that the Board of Directors may at any time declare any share/debenture to be wholly or in part exempt from the provisions of this Article. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. 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 price in respect of such shares.

As to enforcing lien by sale

40. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

Application of proceeds of sale

41. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.

FORFEITURE AND SURRENDER OF SHARES

If call or instalment not paid, notice may be given

42. If any Member fails to pay the whole or any part of any call or instalment or any moneys 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, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable Laws of India, for the time being in force.

Terms of notice

43. The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

On default of payment, shares to be forfeited

44. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

Notice of forfeiture to a Member

45. When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

Forfeited shares to be property of the Company and may be sold etc.

46. Any shares 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 in their absolute discretion shall think fit.

Members still liable to pay money owing at time of forfeiture and interest

47. Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses 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 the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

Effect of forfeiture

48. The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Evidence of forfeiture

49. A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have 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.

Title of purchaser and allottee of forfeited shares

50. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

Cancellation of share certificate in respect of forfeited shares

51. Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

Forfeiture may be remitted

52. In the meantime and until any share so forfeited shall be sold, re- allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

Surrender of shares

53. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

TRANSFER AND TRANSMISSION OF SHARES

Execution of the instrument of shares

- 54.a The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.

- 54.b. The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

Transfer Form

55. The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. There shall be a common form of transfer in accordance with the Act and the rules.

Transfer not to be registered exception production of instrument of transfer

56. The Company shall not register a transfer in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law. Subject to the provisions of Sections 58 and 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse 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. 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. 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 except where the Company has a lien on shares.

No fee on transfer

57. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

Closure of Register of Members

58. Subject to the provisions of Section 91 of the Companies Act, 2013, the registration of transfers may be suspended at such times and for such periods as the Board may, from time to time, determine.

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year or any statutory modification thereof.

Custody of Transfer Deeds

59. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

Application for transfer of partly paid shares

60. Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

Recognition of legal representative

- 61.a On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his legal representatives where he was a sole holder, shall be the only person recognised by the Company as having any title to his interest in the shares.
- 61.b Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate.

- 61.c Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Registration of persons entitled to share otherwise than by transfer (transmission clause)

62. Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of all of the Directors (which they 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 this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

Refusal to register nominee

63. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Board may require evidence of transmission

64. Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

Company not liable for disregard of a notice prohibiting registration of transfer

65. 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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had 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 require to regard or attend or give effect to any notice which may be given to them 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 Directors shall so think fit.

Form of transfer outside India

66. In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognised by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Article 56 hereof as circumstances permit.

No transfer to insolvent etc.

67. No transfer shall be made to an insolvent or person of unsound mind.

NOMINATION

Nomination

- 68.(i) Notwithstanding anything contained in the Articles, every holder of shares or debentures of the Company may, at any time, nominate a person in whom his/her shares or debentures shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.
- 68(ii) No person shall be recognised by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the shares or debentures of the Company in the manner specified under Section 72 of the Companies Act, 2013.
- 68(iii) The Company shall not be in any way responsible for transferring the shares and/or debentures consequent upon such nomination.
- 68(iv) If the holder(s) of the shares or debentures survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

Transmission of Securities by Nominee

69. A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-
- i. to be registered himself as holder of the share or debenture, as the case may be; or to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder, could have made;
 - ii. if the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;

- iii. a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share or debenture except that he shall not, before being registered as a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

DEMATERIALISATION OF SHARES

Dematerialisation of Securities

70. For the purpose of this Article, unless the context otherwise requires:

A. *Definitions:*

In the following Article, Depositories Act, Beneficial Owner, Depository, SEBI, Security, Shareholder or member shall mean and include Depositories Act, Beneficial Owner, Depository, SEBI, Security, Shareholder or member as defined in Article 2.

B. *Dematerialisation of Securities:*

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialize its shares, debentures and other securities (both existing and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any;

C. *Option for Investors:*

Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

Where a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security;

D. *Securities in Depositories to be in fungible form*

All securities held by a Depository shall be dematerialised and shall be in a fungible form. Nothing contained in Sections 88, 89 and 186 of the Companies Act, 2013 shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners;

E. *Rights of Depositories and 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 security on behalf of the beneficial owner;
- ii. Save as otherwise provided in (i) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it;

- iii. Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

F. *Service of Information*

Notwithstanding anything to the contrary contained in these Articles, where the 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 and discs.

G. *Transfer of Security*

If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

The Company shall within thirty (30) days of the receipt of intimation from the 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.

The Company shall keep a register of transfers and shall have recorded therein fairly and distinctly, particulars of every transfer or transmission of any share held in material form. Nothing contained in these Articles shall apply to transfer of securities held in a Depository.

H. *Section 45 of the Companies Act, 2013 not to apply :*

Notwithstanding anything to the contrary contained in the Articles, Section 45 of the Companies Act, 2013 shall not apply to the shares with a Depository;

I. *Register and Index of beneficial owners*

The Register and Index of Beneficial Owner, maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of these Articles.

J. *Intimation to Depository*

Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities.

K. *Stamp duty on securities held in dematerialised form*

No stamp duty would be payable on transfer of shares and securities held in dematerialised form in any medium as may be permitted by law including any form of electronic medium

L. *Applicability of the Depositories Act*

In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

M. *Company to recognise the rights of registered Holders as also the beneficial Owners in the records of the Depository:*

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards to receipt of dividend or bonus or service of notices and all or any other matters connected with the Company and accordingly, the Company shall not except as ordered by a Court of competent jurisdiction or as by law required 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 it shall have express or implied notice thereof.

JOINT HOLDER

Joint holders

71. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles:

Joint and several liabilities for all payments in respect of shares

- 71.a the Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share;

Title of survivors

- 71.b. on the death of any such joint holders the survivor or survivors shall be the only person recognised by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person the estate of the deceased joint holder shall continue to be liable in respect of any share which had been jointly held by him with other persons;

Receipts of one sufficient

- 71.c. only the person whose name stands first in the Register of Members may give effectual receipts of any dividends or other moneys payable in respect of share; and

Delivery of certificate and giving of notices to first named holders

- 71.d. only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.

BORROWING POWERS

Power to borrow

76. Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board receive deposits or loans from members either as an advance of call or otherwise and generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in a General Meeting by passing Special Resolution exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

Securing payment or repayment of moneys borrowed

77. The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture- stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

Bonds, Debentures etc. to be under the control of the Directors

78. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board who may issue them at a discount, premium or otherwise upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company only with the consent of the Company in the General Meeting by a Special Resolution.

Mortgage of Uncalled Capital

79. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

Indemnity may be given

80. Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

MEETINGS OF MEMBERS

Annual General Meeting

- 81.a. The Company shall, in each year, hold, in addition to any other meetings, a General Meeting as its Annual General Meeting, and shall specify the meeting as such in the notice calling it, and not more than 15 months shall elapse between the date of one Annual General Meeting of the Company and that of the next and the Annual General Meeting shall be held within six months of the expiry of its financial year.

Provided that if the Registrar shall have, for any special reason, extended the time within which any Annual General Meeting shall be held, by a period not exceeding three months, then such Annual General Meeting may be held within such extended period.

- 81.b. Every Annual General Meeting shall be called at a time during business hours and on such day (not being a national holiday) as the Directors may from time to time determine and it shall be held either at the Registered Office of the Company or at some other place within the City, town or village in which the Registered office is situated.

Distinction between AGM & EGM

82. All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.

Directors may call EGM

83. The Directors may call an Extra-ordinary General Meeting whenever they think fit.

Length of notice of General Meeting

- 84.a A General Meeting of the Company, Annual or Extraordinary and by whomsoever called, may be called by giving not less than 21 days clear notice in writing or through electronic mode in the manner as prescribed under the provisions of Section 101 of the Companies Act, 2013;
- 84.b A General Meeting may be called by giving shorter notice than that specified in aforesaid clause if consent is given in writing or by electronic mode by not less than ninety-five percent of the members entitled to vote at such meeting.

Meeting not to transact business not mentioned in Notice

85. No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

Quorum for General Meeting

86. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business. For all purposes the quorum at a General Meeting shall be five members personally present. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with provisions of the Act.

Business confined to election of Chairman whilst chair is vacant

- 87.a The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not 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 Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.
- 87.b No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

Chairman with consent may adjourn General Meeting

88. The Chairman with the consent of the Members may adjourn any General Meeting from time to time and from place to place, but no business shall be transacted at any adjourned General Meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a General Meeting is adjourned for thirty days or more, notice of the adjourned General meeting shall be given as in the case of original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or any business to be transacted at an adjourned meeting.

Chairman's casting vote

89. The Chairman shall have no casting vote in any meeting including a meeting of the Board or the Shareholders.

In what case poll taken without adjournment

90. Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

Questions at General Meetings, how decided

91. Subject to the other provisions of these Articles, at any General Meeting a resolution including a Special Resolution put to the vote at the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of a show of hands) demanded
- a. by the Chairman; or
 - b. by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution; or
 - c. by any member or members present in person or by proxy and holding shares in the company on which an aggregate sum of not less than Rupees five lakh rupees or such higher amount as may be amended from time to time under the provisions of the Act has been paid up.

A declaration by the Chairman that in pursuance of voting on a show of hands, a resolution has or as not been carried, either unanimously or by a particular majority, and any entry to that effect in the books containing the minutes of the proceedings of the meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.

Demand for poll not to prevent transaction of other business

92. 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.

VOTES OF MEMBERS

Members in arrears not to vote

93. No Member 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 be reckoned in a quorum 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 or lien.

Number of votes each member entitled

94. Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any General Meeting of the Company, save as provided in Section 47 of the Companies Act, 2013, he shall have a right to vote only on resolution placed before the General Meeting which directly affect the rights attached to his preference shares.

Casting of votes by a member entitled to more than one vote

95. On a poll taken at a meeting of the Company a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Vote of member of unsound mind and of minor

96. If any Member is lunatic, minor, unsound mind or, idiot, the vote in respect of his/ her shares shall be cast by his/her legal guardian(s) may vote whether on a show of hands or on a poll vote by proxy, provided that such evidence of the authority of the person claiming to vote as shall be accepted by the Directors shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a General Meeting.

Postal Ballot

97. Notwithstanding anything contained in the provisions of the Act, and the rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

Votes of joint members

98. If there are joint holders of any shares, any one of such persons may vote at any General Meeting or appoint another person (whether a Member 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 General Meeting and if more than one of the said persons remain present than the person whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.

Votes may be given by proxy or by representative

99. Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Article 100.

Representation of a body corporate

100. A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Companies Act, 2013 to act as its representative at any General Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

Votes in respect of shares of deceased or insolvent members

102. Any person entitled under Article 62 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote provided he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.

No votes by proxy on show of hands

103. No Member personally present shall be entitled to vote on a show of hands unless such member is present by attorney or is a corporation present by proxy or a company resent by a representative duly Authorised under the provisions of the Act in which case such attorney, proxy or representative may vote on a show of

hands as if he were a Member of the Company. In the case of a company the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such company and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

Appointment of a proxy

104. Any member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote on a poll, instead of himself PROVIDED ALWAYS THAT a proxy so appointed shall not have any right whatsoever to speak at the General Meeting. Every notice convening a General Meeting of the Company shall state that a member entitled to attend and vote is entitled to one or more proxies.

Form of proxy

105. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any one of the forms set out in sub-section 6 of Section 105 the Companies Act, 2013 and rules made thereunder, or if the appointer is a body corporate be under its seal or be signed by any officer or attorney duly authorised by it.

Validity of votes given by proxy notwithstanding death of a member

106. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the General Meeting.

Inspection of proxies

107. Every Member entitled to vote at a General Meeting of the Company according to the provisions of these Articles on any resolution to be moved thereof shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the General Meeting, to inspect proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention to inspect is given to the Company.

Time for objections to votes

108. No objection shall be made to the validity of any vote, except at any General Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such General Meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman of the Meeting to be the judge of validity of any vote

109. The Chairman of any General Meeting shall be the sole judge of the validity of every vote tendered at such General Meeting. The Chairman present at the time of taking a poll shall be the sole judge of the validity of every vote tendered at such poll.

Resolutions requiring special notice

- 110.1 Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not earlier than three months but at least fourteen days before the date of the General Meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the General Meeting.

110.2 The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the General Meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the General Meeting.

110.3 The following resolutions shall require special notice:

- a. Resolution under Section 140 of the Companies Act, 2013 at an Annual General Meeting for appointing a person as Auditor other than a retiring Auditor or providing expressly that a retiring Auditor shall not be re-appointed.
- b. resolution under Section 169 (2) of the Companies Act, 2013 removing a Director before the expiry of his period of office.
- c. resolution under Section 169 (5) of the Companies Act, 2013 appointing a Director in place of the Directors so removed.

DIRECTORS

Number of Directors

111. Until otherwise determined by a General Meeting of the Company and subject to the applicable provisions of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen.

Provided that the Company may appoint more than fifteen directors after, passing a Special Resolution.

The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Agreement. The Board shall have an optimum combination of executive and Independent Directors and such number of woman Directors, as may be prescribed by Law from time to time.

First Directors

The First Directors of the Company are :

1. Mr. Ravi Badrinarain Goyal
2. Mr. Badrinarain Kunjbihari Goyal
3. Mr. Kunjbihari Srinivas Goyal

Qualification shares

112. A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

Nominee Directors

113(a) Subject to the provisions of the Act and notwithstanding anything to the contrary contained in these Articles, any Financing Company or Body Corporate or Bank or Insurance Corporation (hereinafter referred to as “the Financial Institution”) shall have a right to appoint, remove, reappoint, substitute from time to time, its nominee as a Director (hereinafter referred to as the “Nominee Director”) on the Board of the Company, so long as any moneys remain owing to them or any of them, by the Company, out of any financial assistance granted by them or any of them to the Company by way of loan and/or by holding debentures and/or share in the Company and/or a result of underwriting or direct subscription and/or any liability of the Company arising out of the guarantee furnished by the Financial Institution on behalf of the Company remains outstanding.

113(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to

remove from office the Nominee Director/s so appointed. Subject to the aforesaid Article 113(a) the said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.

- 113(c) If the Nominee Director/s is an officer of any of the Financial Institution, the sitting fees in relation to such nominee Directors shall accrue to such Financial Institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.
- 113(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.

Debenture Directors or mortgage, Directors

114. Any trust deed for securing the debentures or debenture-stock (or a deed or mortgage of any assets of the Company) may if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture-stock (or in the case of a deed of mortgage by the person or persons having such power) of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture- stocks (or such person or persons) from time to time, remove any Director so appointed. The Director appointed under the article is herein referred to as the “Debenture Director” (or a “Mortgage Director”) and the term “Debenture Director” (or “Mortgage Director”) means the Director for the time being in office under this article. This Debenture Director (or the Mortgage Director) shall not be liable to retire by rotation, or be removed by the Company. The trust deed (or the mortgage deed) may contain such ancillary provisions as may be arranged between the Company and the trustees (or mortgage) and all such provisions shall (subject to the provisions of the Act) have effect notwithstanding any of the other provisions herein contained.

Professional Directors

115. Any advocate or Chartered Accountant or any professional who may for the time being be a Director of the Company :
- a. shall be entitled to charge the Company, professional remuneration for all work done by him for or on behalf of the Company at the rate agreed upon and on such terms and conditions as may be agreed upon;
 - b. shall be entitled to vote on all resolutions on all matters in any way he thinks fit irrespective of the fact that he has advised upon or been concerned with any matters relating to the said resolution prior to the passing thereof or is likely to advise upon or may have to deal with matters relating to any resolution after the same has been passed;
 - c. shall not be liable or responsible for the day to day or routine management and running of the Company and its affairs including setting aside, appropriations or payment of any statutory dues by or on behalf of the Company; and shall be indemnified by the Company in respect of and fines or penalties that may be imposed upon him as a Director of the Company as a result of any act or omission of the Company and/or any of its Officers in failing to comply with an requirements of the law whether with regard to any payments to be made or otherwise howsoever, and also against all costs, charges and expenses that may be incurred by him in any proceeding against or relating to the said Professional Director in his capacity as a Director.

Appointment of Alternate Director

116. The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for 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 Office of the Original Director is determined before he so returns to India,

any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Additional Director

117. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

Directors power to fill casual vacancies

118. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director who shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Sitting Fees

- 119.a Until otherwise determined by the Company in a General Meeting, each Director other than the Managing/ Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

Remuneration of Directors

- 119.b. The remuneration of a Director for his service shall be such sum as may be determined by the Remuneration Committee but not exceeding such sum as may be prescribed by the Act or Central Government and/or the Listing Agreement. The Directors subject to the sanction of the Central Government (if any required) may be paid such further remuneration as the Company in a General Meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination shall be divided amongst the Directors equally.
- 119.c Subject to the provisions of the Act, a Director who is neither in the whole- time employment of the Company nor a Managing Director, may be paid remuneration either;
- (i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
 - (ii) by way of commission if the Company by a Special Resolution authorises such payment; and
 - (iii) in case of independent directors it shall be paid in the manner as provided in Section 149 and Sub section 5 of Section 197 of the Companies Act, 2013.

Special remuneration to Directors

- 121 If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing out of the city of his normal residence or otherwise for any of the purposes of the Company, the Company shall subject as aforesaid, remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Directors may contract with the Company

123. Subject to the provisions of the Act and observance and fulfillment thereof and subject to restrictions imposed by Articles, no Director shall be disqualified by his office of a Director in the Company from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be

liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relationship thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by the Act.

Directors may be Directors of Companies promoted by the Company

124. A Director of the Company may become a director of any Company promoted by the Company, or in which he may be interested as a vendor or member and subject to the provisions of the Act and these Articles no such Director shall be accountable for any benefits received as a director or member of such company.

Loans to Directors

125. The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 185 of the Companies Act, 2013 and other applicable provisions, if any, of the Act.

Holding of place of profit

126. A Director may hold a place of profit or office to the extent and as permissible under the Act.

The Company may increase or reduce the number of Directors

127. Subject to the provisions of the Act and these Articles, the Company may by passing Special Resolution in a General Meeting from time to time increase the number of Directors not exceeding the maximum limit permissible by the Act.

ROTATION OF DIRECTORS

Rotation and retirement of Directors

- 137.a. At the first Annual General Meeting of the Company and at every subsequent Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then, the number nearest to one-third shall retire from office;
- 137.b. The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
- 137.c. At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy appointing the retiring Director or some other person thereto.
- 137.d. If the place of the retiring Director is not so filled up and the Annual General 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 public holiday, till the next succeeding day which is not a public holiday, at the same time and place, and 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 re-appointed at the adjourned meeting, unless:
1. at the General Meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
 2. The retiring Director has, by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed
 3. He is not qualified or is disqualified for appointment
 4. A resolution, whether special or ordinary, is required for his appointment or re-appointment, in virtue of any provisions of the Companies Act

5. Section 162 of the Companies Act, 2013 is applicable to the case.

Directors to retire annually how determined

138. At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or multiple of three then the number nearest to one-third shall retire from office.

Company to fill up vacancy

139. Subject to the applicable provisions of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by selecting the retiring Director or some other person thereto.

Notice of Candidature for Office of Director

- 140.1 Subject to the provisions of the Act and these Articles, any person who is not a retiring Director shall be eligible for appointment to the Office of Director at any General Meeting if he or any member intending to propose him, has at least fourteen (14) clear days before the General Meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for that office or the intention of such member to propose him as a candidate for that office as the case may be. The Company shall duly comply with the provisions of Section 160 of the Companies Act, 2013 for informing its members of the candidature of the Director concerned.
- 140.2 Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013, signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

Individual resolutions for Directors appointments

141. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved: Provided that where a resolution so moved is passed and no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

General Powers of the Board

- 143.a Subject to the provisions of the Companies Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do: Provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or the rules thereunder or by the Memorandum and Articles of Association of the Company or otherwise, to be exercised or done by the Company in a General Meeting: Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act, or in the Memorandum & Articles of Association of the Company, or in any Rules or regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting;
- 143.b No regulations made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Powers of Directors

144. The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other Law or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting. However no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

DIVIDENDS

Dividends

- 145.a 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 the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares;
- 145.b. No amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this clause as paid on the share;
- 145.c. 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 share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

Declaration of dividends

146. The Company in a General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits, and may fix the time for payment.

Restriction on amount of dividend

147. No larger dividend shall be declared than is recommended by the Directors but the Company in a General Meeting may declare a smaller dividend

What is to be deemed net profits

148. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive

Interim dividend

149. Subject to the provisions of Section 123 (3) of the Companies Act, 2013, the Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

Debts may be deducted

150. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which lien exists.

Retention in certain cases

151. The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Clause entitled to become a member, or which any person under that clause is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

Unpaid or Unclaimed Dividend

154. If the Company has declared a Dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the “Unpaid Dividend of AGS Transact Technologies Limited”;
- 154.a 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 Companies Act, 2013, viz. “Investors Education and Protection Fund”;
- 154.b. No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

CHIEF EXECUTIVE OFFICER, MANAGER ETC.

155. Subject to the provisions of the Act and the Rules, a chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

MANAGING AND WHOLE-TIME DIRECTORS

- 156.a Subject to the provisions of the Companies Act, the Directors may from time to time appoint one or more of their body to be the Managing Director and/or Whole time Director of the Company, in accordance with the provisions of the Act and the Rules;
- 156.b A Managing Director and/or Whole time Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a Resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act.

CAPITALIZATION OF RESERVES

- 159.1 The Company in a General Meeting may, upon the recommendation of the Board, resolve:
- a. that it is desirable to capitalise 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 Profit and Loss account, or otherwise available for distribution; and
 - b. that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- 159.2 The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:
- i. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - ii. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
 - iii. partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- 159.3 A Securities Premium Account, Share Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.

INDEMNITY

Indemnity

177. Subject to the provisions of the Companies Act, every Director, Manager, Managing Director, Auditor, Secretary and other officer or servants of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all cost, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant, or in any way in the discharge of his duties, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority as between the members over all other claims.

Individual responsibility of Directors

178. Subject to the provisions of the Companies Act, no Director, auditor or other officer of the Company shall be liable for the acts, receipts, neglects or defaults or any other Director or Officer, or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage or misfortune whatever, which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same happen through his own dishonesty.

WINDING UP

Distribution of Assets

179. If the Company is to be wound up and the assets available for distribution among the Members as such are insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the Members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up paid-up or which ought to have been paid on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind

- 180.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 members 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.
- 180.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 members or different classes of members.
- 180.c The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

PART B

DIRECTORS

General

- 114A.1. (a) Each of the Promoters shall exercise their votes at any annual or extraordinary general meeting of the Shareholders (a “**Shareholders’ Meeting**”), and shall take all other actions, necessary, including by way of voting in the same manner as the Investor, to give effect to the provisions of these Articles and the Transaction Documents and to maintain the inclusion of the rights and obligations of the Shareholders included in the Shareholders Agreement and the other Transaction Documents in these Articles, to the extent such rights and obligations have been incorporated into these Articles.
- 114A. (b) Each of the Promoters shall cause their nominees on the Board to exercise his voting rights in any Board meetings (a “**Board Meeting**”) in conformity with the specific terms and provisions of these Articles of Association.
- 114A.2. (a) Authority of the Board: Subject to the provisions of these Articles of Association and the Act, the Board shall be responsible for the management, supervision and direction of the Company.
- 114A.2 (b) Composition of the Board
- ii. The Promoters shall have the right to nominate and appoint up to 5 (Five) Directors to the Board (“**Promoter Nominee Directors**”), out of which, the Promoters shall use their best efforts to nominate at least 1 (one) Director with a financial services background. TPG shall have the right to nominate and appoint 1 (one) Director to the Board (“**TPG Nominee Director**”) and Actis shall have the right to nominate and appoint 1 (one) Director to the Board (“**Actis Nominee Director**”) and together with the TPG Nominee Director, the “**Investor Nominee Director**”).
 - iii. The Investor Nominee Directors shall have the right to appoint a member to each committee / sub-committee of the Board.
 - iv. All Shareholders shall have all rights available to them to ensure the appointment and removal of all Directors in the manner contemplated in under the Articles of Association.

Chairman of the Board

- 114A.5 The right to select and appoint the Chairman of the Board shall be with the Promoters. The first Chairman of the Board after the Actis Completion Date shall be Ravi Goyal. The Chairman of the Board shall not have a casting vote in relation to any matter.

Board Meetings

- 114A.7 (a) Frequency and Location: The Board will meet every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings in Mumbai or any other location approved by at least (i) 1 (one) TPG Nominee Director and (ii) 1 (one) Actis Nominee Director, in the case of (i) and (ii), in writing.

114A.7 (b) Quorum

- i. Subject to the terms set out in this Article 114A.7. (b) and the provisions of the Act, 3 (three) Directors would constitute a quorum in Board Meetings of the Company, of which at least 1 (one) would be a TPG Nominee Director, 1 (one) would be an Actis Nominee Director and 1 (one) would be a Promoter Nominee Director. In the event that (a) the TPG Nominee Director and (b) the Actis Nominee Director are unable to attend the scheduled Board Meeting, any of the Investor Nominee Directors that are so unable to attend the scheduled Board Meeting, shall provide a

written request to the Company, at least 5 (five) days prior to the date of the proposed Board Meeting, to postpone the Board Meeting (the “**Postponement Notice**”), in which case such Board Meeting shall be postponed to a date not later than 10 (ten) Business Days from the date of the scheduled Board Meeting (“**Postponed Board Meeting**”). If the date of the Postponed Board Meeting is not mutually agreed between the Promoter Representative, TPG Nominee Director and Actis Nominee Director, then the Postponed Board Meeting shall be held on the 10th Business Day after the date of the scheduled Board Meeting, and written notice of the same shall be provided to the Investors and the Investor Nominee Directors in the manner required under the Shareholders Agreement.

- ii. In the event, thereafter, TPG Nominee Director or Actis Nominee Director is present in such Postponed Board Meeting, then the Board can proceed with the Board Meeting and its agenda subject to there being a valid quorum as per the provisions of the Act and at least 1(one) Promoter Nominee Director being present. However, if any matter to be discussed in such postponed Board Meeting includes an Affirmative Vote Item, then the Board Meeting shall be adjourned to the same place and time 7 (seven) Business Days later to consider such Affirmative Vote Item (“Reconvened Board Meeting”), subject to written notice of the Reconvened Board Meeting being provided to the Investors and the Investor Nominee Directors in the manner required under the Shareholders Agreement at least 3 (three) Business Days prior to the date of the Reconvened Board Meeting. If, prior to, or at the Reconvened Board Meeting, none of the TPG Nominee Director or other Representative of TPG and the Actis Nominee Director or other Representative of Actis, has communicated in any manner whatsoever (provided that in case of a communication prior to the Reconvened Board Meeting, such communication shall have to be in any written or electronic form) any consent or refusal in connection with any Affirmative Vote Matter(s) being considered in the Reconvened Board Meeting, the Reconvened Board Meeting shall proceed with the agenda including the consideration of any Affirmative Vote Matter(s); PROVIDED that where the consent or refusal of the Investors / Investor Nominee Directors in connection with the Affirmative Vote Matter(s) has been communicated to the Company or the Promoter Representative in any manner whatsoever (in case of a communication prior to the Reconvened Board Meeting, such communication being in any written or electronic form), a decision on the Affirmative Vote Matter(s) may be taken at the Reconvened Board Meeting only if the same is entirely consistent with such consent or refusal. Subject to the aforesaid, and subject to the provisions of the Act, the Reconvened Board Meeting shall continue and the Directors present at Reconvened Board Meeting shall be deemed to constitute the valid quorum. It is hereby clarified that in the event any Investor / Investor Nominee Director has communicated its refusal in connection with the Affirmative Vote Matter(s) to the Company or the Promoter representative in any manner whatsoever (in case of a communication prior to the Reconvened Board Meeting, such communication being in any written or electronic form), then such Affirmative Vote Item shall be deemed to be refused by the Investors, notwithstanding any other Investor / Investor Nominee Director having communicated its consent in connection with such Affirmative Vote Matter(s) to the Company or the Promoter representative.
- iii. In the event that no Postponement Notice is received from any Investor Nominee Director and if the matters to be discussed do not include any Affirmative Vote Item, the Board Meeting shall continue and proceed with its agenda. However, in the event the matter to be discussed includes an Affirmative Vote Item and the TPG Nominee Director and the Actis Nominee Directors are not present, then the Board Meeting shall be adjourned to the same place and time 7 (seven) days later to consider such Affirmative Vote Item (“First Adjourned Board Meeting”), subject to written notice of the First Adjourned Board Meeting being provided to the Investors and the Investor Nominee Directors in the manner as required under this Articles of Association at least 3 (three) Business Days prior to the date of the First Adjourned Board Meeting. If at the First Adjourned Board Meeting, the TPG Nominee Director and the Actis Nominee Director are not present, then the Board Meeting shall be once again adjourned to the same place and time 7 (seven) days later to consider such Affirmative Vote Item (“Second Adjourned Board Meeting”), subject to written notice of the Second Adjourned Board Meeting being provided to the Investors and the Investor Nominee Directors in the manner as required under the Shareholders Agreement at least 3 (three)

Business Days prior to the date of the Second Adjourned Board Meeting. If at the Second Adjourned Board Meeting, the TPG Nominee Director and the Actis Nominee Director are not present, then the Directors present at such Board Meeting shall be deemed to constitute a valid quorum, and the Board Meeting shall continue and proceed with any agenda including the consideration of the Affirmative Vote Matter(s); PROVIDED that where the consent or refusal of the Investors / Investor Nominee Director in connection with the Affirmative Vote Matter(s) has been communicated to the Company or the Promoter Representative in any manner whatsoever (in case of a communication prior to the Second Adjourned Board Meeting, such communication being in any written or electronic form), a decision on the Affirmative Vote Matter(s) may be taken at the Second Adjourned Board Meeting only if the same is entirely consistent with such consent or refusal.

- 114.A.7 (c) Notice: A meeting may be called by the Chairman of the Board or any one (1) other Director giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting. The company secretary (or such nominated person) shall upon receipt of such notice give a copy of such notice to all Directors of such meeting, accompanied by a written agenda specifying the business of such meeting and copies of all papers relevant for such meeting. The Company shall ensure that sufficient information is included with such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director (including the Investor Nominee Directors) of any Board Meeting, accompanied by the agenda for the Board meeting, unless (i) the TPG Nominee Director and (ii) the Actis Nominee Director, shall have given written approval for a meeting called at shorter notice. The quorum for the Board Meeting shall be in accordance with Article (b) herein above.
- 114.A.7 (d) Voting: At any Board Meeting, each Director may exercise 1 (one) vote. The matters shall be decided in the manner set out in Article 153A herein below.
- 114.A.7 (e) Participation through electronic means: As provided under the provisions of Section 173, the Directors may participate in Board Meetings by video conferencing or any other audio visual means, provided that (i) each person taking part in the meeting is able to hear each other person taking part; (ii) each Director must acknowledge his presence for the purpose of the meeting and any Director not doing so shall not be entitled to speak or vote at the meeting; and (iii) participation by video conferencing or audio visual means shall be taken into consideration only in the event that the Director so participating has intimated the Company (in the manner contemplated in these Articles) of the manner of his participation provided the Company complies the manner provided in the Rules for conducting meeting through video conferencing.
- 114.A.7 (f) Resolution by Circulation: A written resolution circulated to all the Directors or members of committees of the Board, whether in India or overseas and signed by a majority of them as approved, shall (subject to compliance with the requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or committee of the Board, called and held in accordance with the Articles (provided that it has been circulated in draft form, together with the relevant papers, if any to all the Directors); provided however that if the resolution proposed to be passed by circulation pertains to any of the Affirmative Vote Items, such circular resolution shall be valid and effective only if it has received the consent in writing of a TPG Nominee Director, a Actis Nominee Director and 1(one) Promoter Nominee Director.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Questions at Board Meeting how decided

132. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes.

Directors may appoint committee

- 133.a Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee 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 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.

Committee Meetings how to be governed

134. 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 regulations made by the Directors under the last preceding Article. Any action taken or contemplated under this entire Article shall be subject to the other provisions of these Articles including in particular the provisions incorporated herein from the Shareholders Agreement.

REQUIRED ACTIONS AND AUTHORITY

- 153A.a Unless otherwise provided in the Act, the Articles of Association or as agreed between the Parties to the Shareholders Agreement (and subject to Article 153A. (b) below):

- i. at a duly called Board Meeting, all decisions shall be taken by a simple majority (the affirmative vote of greater than 50% of the Directors present at a meeting duly called and for which requisite quorum is present as agreed between the Parties);
- ii. at a duly called Shareholders' Meeting with the requisite quorum, all decisions shall be approved if passed only with the affirmative vote of Shareholders present at the meeting and representing more than 50% of the Shares held by all Shareholders present at the meeting.

153A.b. Decision on Affirmative Vote Items:

- i. Decision at the Board Meeting: Subject to the provisions of Article 114A.7. and Article 88(a) and any additional requirements imposed by the Act, during the Term of the Shareholders Agreement, the Promoters agree that neither the Company nor any Shareholder, Director, officer, committee, committee member, employee, agent or any of their respective delegates shall, without the affirmative written consent or approval of (i) the Investors, or at least 1 (one) TPG Nominee Director and 1 (one) Actis Nominee Director; and (ii) 1 (one) Promoter Nominee Director, obtained at (or for the purposes of) a validly convened Board Meeting, committee meeting or sub-committee meeting, or otherwise, take any of the actions set forth in Article 153A. (b) (iii) below (the "Affirmative Vote Items"), whether by circular resolution or otherwise. Notwithstanding anything to the contrary contained in these Articles, in the event that it is proposed that any Affirmative Vote Item be decided in a Board Meeting, the Investors shall be entitled to require that a Shareholders' Meeting be convened for the purposes of deciding such Affirmative Vote Item, and that such Affirmative Vote Item be decided at a Shareholders' Meeting, in accordance with the provisions of this Article 153A. (b) (ii) below.
- ii. Decision at the Shareholders' Meeting: Subject to the provisions of Article 88(a) and any additional requirements imposed by the Act, during the Term of the Agreement, the Promoters agree that neither the Company nor any Shareholder, Director, officer, committee, committee member, employee, agent or any of their respective delegates shall, without the affirmative written consent of the Investor, or approval of the Investor obtained at a validly convened Shareholders' Meeting, take any of the actions in relation to any Affirmative Vote Items at a Shareholders' Meeting.

- iii. It is hereby clarified that if an Affirmative Vote Item is considered for the approval of the Board, and the affirmative vote of an Investor Nominee Director has been obtained in respect of such Affirmative Vote Item, then in such an event, if such Affirmative Vote Item is also referred to the Shareholders in any Shareholders' Meeting, no further affirmative vote of such Investor would be required for such Affirmative Vote Item at an adjourned Shareholders' Meeting in the event such Investor is not present at such adjourned Shareholders' Meeting.
- iv. The Affirmative Vote Items are as below:
 - a. Altering the rights, preferences or privileges of any Company Securities.
 - b. Amending the Charter Documents of the Company or changing the registered office of the Company.
 - c. Any issuance, redemption or buyback of Company Securities (including equity, debt instruments, convertibles) or any capital reduction. Any issuance, repurchase, redemption, alteration or reorganization of any Company Securities (including warrants, options or other rights to acquire shares) and any rights attached to such Equity Securities. Any change in the class rights for securities, bonus issues, loan stock, any stock splits or stock consolidations.
 - d. Acquisition or disposal of interests in any other Person, including in any Company Subsidiary (except when the Company proposes to carry treasury operations in the event of excess cash) or the creation of a new Company Subsidiary or divestment of an existing Company Subsidiary. Treasury operation guidelines will be approved by the Board from time to time.
 - e. Entering into, amending (not being in the ordinary course of business) or renewing (i) any service contract with a bank or a financial services institution, pertaining to outsourcing of managed services or installation, maintenance and/or operation of such number of ATMs which is the higher of (A) 1,500 (one thousand five hundred) ATMs or (B) 20% (twenty percent) of the installed outsourced ATMs at the beginning of the Financial Year in which such service contract is entered into; or (ii) any service contract pertaining to the ATM Outsourcing Business pursuant to which the expected or anticipated annual gross revenues of the Company under such contract exceed 20% (twenty percent) of the Company's revenue in the preceding or current Financial Year; or (iii) any Affirmative Contract. For the purpose of this Article "Affirmative Contract" shall mean any contract with Wincor Nixdorf India Private Limited or Fast and Fluid Management (or their Affiliates), any vendor contract which has a value of more than 15% (fifteen per cent) of expected annual sales and which relates to the Outsourcing Vertical, or any other vendor contract which has a value of more than 15% (fifteen per cent) of expected annual sales.
 - f. Incurring any borrowing or indebtedness 10% (ten percent) greater than that approved in the Business Plan of each financial year (wherein 10 % (ten percent) to be reviewed on an annualised basis), or creating any Encumbrance upon or in respect of the whole or substantial part of the Business or the assets of the Company. However borrowing or indebtedness in connection with new business which have been already approved by the Board will not require a separate consent.
 - g. Make any loans or investments or acquire any share or give any credit other than to customers in Incurring any borrowing or indebtedness (other than as set out in the Business Plan) or give any guarantee or indemnity (save to the Company's bankers to secure borrowings by the Company within the agreed limit or providing performance guarantees in the ordinary course of the business) in excess of 5% (five percent) of the total assets in any financial year.

- h. Dissolution, liquidation, reorganisation or restructuring of the Company or passing any resolution or taking any steps to have itself dissolved, wound up or liquidated or cause the Company to seek appointment of a receiver, trustee, custodian or other similar official for it or all or any substantial part of its property, or make a general assignment for the benefit of its creditors or admit in writing its inability to pay its debts when they become due.
- i. Entering into transactions not made on an arms length basis or in the ordinary course of business or entering into any joint venture, partnership or similar arrangement.
- j. Any ESOP/incentive pool creation or increases, allocations or issuances; or any modifications to the terms of the ESOP Scheme.
- k. Payment of directors emoluments or bonuses to Promoters except as agreed in their employment contracts.
- l. Entering into, modifying or extending Related Party transactions, (including, without limitation, making any amendments or modifications to the tenure, terms of repayment or any other terms of any loans made or received by the Company to or from any Related Parties or RG Entities (as defined in the Actis Subscription Agreement), or transactions with any of its directors or shareholders, or pledging of Company Securities held by the Promoters.
- m. Acquiring (by way of any form of Transfer, including lease), surrendering, assigning or otherwise disposing of (whether by one or more transactions) any immovable property in excess of Rs. 5,00,00,000 (Rupees five crores) or in excess of Rs. 5,00,00,000 (Rupees five crores) in aggregate in any financial year, except as contemplated by the Business Plan. However it is expressly understood between the Parties that ATM/ other assets at the ATM site shall not form a part of the immoveable property.
- n. Subject to Article 153A.b.iii.o below, commencing any business other than the Business or material expansion of the Business.
- o. The Company commencing the White Label Business.
- p. Declaration of dividends or any other distributions to the Shareholders (except for any distributions as specifically agreed under these Articles, such as distributions pursuant to a Liquidation Event).
- q. Changing the number of authorized Directors, Hiring, or terminating the employment of Key Management Personnel. Any change in the constitution, powers and functions of the committees of the Board or delegation of authority or any of the powers of the Board to an individual or committee including the grant of a power of attorney or any amendment or revocation thereof, except powers of attorneys for matters in the ordinary course of business.
- r. Any transaction involving merger, acquisition, consolidation, reconstitution, IPO (excluding a Qualified IPO), appointment of any advisers/bankers in connection with an IPO, recapitalisation, demerger or sale of the Company or any of the Company Subsidiaries, or any asset(s) thereof which exceed(s) Rs. 5,00,00,000 (Rupees five crores) in value.
- s. Making a capital expenditure directly or by entering into any hire purchase/ leasing that is 10% (ten percent) greater than that contemplated in the Business Plan. However capital expenditure in connection with contracts which have been already approved by Board

will not require a separate consent.

- t. Approving, adopting, amending or modifying the Business Plan (including any capital expenditure budget, operating budget and financing plan).
- u. Changing or appointing the statutory or internal auditors of the Company.
- v. Any change in accounting policies or principles or the Company's accounting reference period or change in the Financial Year.
- w. Any Liquidation Event.
- x. Purchasing, licensing or selling any brands, Intellectual Property rights or Intellectual Property assets.
- y. Settling, compromising or abandoning any legal or arbitration proceedings, claims, actions or suits (each a "Legal Action") unless such Legal Action (i) represents a value which is not more than Rs. 50,00,000 (Rupees Fifty lakhs only) in the case of Legal Action relating to matters other than direct or indirect Taxes; and (ii) represents a value which is not more than Rs. 1,00,00,000 (Rupees One crore only) in the case of Legal Actions relating to direct or indirect Taxes.
- z. Entering into or modification of any binding agreement to take any of the foregoing actions.

Taking a decision in respect of any of the Company Subsidiaries in respect of the matters specified in paragraphs a to z above, as such matters would be applicable to such Company Subsidiary.

Rights of the Investors in relation to Subsidiary Companies

153.A2 Notwithstanding anything contained in these Articles, the Shareholders shall ensure that in relation to any Company Subsidiary all of the rights of the Investors which are contained as agreed between the Parties in these Articles, and all management principles as agreed between the Parties set out in these Articles, shall be continuously made applicable to the Company Subsidiaries. Without prejudice to the generality of the preceding sentence, the Parties agree that the board of directors of each Company Subsidiary shall be appointed by the Company and shall be of the same size as the Board and shall include directors nominated by the Investors; and further, that any decision in relation to the subject matter of the Affirmative Vote Items, as such items would apply in relation to each Company Subsidiary, shall require the affirmative vote of the Investors, whether at the board meeting or shareholders' meeting of such Company Subsidiary, or otherwise. The Parties agree that the quorum, voting and board composition arrangements and other procedures with respect to the boards of directors of each Company Subsidiary as set out in these Articles, as well as other voting, management and corporate governance matters shall also be available to the Investors in relation to each the Company Subsidiary. Subject to the aforesaid and subject to the provisions of the Act, at the option of the Investors, it may be provided that there shall be at least 3 (three) representatives of the Company required for the purposes of formation of quorum at each board meeting and shareholders' meeting of any Company Subsidiary, of which 1 (one) representative shall be a person nominated by TPG and 1 (one) representative shall be a person nominated by Actis (in case of representatives nominated by both TPG and Actis, it is clarified that such representatives need not be Directors of the Company). The Shareholders and the Company hereby undertake to take all necessary actions to ensure that all the Company Subsidiaries comply with the provisions of these Articles. All rights mentioned in this Article 153A.2 shall, within a period of 3 (three) months from the Actis Completion Date, be included as part of the memorandum and articles of association or other charter documents of such Company Subsidiary and such provisions shall continue to form part of such documents as long as TPG (in so far such provisions relate to TPG) and Actis (in so far such provisions relate to Actis) is a Shareholder, or an indirect shareholder of any Company Subsidiary.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (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 this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder, may be inspected at the Registered Office 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, 2015 among our Company, the Selling Shareholders and the BRLMs.
2. Agreement dated March 24, 2015 among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Escrow Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), the Refund Bank(s) and the Registrar to the Offer.
4. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members.
5. Underwriting Agreement dated [●] among our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated December 11, 2002.
3. Fresh certificate of incorporation consequent upon change in name dated June 3, 2010.
4. Fresh certificate of incorporation dated July 20, 2010 issued by the RoC at the time of conversion from a private limited company into a public limited company.
5. Resolution of the Board dated January 30, 2015 in relation to the Offer and other related matters.
6. Resolution of the Shareholders dated February 3, 2015 in relation to the Offer and other related matters.
7. Resolution of the Board dated March 21, 2015 approving this Draft Red Herring Prospectus.
8. Consent letter dated March 18, 2015 of Mr. Ravi B. Goyal authorising his portion of the Offer for Sale.
9. Board resolution dated March 17, 2015 authorising TPG's portion of the Offer for Sale.
10. Board resolution dated March 20, 2015 authorising Oriole's portion of the Offer for Sale.

11. Copies of the annual reports of our Company for the financial years 2010, 2011, 2012, 2013 and 2014.
12. The examination reports of the Statutory Auditor dated March 12, 2015 on the restated consolidated and unconsolidated financial information included in this Draft Red Herring Prospectus.
13. The Statement of Tax Benefits dated March 17, 2015 from the Statutory Auditor.
14. Consent of the Selling Shareholders, our Directors, the BRLMs, the Legal Advisors to our Company as to Indian law, the Legal Advisors to the Underwriters as to Indian law, the International Legal Advisors to the Underwriters, the Legal Advisors to the Investor Selling Shareholders as to Indian Law, the Registrar to the Offer, the Banker to our Company, lenders to our Company or the Subsidiaries (where such consent is required), our Company Secretary and Compliance Officer, the Chief Financial Officer, the Syndicate Members and the Bankers to the Offer in their respective capacities.
15. Consent of S.R. Batliboi & Associates LLP, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditor on the restated consolidated and unconsolidated financial information, each dated March 12, 2015, and statement of tax benefits dated March 17, 2015 but not construing to be “Experts” as defined under the US Securities Act of 1933.
16. Statement showing allotment of Equity Shares pursuant to exercise of options under ESOS 2012, aggregated on a quarterly basis.
17. Due Diligence Certificate dated March 24, 2015 addressed to the SEBI from the BRLMs.
18. In-principle listing approvals dated [●] and [●] issued by the BSE and the NSE, respectively.
19. Tripartite Agreement dated October 19, 2010 among our Company, NSDL and the Registrar to the Offer.
20. Tripartite Agreement dated October 25, 2010 among our Company, CDSL and the Registrar to the Offer.
21. Shareholders’ Agreement dated August 6, 2012 among our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal, Ms. Neha R. Goyal, TPG and Oriole, as amended pursuant to an agreement dated March 20, 2015.
22. Share subscription agreement dated May 31, 2011 among TPG, our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal.
23. Share purchase agreement dated May 31, 2011 among TPG, our Company and our Promoter.
24. Share subscription agreement dated August 6, 2012 among Oriole, our Company, our Promoter, Mr. Badrinarain K. Goyal, Mrs. Anupama R. Goyal, Mrs. Vimla B. Goyal, Mr. Kiran B. Goyal, Mrs. Nidhi K. Goyal and Ms. Neha R. Goyal.
25. Share purchase agreement dated August 6, 2012 among Oriole, our Company and our Promoter.
26. Share purchase agreement dated November 25, 2013 among GTSL, Novus SGP and Mr. Balasubramanian Narayan Iyer.

27. Copy of the Employment Agreement dated June 1, 2011 between our Company and Mr. Ravi B. Goyal, and the resolutions of the Board and the Shareholders, each dated June 7, 2011, in relation to appointment of Mr. Goyal as the Managing Director of our Company.

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

All relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by the 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 thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Mr. Ravi B. Goyal <i>(Chairman and Managing Director)</i>	Mr. Badrinarain K. Goyal <i>(Non –Independent, Non- Executive Director)</i>
Mrs. Anupama R. Goyal <i>(Non –Independent, Non- Executive Director)</i>	Mr. Vishwarupe Narain <i>(Nominee, Non- Executive Director)</i>
Mr. Mahesh Chhabria <i>(Nominee, Non- Executive Director)</i>	Mr. Sudip Bandyopadhyay <i>(Independent, Non- Executive Director)</i>
Mr. Bharat Dhirajlal Shah <i>(Independent, Non- Executive Director)</i>	Mr. Jagadish Capoor <i>(Independent, Non- Executive Director)</i>
Mr. Sivanandhan Dhanushkodi <i>(Independent, Non- Executive Director)</i>	Mr. Vijay Chugh <i>(Independent, Non- Executive Director)</i>

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Amit Majumdar <i>(Chief Financial Officer)</i>

Date: March 24, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by it in the Offer for Sale, are true and correct.

Mr. Ravi B. Goyal

Date: March 24, 2015

Place: Mumbai

DECLARATION

We, TPG Star SF Pte. Ltd., hereby certify that all statements made by us in this Draft Red Herring Prospectus about or in relation to us, and the Equity Shares offered by us by way of the Offer for Sale pursuant to the Offer, are true and correct. TPG Star SF Pte. Ltd. assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed for and on behalf of TPG Star SF Pte. Ltd.

Date: March 24, 2015

Place: Singapore

DECLARATION

We, Oriole Limited, hereby certify that all statements made by us in this Draft Red Herring Prospectus about or in relation to us in connection with the Offer for Sale, and the Equity Shares offered by us by way of the Offer for Sale pursuant to the Offer, are true and correct. Oriole Limited assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed for and on behalf of Oriole Limited

Date: March 24, 2015

Place: Mauritius