PROSPECTUS
May 11, 2015
Please read Section 26 and Section 32 of the Companies Act, 2013
Book Built Offer

UFO MOVIEZ INDIA LIMITED

Our Company was incorporated as 'Valuable Media Private Limited' under the provisions of the Companies Act, 1956 pursuant to a certificate of incorporation dated June 14, 2004 issued by the Registrar of Companies, Maharashtra at Mumbai. For further details in relation to changes to our name, status and registered address, see "*History and Certain Corporate Matters*" on page 206 of this Prospectus.

Corporate Identity Number: U22120DL2004PLC164728; **Registered Office**: Office No. 12, 3rd Floor, 312 Surya Kiran Building, 19 Kasturba Gandhi Marg, New Delhi 110 001, India. Tel: +91 (11) 4370 4300/11; Fax: +91 (11) 4370 4322; Website: www.ufomoviez.com; **Corporate Office**: Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Marol, Andheri East, Mumbai 400 093, India. Tel: +91 (22) 4030 5060, Fax: +91 (22) 4030 5110; **Contact Person:** Mr. Sameer Chavan (Company Secretary and Compliance Officer); Tel: +91 (22) 4030 5060; Fax: +91 (22) 4030 5124; E-mail: investors@ufomoviez.com

PROMOTERS OF OUR COMPANY: MR. SANJAY GAIKWAD, MR. NARENDRA HETE, VALUABLE MEDIA LIMITED, VALUABLE TECHNOLOGIES LIMITED AND APOLLO INTERNATIONAL LIMITED.

INITIAL PUBLIC OFFERING OF 9,600,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF UFO MOVIEZ INDIA LIMITED (THE "ISSUER" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 625 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 615 PER EQUITY SHARE, AGGREGATING TO ₹ 6,000 MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE BY 3i RESEARCH (MAURITIUS) LIMITED ("3i RESEARCH"), P5 ASIA HOLDING INVESTMENTS (MAURITIUS) LIMITED ("P5"), SANJAY GAIKWAD (OUR MANAGING DIRECTOR), NARENDRA HETE, VALUABLE MEDIA LIMITED, VALUABLE TECHNOLOGIES LIMITED, RAAJA KANWAR, PRAFULLA VAIDYA, UDAY GAIKWAD, RAKESH GUPTA, AMIT K. MEHTA, AMIT S. SHELAR, ASHISH SADANAND MALUSHTE, DANIYAL APPA PARAB, DEEPAK RANJAN, DHEERENDRA SINGH MUCHHAL, K. SUVARNA, KAPIL KUMAR AGARWAL (OUR JOINT MANAGING DIRECTOR), KETAN NATWARLAL PITHADIA, MITALEE V. PATEL, MUKESH SHANKER SHERIGAR, NITIN LIONEL MONTEIRO, NITIN NOHANI, PRASHANT S. KELUSKAR, PRAVIN RAMDAS VAJE, RAJENDRA LAXMAN GAIKWAD, RAJESH B. MISHRA, RAVI SUKHADEO NAKHALE, SAMIR SHANTARAM SURVE, SANJAY PARDESHI CHAVAN, SUDALAIMANI KONAR, SUDHIR VITTAL SHETTY, SWAPNIL C. BORKAR, VIKRAM MACHAIAH AND VISHNU VITHALBHAI PATEL (TOGETHER THE "SELLING SHAREHOLDERS"). THE OFFER SHALL CONSTITUTE 34.77% OF THE FULLY DILUTED POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OFFER PRICE: ₹ 625 PER EQUITY SHARE

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH, THE OFFER PRICE IS ₹ 625 AND IS 62.5 TIMES THE FACE VALUE OF THE EQUITY SHARES

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 41 of the ICDR Regulations, this is an offer for at least 25% of the post-Offer capital and is made through the Book Building Process, wherein 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"). Provided that our Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers, have allocated 60% of the QIB Category to Anchor Investors on a discretionary basis out of which one-third was reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, 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, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Offer Price.

All investors, other than Anchor Investors, can participate in the Offer through the Applications Supported by Blocked Amount ("**ASBA**") process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). However, QIBs (excluding Anchor Investors) and Non-Institutional Investors are mandatorily required to submit their Bids by way of ASBA only. For details, see "*Offer Procedure*" on page 581of this Prospectus.

RISKS IN RELATION TO FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Floor Price is 61.5 times of the face value and the Cap Price is 62.5 times of the face value. The Offer Price is 62.5 times of the face value. The Offer Price (as has been determined by the Company, 3i Research, P5 and the Promoter Selling Shareholders in consultation with the Managers, and justified as stated in the section "*Basis for Offer Price*" on page 139 of this Prospectus) 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 and / 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 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 the 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 SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section "*Risk Factors*" on page 23 of this Prospectus.

COMPANY'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Each Selling Shareholder accepts responsibility only for statements made by such Selling Shareholder in this Prospectus and confirms that this Prospectus contains all information about itself as a Selling Shareholder and the Equity Shares offered by it in the Offer and that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. We have received in-principle approvals from BSE and NSE for listing of our Equity Shares pursuant to letters dated January 8, 2015 and January 19, 2015 respectively. For the purposes of the Offer, BSE shall be the Designated Stock Exchange.

GLOBAL COORDINATORS AND BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
Axis Capital Limited 1st Floor, Axis House C-2, Wadia International Centre, P.B. Marg, Worli Mumbai 400 025 Maharashtra, India Telephone: + 91 (22) 4325 2183 Facsimile : +91 (22) 4325 3000 E-mail: ufoipo@axiscap.in Website: www.axiscapital.co.in Investor grievance ID: complaints@axiscap.in Contact person: Ms. Simran Gadh SEBI registration number: INM000012029	**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 Telephone: + 91 (22) 6175 9999 Facsimile: + 91 (22) 6175 9961 E-mail: ufo.ipo@citi.com Website: http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Investor grievance ID: investors.cgmib@citi.com Contact person: Mr. Aashray Tandon SEBI registration number: INM000010718	**Karvy Computershare Private Limited** Karvy Selenium Tower B Plot 31-32, Financial District Nanakramguda, Gachibowli Hyderabad – 500 032 Telephone: +91 (40) 6716 2222 Facsimile: + 91 (40) 2300 1153 Toll Free no.: 1800-345-4001 E-mail/Investor grievance ID: ufo.ipo@karvy.com Website: https:\\karisma.karvy.com Contact person: Mr. M Murali Krishna SEBI registration number: INR000000221

OFFER PROGRAMME

FOR ALL BIDDERS:	**OFFER OPENED ON: April 28, 2015***
FOR ALL BIDDERS	**OFFER CLOSED ON April 30, 2015**

* *The Anchor Investor Bidding Date was April 27, 2015.*

UFO digital cinema

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DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise implies or requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto as of the date of this Prospectus.

Company and Selling Shareholder related terms

Term	Description
"Company", "our Company" "UFO Moviez India Limited", "UFO" or "Issuer".	UFO Moviez India Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Office No. 12, 3rd Floor, 312 Surya Kiran Building, 19 Kasturba Gandhi Marg, New Delhi 110 001, India.
"we", "us", or "our"	Unless the context otherwise requires or implies, UFO Moviez India Limited, its Subsidiaries, its Associates and its Joint Venture, on a consolidated basis.
3i	3i Digital Media (Mauritius) Limited.
3i Research	3i Research (Mauritius) Limited.
Advent	Advent Fiscal Private Limited.
"Articles"/ "Articles of Association"	The articles of association of our Company, as amended.
Associates	Scrabble Digital Limited, Scrabble Digital JLT, Scrabble Ventures LLC, and Scrabble Ventures, S. *de* R.L. *de* C.V., Mexico.
Auditors or Statutory Auditor	S.R. Batliboi & Associates LLP, Chartered Accountants.
Board/Board of Directors	The board of directors of our Company, as constituted from time to time including any committees thereof.
Corporate Office	Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC, Marol, Andheri East, Mumbai 400 093, India.
Director(s)	Director(s) on the Board of our Company, as appointed from time to time.
ELC	Edridge Limited.
Employee Selling Shareholders	Amit K. Mehta; Amit S. Shelar; Ashish Sadanand Malushte; Daniyal Appa Parab; Deepak Ranjan; Dheerendra Singh Muchhal; K. Suvarna; Kapil Kumar Agarwal; Ketan Natwarlal Pithadia; Mitalee V. Patel; Mukesh Shanker Sherigar; Nitin Lionel Monteiro; Nitin Nohani; Prashant S. Keluskar; Pravin Ramdas Vaje; Rajendra Laxman Gaikwad; Rajesh B. Mishra; Ravi Sukhadeo Nakhale; Samir Shantaram Surve; Sanjay Pardeshi Chavan; Sudalaimani Konar; Sudhir Vittal Shetty; Swapnil C. Borkar; Vikram Machaiah; Vishnu Vithalbhai Patel.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
ESOP 2006	The employee stock option scheme 2006.
ESOP 2010	The employee stock option scheme 2010.
ESOP 2014	The employee stock option scheme 2014.

Term	Description
Executive Director	An executive Director.
Group Entities	Companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act, 1956, and disclosed in "*Our Promoters and Group Entities*" on page 266 of this Prospectus.
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and Clause 49 of the Listing Agreement.
Joint Venture	Mukta V N Films Limited.
"Memorandum" / "Memorandum of Association"	The memorandum of association of our Company, as amended.
MVNFL	Mukta V N Films Limited.
Nifty	Nifty Portfolio Services Private Limited.
Non-Executive Director	A non-executive, non-independent Director as per the Companies Act, 2013 and the Listing Agreement.
P5	P5 Asia Holding Investments (Mauritius) Limited.
Promoters	Mr. Sanjay Gaikwad, Mr. Narendra Hete, Valuable Media Limited, Valuable Technologies Limited and Apollo International Limited.
Promoter Group	Such persons and entities which constitute the promoter group of our Company pursuant to Regulation 2 (1)(zb) of the ICDR Regulations.
Promoter Selling Shareholders	Mr. Sanjay Gaikwad, Mr. Narendra Hete, Valuable Media Limited and Valuable Technologies Limited.
Registered Office	Office No. 12, 3rd Floor, 312 Surya Kiran Building, 19 Kasturba Gandhi Marg, New Delhi 110 001, India.
Restated Consolidated Summary Statements	Restated consolidated summary statements of assets and liabilities as at December 31, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and statement of profit and loss and cash flows for the nine months period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 for the Company, its Subsidiaries, Associates and Joint Venture.
Restated Unconsolidated Summary Statements	Restated unconsolidated summary statements of assets and liabilities as at December 31, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and statement of profit and loss and cash flows for the nine months period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 for the Company.
Restated Summary Statements	Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements collectively.
RoC	Registrar of Companies, NCT of Delhi and Haryana.
Scrabble	Scrabble Entertainment Limited.
Selling Shareholders	3i Research, P5, Valuable Media Limited, Valuable Technologies Limited, Mr. Narendra Hete, Mr. Sanjay Gaikwad, Mr. Raaja Kanwar, Mr. Prafulla Vaidya, Mr. Uday Gaikwad, Mr. Rakesh Gupta and the Employee Selling Shareholders.

Term	Description
SDIU	Scrabble Digital INC.
SDL	Scrabble Digital Limited.
SDJLT	Scrabble Digital JLT.
SDS	Southern Digital Screenz India Private Limited.
SEIL	Scrabble Entertainment (Israel) Limited.
SEJLT	Scrabble Entertainment JLT.
SELS	Scrabble Entertainment (Lebanon) Sarl.
SEML	Scrabble Entertainment (Mauritius) Limited.
"Subsidiary" / "Subsidiaries"	A subsidiary of the Company as of the date of this Prospectus, in accordance with the Companies Act, 2013, and as set out in "*History and Certain Corporate Matters*" on page 222 of this Prospectus.
SVLLC	Scrabble Ventures LLC.
SVM	Scrabble Ventures, S. *de* R.L. *de* C.V., Mexico.
UELC	UFO Europe Limited.
UILC	UFO International Limited.
UFOLPL	UFO Lanka (Private) Limited.
UFOMPL	United Film Organisers (UFO) (Mauritius) Private Limited.
UFONPL	United Film Organisers Nepal Private Limited.
USTPL	UFO Software Technologies Private Limited.
Valuable Group	Mr. Sanjay Gaikwad, Mr. Narendra Hete, Valuable Technologies Limited and Valuable Media Limited.
VDSPL	Valuable Digital Screens Private Limited.
VNFPL	V N Films Private Limited.
VTL	Valuable Technologies Limited.

Offer Related Terms

Term	Description
"Allotment" / "Allot" / "Allotted"	Unless the context otherwise requires, the transfer of Equity Shares to successful Bidders pursuant to the Offer.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the ICDR Regulations.

Term	Description
Anchor Investor Bidding Date	April 27, 2015, being the day, one Working Day prior to the Offer Opening Date, on which Bids by Anchor Investors were submitted, prior to and after which the Managers did not accept any Bids, and allocation to Anchor Investors was completed.
Anchor Investor Allocation Price	₹ 625 per Equity Share.
Anchor Investor Offer Price	₹ 625 per Equity Share. The Anchor Investor Offer Price was decided by the Company, 3i Research, P5 and the Promoter Selling Shareholders in consultation with the Managers.
Anchor Investor Portion	60% of the QIB Category, which was allocated by our Company, in consultation with the Managers, to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations, out of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
"Applications Supported by Blocked Amount" / "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account.
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by an ASBA Bidder, which has been blocked by such SCSB to the extent of the Bid Amount specified by an ASBA Bidder.
ASBA Bidder	Any Bidder, other than an Anchor Investor, who Bid through ASBA in accordance with the terms of the Red Herring Prospectus and the Bid cum Application Form.
Axis	Axis Capital Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, as described in "*Offer Procedure – Allotment Procedure and Basis of Allotment*" on page 616 of the Prospectus.
Bid	An indication to make an offer during the Offer Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to purchase, the Equity Shares at a price within the Price Band, including all revisions thereto, in terms of the Red Herring Prospectus and the Bid cum Application Form, and the term "Bidding" shall be construed accordingly.
Bid Amount	In relation to each Bid shall mean the highest value of the Bid indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid in the Offer.
Bid Lot	24 Equity Shares.
Bid cum Application Form	The form used by a Bidder, including an ASBA Bidder, to make a Bid and which is considered as the application for Allotment for the purposes of the Red Herring Prospectus and this Prospectus.
Bidder	Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form. Unless, otherwise stated or implied, the term "Bidder" shall be deemed to include an ASBA Bidder and an Anchor Investor.
Broker Centre	Broker centres notified by the Stock Exchanges where Bidders can submit the Bid

Term	Description
	cum Application Forms to a Registered Broker and details of which are available on the websites of the stock exchanges.
Book Building Process	The book building process as described in Part A, Schedule XI of the ICDR Regulations, in terms of which the Offer is made.
Cap Price	The higher end of the Price Band, *i.e.* ₹ 625, above which the Offer Price and the Anchor Investor Offer Price were not finalised and above which no Bids were accepted.
"CAN" or "Confirmation of Allocation Note"	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.
Citi	Citigroup Global Markets India Private Limited.
Controlling Branches	Such branches of the SCSBs which coordinate Bids with the members of the Syndicate, Registrar to the Offer and the Stock Exchanges, a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Cut-off Price	The Offer Price, as finalised by the Company, 3i Research, P5 and the Promoter Selling Shareholders in consultation with the Managers. Only Retail Individual Investors whose Bid Amount did not exceed ₹ 200,000 were entitled to Bid at the Cut-off Price. No other category of Bidders was entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their respective addresses, occupation, PAN, MICR Code and bank account details.
Designated Branches	Such branches of the SCSBs with which an ASBA Bidder, not Bidding through Syndicate/ Sub Syndicate or through a Registered Broker, may submit the Bid cum Application Forms, a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Offer Account or the Refund Account, as appropriate, or the funds blocked by the SCSBs are transferred from the ASBA Account to the Public Offer Account, as the case may be.
Designated Stock Exchange	BSE.
Draft Red Herring Prospectus	The draft red herring prospectus dated December 18, 2014, issued in accordance with the ICDR Regulations, which did not contain complete particulars of the Offer, including 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 / invitation under the Offer and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
Eligible NRIs	NRIs from 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 purchase the Equity Shares offered thereby.

Term	Description
Employee and Certain Individual Selling Shareholders' Share Escrow Agreement	The agreement dated December 18, 2014 entered into amongst our Company, the Employee Selling Shareholders, Mr. Prafulla Vaidya, Mr. Raaja Kanwar, Mr. Rakesh Gupta and Mr. Uday Gaikwad (through their authorised representative), the Escrow Agent and the Managers for deposit of such Selling Shareholders' respective offered Equity Shares in escrow.
Escrow Accounts	Accounts opened with the Escrow Collection Banks and in whose favour the Bidders (excluding the ASBA Bidders) issued or will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agent	Karvy Computershare Private Limited.
Escrow Agreement	The agreement dated April 21, 2015 entered into amongst our Company, the Selling Shareholders, the Registrar to the Offer, the Managers, the Escrow Collection Banks, the Public Offer Account Bank, and the Refund Bank for collection of the Bid Amounts and, where applicable, refunds of the amounts collected on the terms and conditions thereof.
Escrow Collection Banks	The bank which is a clearing member and registered with SEBI under the BTI Regulations, with whom the Escrow Accounts have been opened, being Axis Bank Limited, HDFC Bank Limited and ICICI Bank Limited.
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form.
Floor Price	The lower end of the Price Band, *i.e.* ₹ 615, below which the Offer Price and the Anchor Investor Offer Price were not finalised and below which no Bids, were accepted.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI, suitably modified and included in "*Offer Procedure*" on page 589 of the Prospectus.
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges, as amended.
Managers	The Global Coordinators and Book Running Lead Managers, being Axis Capital Limited and Citigroup Global Markets India Private Limited.
Mutual Fund Portion	5% of the Net QIB Category available for allocation to Mutual Funds only, on a proportionate basis.
Net QIB Category	The QIB Category, available for allocation to QIBs, less the number of Equity Shares allocated to the Anchor Investors, being 1,920,000 Equity Shares.
Non-Institutional Investors	All Bidders, including Category III FPIs, that are not QIBs or Retail Individual Investors who have Bid for Equity Shares for an amount of more than ₹ 200,000, (but not including NRIs other than Eligible NRIs).
Non-Institutional Category	The portion of the Offer being not less than 15% of the Offer available for allocation to Non-Institutional Investors on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Offer	Initial public offering of 9,600,000 Equity Shares for cash at a price of ₹ 625 per Equity Share aggregating to ₹ 6,000 million by way of an offer for sale by the Selling Shareholders pursuant to the terms of the Red Herring Prospectus.

Term	Description
Offer Agreement	The agreement entered into on December 18, 2014 amongst our Company, the Selling Shareholders and the Managers, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Closing Date	Except in relation to Bids received from the Anchor Investors, April 30, 2015.
Offer Opening Date	Except in relation to Bids received from the Anchor Investors, April 28, 2015.
Offer Period	Except in relation to Bids received from the Anchor Investors, the period from and including the Offer Opening Date to and including the Offer Closing Date during which Bidders submitted their Bids, including any revisions thereto. The Offer Period comprised Working Days only.
Offer Price	₹ 625 per Equity Share. The Offer Price was decided by the Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers, on the Pricing Date.
Price Band	₹ 615 to ₹ 625.
Pricing Date	The date on which the Company, 3i Research, P5 and the Promoter Selling Shareholders in consultation with the Managers, finalised the Offer Price, being April 30, 2015.
Promoter and Corporate Selling Shareholders' Share Escrow Agreement	The agreement dated April 16, 2015 entered into amongst our Company, Mr. Narendra Hete, Mr. Sanjay Shankar Gaikwad, VML, VTL, 3i Research, P5, the Escrow Agent and the Managers for deposit of such Selling Shareholders' respective offered Equity Shares in escrow.
Prospectus	This prospectus dated May 11, 2015, issued in accordance with Sections 26 and 32 of the Companies Act, 2013, containing, *inter-alia*, the Offer Price that is determined at the end of the Book Building Process and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	An account opened in accordance with the provisions of the Companies Act, 2013, with the Public Offer Account Bank to receive money from the Escrow Accounts and from the ASBA Accounts maintained with the SCSBs on the Designated Date.
Public Offer Account Bank	The bank which is a clearing member and registered with SEBI under the BTI Regulations, with whom the Public Offer Account has been opened, being Axis Bank Limited.
"Qualified Institutional Buyers" or "QIBs"	A qualified institutional buyer, as defined under Regulation 2 (1)(zd) of the ICDR Regulations.
QIB Category	The portion of the Offer (including the Anchor Investor Portion) being 50% of the Offer which shall be available for allocation to QIBs, including the Anchor Investors.
Red Herring Prospectus	The red herring prospectus dated April 16, 2015, issued in accordance with Section 32 of the Companies Act, 2013, and the ICDR Regulations, which did not have complete particulars, including the price at which the Equity Shares were offered read with the addendum notice to the investors dated April 23, 2015.
Refund Account	The account opened with the Refund Bank, from which refunds (excluding refunds to ASBA Bidders), if any, of the whole or part of the Bid Amount shall be made.

Term	Description
Refund Bank	The bank which is a clearing member and registered with SEBI under the BTI Regulations with whom the Refund Account has been opened and in this case being Axis Bank Limited.
Registered Broker	Stock brokers registered with the Stock Exchanges having terminals in any of the Broker Centres other than the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
"Registrar" / "Registrar to the Offer"	Karvy Computershare Private Limited.
Retail Category	The portion of the Offer being not less than 35% of the Offer available for allocation to Retail Individual Investor(s) in accordance with the ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
Retail Individual Investors	Individual Bidders (including HUFs applying through their *karta* and Eligible NRIs) who have not submitted a Bid for Equity Shares for a Bid Amount of more than ₹ 200,000 in any of the Bidding options in the Offer.
Revision Form	The form used by the Bidders, including ASBA Bidders, to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any prior Revision Form(s), as applicable. 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)	Banks which are registered with SEBI under the BTI Regulations, which offer the facility of ASBA, a list of which is available on 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 and at such other websites as may be prescribed by SEBI from time to time.
"Specified Cities" or "Specified Locations"	Bidding centres where the Syndicate shall accept Bid cum Application Forms from ASBA Bidders, a list of which is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Stock Exchanges	BSE and NSE.
"Syndicate" or "member of the Syndicate"	The Managers.
Sub Syndicate	The sub-syndicate members, if any, appointed by the Managers to collect Bid cum Application Forms.
Syndicate Agreement	The agreement dated April 16, 2015 entered into amongst the Syndicate, our Company, and the Selling Shareholders in relation to collection of Bids in the Offer (excluding Bids from ASBA Bidders procured directly by SCSBs and Bids procured by Registered Brokers).
Syndicate Bidding Centres	Syndicate and Sub Syndicate centres established for acceptance of the Bid cum Application Form and Revision Forms.
"TRS" or "Transaction Registration Slip"	The slip or document issued by the Syndicate/Sub Syndicate, Registered Broker or an SCSB (only on demand), as the case may be, to the Bidder as proof of registration of a Bid.
Underwriters	The Managers.

Term	Description
Underwriting Agreement	The agreement dated May 10, 2015 entered into amongst the Underwriters, our Company and the Selling Shareholders.
Working Day	Any day other than Saturday or Sunday on which commercial banks are open for business in Mumbai, provided however, for the purposes of the time period between Offer Closing Date and listing of the Equity Shares, "Working Days" shall mean all days other than Sundays and bank holidays in Mumbai, in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010.

Conventional or general terms and abbreviations

Term	Description
A/c	Account.
ACIT	Assistant Commissioner of Income Tax.
AGM	Annual general meeting.
AIFs	Alternative investment funds as defined in and registered under the AIF Regulations.
AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
AS	Accounting standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BPLR	Benchmark prime lending rate.
BSE	BSE Limited.
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
CAGR	Compounded Annual Growth Rate.
"Calendar Year"/ "year"	Unless the context otherwise requires, shall refer to the twelve month period ending December 31.
"Category III Foreign Portfolio Investors" or "Category III FPIs"	FPIs who are registered as "Category III foreign portfolio investors" under the FPI Regulations.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer.
Companies Act	Companies Act, 1956 and the rules thereunder, to the extent not repealed, and/or the Companies Act, 2013.
Companies Act, 1956	Companies Act, 1956, as the context requires.
Companies Act, 2013	Companies Act, 2013 and the rules and clarifications thereunder, to the extent notified.
CIT	Commissioner of Income Tax.

Term	Description
CSR	Corporate social responsibility.
DCIT	Deputy Commissioner of Income Tax.
Depositories Act	Depositories Act, 1996.
Depository	NSDL and CDSL.
DIN	Director Identification Number.
“DP”/ “Depository Participant”	A depository participant as defined under the Depositories Act.
DP ID	Depository Participant’s identity number.
DTC	Draft Direct Taxes Code, 2013.
EBITDA	Earnings before interest, tax, depreciation and amortisation, calculated as profit / (loss) for the period excluding depreciation and amortization expense, finance cost, finance income and tax expenses.
ECB	External commercial borrowing.
EGM	Extraordinary general meeting.
EPS	Earnings per share (as calculated in accordance with AS-20).
EUR	Euro.
FDI	Foreign direct investment.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
FII(s)	Foreign institutional investors, as defined under the FPI Regulations.
“Financial Year” / “Fiscal” / “FY” / “F.Y.”	Period of twelve months ending on March 31 of that particular year, unless stated otherwise.
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations.
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Finance Act	Finance Act, 1994.
FIPB	Foreign Investment Promotion Board.
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
GDP	Gross domestic product.
GIR Number	General index registration number.
GoI	Government of India.

Term	Description
GST	Goods and services tax.
HCIL	Hughes Communications India Limited.
HUF	Hindu Undivided Family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
INR	Indian National Rupees.
I.T. Act	The Income Tax Act, 1961.
ITAT	Income Tax Appellate Tribunal.
ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
Indian GAAP	Accounting principles generally accepted in India.
IPO	Initial public offer.
LIBOR	London interbank offered rate.
MAT	Minimum alternate tax.
MCA	Ministry of Corporate Affairs, Government of India.
MICR	Magnetic ink character recognition.
“Mn” / “mn”	Million.
Mutual Funds	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A.	Not applicable.
NAV	Net asset value per share being Net Worth at the end of period / year excluding preference share capital and cumulative preference dividend divided by Total number of equity shares outstanding at the end of the period/year.
NCAER	National Council of Applied Economic Research.
NCT	National Capital Territory.
NECS	National electronic clearing service.
NEFT	National electronic fund transfer.
Negotiable Instruments Act	Negotiable Instruments Act, 1881.
Net Worth	Equity share capital plus Reserves and surplus (including, Securities Premium, General Reserve, Legal Reserve, Foreign Currency Translation Reserve, Stock options outstanding and surplus in statement of Profit and Loss).
NOC	No objection certificate.
Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian.
NRE Account	Non resident external account established in accordance with the Foreign

Term	Description
	Exchange Management (Deposit) Regulations, 2000.
"NRI" / "Non-Resident Indian"	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.
NRO Account	Non resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2000.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
"OCB" / "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number allotted under the I.T. Act.
PLR	Prime lending rate.
QFI	Qualified foreign investor, as defined under the FPI Regulations.
PSUs	Public Sector Undertakings (government-owned corporations)
RBI	Reserve Bank of India.
RONW	Return on net worth.
"Rs." / "Rupees" / "₹"	Indian Rupees.
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 ESOP Guidelines	Erstwhile 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.
Securities Act	U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchanges	BSE and NSE.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Term	Description
US/USA	United States of America.
"USD" or "$" or "US $"	United States Dollar.
US GAAP	Generally accepted accounting principles in the US.
U.S. Person	As defined in Regulation S under the Securities Act.
U.S. QIBs	Qualified Institutional Buyers, as defined in Rule 144A under the Securities Act.
VAT	Value added tax.
VCFs	Venture capital funds as defined in and registered with SEBI under the VCF Regulations.
VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.

Unless the content otherwise requires, the words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "*Main Provisions of our Articles of Association*", "*Statement of Possible Tax Benefits available to the Company and its Shareholders*" and "*Financial Statements*" on pages 627, 142 and 336 of this Prospectus, respectively, shall have the meanings given to such terms in these respective sections.

Industry related terms

Term	Description
2D	Two dimensional
3D	Three dimensional
ATP	Average ticket price.
CRISIL	CRISIL Research, a division of CRISIL Limited.
CRISIL Report	Study of the Media and Entertainment Sector in India, CRISIL Research, November 2014 read with the "Update to CRISIL Report comprising Study of the Media and Entertainment Sector in India" dated January 19, 2015.
CRIS	CRISIL Risk and Infrastructure Solutions Limited.
D-Cinema	Digital Cinema Initiative compliant
DAVP	Directorate of Advertising and Visual Publicity
DCI	Digital Cinema Initiative
E-Cinema	A commonly used term to describe various technologies used to digitally deliver movie content other than through D-Cinema.
e-tax	Entertainment tax.
HIG	Higher income group.

Term	Description
LIG	Lower income group.
NOC	Network operations centre.
PFCE	Private final consumption expenditure.
UFO-M4	Our “UFO-M4” platform.
UPS	Uninterrupted power supply.
VPF	Virtual print fee.
VPF D-Cinema	Virtual print fees from D-Cinema.
VPF E-Cinema	Virtual print fees from E-Cinema.
VSAT	Very small aperture terminal.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" contained in this Prospectus are to the Republic of India and all references to the "U.S." are to the United States of America.

Financial Data

Unless the context requires otherwise, the financial data in this Prospectus is derived from our Restated Summary Statements. The Company's Financial Year commences on April 1, and ends on March 31 of the following year. In this Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Restated Summary Statements included in this 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 Prospectus should accordingly be limited. Our Company does not provide a reconciliation of its financial statements to IFRS or U.S. GAAP financial statements. For details, see "*Risk Factors – Significant differences exist between the requirements of Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.*" on page 54 of this Prospectus.

Any percentage amounts, as set forth in the sections "*Risk Factors*", "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 23, 184 and 455 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Consolidated Summary Statements and the Restated Unconsolidated Summary Statements.

Currency and units of presentation

All references to;

- "Rupees" "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India.
- "US Dollars" or "US$" or "USD" are to United States Dollars, the official currency of the United States of America.
- "AED" are to the official currency of the United Arab Emirates.
- "LBP" are to the official currency of Lebanon.
- "LKR" are to the official currency of Sri Lanka.
- "KWD" are to the official currency of Kuwait.
- "NGN" are to the official currency of Nigeria.
- "MxP$" are to the official currency of Mexico.
- "MUR" are to the official currency of Mauritius.
- "NPR" are to the official currency of Nepal.
- "UGX" are to the official currency of Uganda.

In this Prospectus, our Company has presented certain numerical information in "million" units. One million represents 1,000,000.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Prospectus has been obtained or derived from publicly available information as well as industry publications. 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 the industry data used in this Prospectus is reliable, it has not been independently verified by the Company, the Selling Shareholders, the Syndicate or any of their affiliates or advisors.

Information has been included in this Prospectus from the report titled "Study of the media and entertainment sector in India, November, 2014" read with the "Update to CRISIL Report comprising Study of the Media and Entertainment Sector in India" dated January 19, 2015 prepared by CRISIL Research, a division of CRISIL Limited (the "**CRISIL Report**"), which report has been commissioned by the Company for the purposes of confirming its understanding of the industry in connection with the Offer and which includes the following disclaimer.

CRISIL Research, a division of CRISIL Limited (CRISIL), has taken due care and caution in preparing this Report (Report) based on the information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any company covered in the Report. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of this Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Limited (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published / reproduced in any form without CRISIL's prior written approval.

Further, the extent to which the industry and market data presented in this 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 23 of this Prospectus. Accordingly, investment decisions should not be based on such information.

Exchange Rates

This Prospectus contains conversions of US$ and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of the respective foreign currencies are provided below:

(in ₹)

Currency	December 31, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
US$	63.59	59.76	54.65	51.85	45.29	45.00
AED	17.31	16.27	14.79	14.11	12.33	12.25
LBP	0.04	0.04	0.04	0.03	0.03	0.03
LKR	0.48	0.46	0.43	0.40	0.41	0.39
MUR	1.93	1.91	1.68	1.72	1.53	1.41
MxP$	4.31	4.57	4.41	4.05	3.79	3.62
NGN	0.35	0.36	0.34	0.33	0.29	0.30
NPR	0.61	0.62	0.62	0.62	0.62	0.61

Source: www.oanda.com based on median rate

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investors must rely on their own examination of our Company and the terms of the offer, including the merits and risks involved.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as "**U.S. QIBs**", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "**QIBs**") in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("**RSA**") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

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

FORWARD-LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical fact constitute "forward-looking statements**.**" All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar import. All forward-looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward looking statements reflect our current views with respect to future events as of the date of this 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.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- any downturn in the Indian or international cinema industries;
- dependence on our relationships and agreements with movie producers and distributors, and any failure to maintain these relationships, or to establish and capitalise on new relationships;
- dependence on our relationships and agreements with exhibitors, and any failure to maintain these relationships, or to establish and capitalise on new relationships;
- dependence on our relationships with advertisers, and any failure to maintain these relationships, or to establish and capitalise on new relationships;
- dependence of our advertisement revenue on a number of factors, including the number of screenings of movies, which is subject to factors outside of our control;
- dependence on certain of our customers who account for a large portion of our revenues;
- intense competition and pricing pressure;
- failure or disruption of our technology systems on which we rely heavily;
- failure to maintain technological advantage;
- dependence on third parties to supply digital cinema equipment, installation and maintenance services;
- failure or inability to protect our intellectual property rights or failure to succeed in defending any intellectual property right claim against us (including the outcome of the ongoing patent dispute with Real Image);
- failure to implement growth strategies; and
- risks associated with international activities.

For a further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 23, 184 and 455 of this Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Selling Shareholders, the Directors, the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Selling Shareholders will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permissions by the Stock Exchanges. Further, in accordance with Regulation 51A of the ICDR Regulations, our Company may be required to undertake an annual updation of the disclosures made in this Prospectus and make it publicly accessible in the manner specified by SEBI.

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Prospectus, including the risks and uncertainties described below, before making an investment decision 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. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations and financial condition. To obtain a complete understanding of the Company, prospective investors should read this section in conjunction with the sections titled "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 184 and 455 respectively, as well as the other financial and statistical information contained in this Prospectus. If any of the risks described below or other risks that are currently not known actually occur, our business, prospects, financial condition and results of operations could be adversely affected, the trading price of our Equity Shares could decline, and prospective investors may lose all or part of their investment. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Offer.

Prospective investors should pay particular attention to the fact that the Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. Please see "Forward-Looking Statements" on page 21 of this Prospectus.

Unless specified or quantified in the relevant risks factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated, the financial information of the Company used in this section has been derived from the Restated Consolidated Summary Statements.

INTERNAL RISKS

Risks Relating to our Business and Industry

1. ***Our Company is presently involved in certain disputes with Real Image Media Technologies Private Limited, our competitor, with respect to certain patents held by Real Image. If such disputes are decided against us or are not settled on terms favorable to us, or at all, it would have a material adverse effect on our business, financial condition, results of operations, prospects and reputation and may also have a material adverse effect on our stock price.***

Our Company has received a legal notice dated February 9, 2015 ("**February 9 Notice**") from Real Image Media Technologies Private Limited ("**Real Image**"), our competitor, wherein Real Image has asserted that it is the inventor of certain technological processes protected by Indian patent no. IN 202969 titled "*A Method of Distributing & Tracking Media and Advertisements*" and Indian patent no. IN 202980 titled "*Remotely Configurable Media and Advertisement Player and Method of Manufacture and Operation Thereof*" (collectively, "**RI's Patents**") and that it believes that aspects of RI's Patents also form a part of our Company's technology. The February 9 Notice requires our Company to obtain a license from Real Image if our technology contains the aspects covered under RI's Patents. Real Image has further alleged that any use of these aspects without obtaining a license from Real Image would tantamount to an infringement of RI's Patents.

Our Company has replied to the aforementioned notice by way of a letter dated April 1, 2015 ("**April 1 Response**"), refuting the allegations made by Real Image in the February 9 Notice on a number of grounds including the invalidity of RI's Patents on account of concealment of material information from the Indian patent authorities and non-patentability of the subject matter, and the fact that there is no infringement of RI's Patents given the process used by our Company in the course of its business. Our

Company has also obtained legal advice that RI's Patents are invalid and there is no infringement of the same. On March 27, 2015, our Company has also initiated revocation proceedings under Sections 64 of the Patents Act 1970 before the Intellectual Property Appellate Board, Chennai ("**IPAB Chennai**") for the revocation of RI's Patents. Subsequently, our Company has filed applications dated April 21, 2015 before the IPAB Chennai for withdrawal of the aforesaid revocation proceedings, with the understanding that Real Image will not initiate infringement proceedings against our Company in relation to RI's Patents until our Company and Real Image have discussed the matter. The withdrawal applications are currently pending before the IPAB Chennai.

Our Company has received proposals from Real Image for settlement of the above disputes. Our Company is discussing these matters with Real Image. For further details of these developments and proceedings, please refer to "*Litigation involving our Company and Material Developments – Outstanding Litigation – Litigation against our Company – Civil Proceedings*" in the section "*Outstanding Litigation and Material Developments*" on page 484 of this Prospectus. We cannot assure you that we will choose to engage in or consummate any settlement discussions with Real Image. Further, in the event a settlement is not reached between our Company and Real Image for any reason, our Company will be constrained to continue to pursue legal proceedings against Real Image or defend any legal proceedings initiated by them. In the course of such legal proceedings, the relevant court also has the discretion to pass an injunction against our Company for using the technology in question which may result in business interruption and a significant decrease in our advertisement revenue since the technology in dispute is integral to our business and advertising activities, although we are unable to quantify the expected damages at this time. Further, any development of alternative technology by our Company, if required, may be time consuming and could require significant investment from our Company. If such legal proceedings result in adverse decision against our Company, then we may be required to enter into a licensing arrangement with Real Image in order for our Company to continue using the technology alleged to be covered by RI's Patents. We cannot assure you that Real Image will, in such an event grant such a license to our Company and if such a license is in fact granted, as to whether the terms of such license will be favorable to our Company. Any adverse findings in the legal proceedings or our Company's inability to enter into a licensing arrangement with Real Image, whether on favorable terms or at all, would have a materially adverse impact on our Company's business, financial condition, results of operations, prospects and reputation and may also have a material adverse effect on our stock price.

2. ***Any downturn in the Indian or international cinema industries could materially adversely affect our business, financial condition, results of operations and prospects.***

Our success is highly dependent upon our ability to provide services to, and generate revenues from, movie producers, distributors and exhibitors, as well as from advertisers through in-cinema advertising. These parties are dependent on the health of the Indian and international cinema industries, which are significantly impacted by factors entirely outside of our control. Such factors include:

- *Alternative sources of entertainment and entertainment delivery*. The cinema industry competes with many other sources of entertainment and entertainment delivery, including television and the internet. Technological advancements such as video on demand, mobile and internet streaming and downloading have increased the number of entertainment and information delivery choices available to consumers and have intensified the challenges posed by audience fragmentation. Movies may also be released under alternative methods, such as DVD or HD DVD, cable television, downloads via the internet, video discs, video on demand, satellite and pay-per-view services. The increasing number of choices available to audiences could negatively impact consumer demand for viewing movies in a cinema, and there can be no assurance that occupancy rates at cinemas will not fall.

- *The success of movies shown in cinemas.* The success of first-run movies that are shown in cinemas depends upon the production and marketing efforts of movie studios and the attractiveness and value proposition of the movies to consumers compared to other forms of entertainment.

- *Piracy*. Movie piracy is extensive in many parts of the world and is made easier by technological advances and the conversion of movies into digital formats. This trend facilitates the creation, transmission and sharing of high quality unauthorised copies of motion pictures in theatrical release on DVDs, CDs and Blu-ray discs and the internet. In particular, unauthorised copying and piracy are prevalent in countries outside of the United States, Canada and Western Europe, including India, whose legal systems may make it difficult for content owners to enforce intellectual property rights and in which consumer awareness of the individual and industry consequences of piracy is lower. Despite the security features of our digital cinema delivery platform, with other factors, such as broadband connectivity improving and 3G internet penetration increasing in India, digital piracy of movies is an increasing risk.

- *General economic conditions*. A decline in general economic conditions may negatively impact consumer spending, and any reduction in consumer confidence or disposable income in general could lead to a decline in cinema attendance.

A decline in attendance at cinemas may reduce the number of movies produced, distributed and screened, which would directly affect the revenue that we receive from content producers and distributors, as well as reduce the number of cinemas and screens in operation, which could impact the amount of revenues we generate from exhibitors. Further, a sustained decline in economic conditions could result in closure or downsizing by, or otherwise adversely impact, content producers, distributors and exhibitors on whom we rely for revenue. The value of our in-cinema advertising business could also be adversely affected by a long-term multi-year decline in cinema attendance or even the perception by advertisers that our platform is no longer suitable for their needs due to the decreases in attendance and geographic coverage. Therefore, any downturn in the overall Indian and international cinema industries would materially adversely affect our business, financial condition, results of operations and prospects.

3. *We and certain of our Promoters, Directors and Group Entities are involved in certain legal proceedings which may be determined against us.*

We, and certain of our Promoters, Directors and Group Companies, are involved in certain legal proceedings and claims. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Should any new developments arise, such as a change in Indian law or rulings against us by courts or tribunals, we may face losses and we may need to make provisions in our financial statements, which could increase our expenses and our liabilities. We can give no assurance that these legal proceedings will be decided in our favour. Assertion of one or more legal claims against us could have an adverse effect on our business, reputation, financial conditions and results of operation.

In addition to the above, various civil and statutory proceedings (including proceedings relating to direct, indirect taxation and labour laws) have also been initiated against our Company. These are pending at various levels of adjudication. The details of these proceedings are given below:

Nature and number of proceedings					
Tax	**Civil**	**Statutory**	**Writ Petition**	**Criminal**	**Monetary claim, if any, to the extent ascertainable**
					(₹ in millions)
37	12	5	Nil	Nil	431.12

Our Promoters and certain of our Directors, namely Mr. Sanjay Shankar Gaikwad and Mr. Ameya Hete are involved in various civil litigations in their respective capacities as directors in other companies. For further details, please see "- *The income tax authorities had carried out search and seizure operations at the premises of certain of our Promoters, including our Promoter Director, members of our Promoter Group as well as Group Entities. Any adverse determination by the tax authorities in this matter could increase their tax liability and / or subject them to monetary penalties.*"

The details of the proceedings against our Promoters and Directors are given below:

Sr. No.	Name of the Promoter/Director	Nature and number of proceedings					
		Criminal	Tax	Civil	Statutory	Writ Petition	Monetary claim, if any, to the extent ascertainable
							(₹ in millions)
1.	Apollo International Limited	Nil	9	4	Nil	Nil	90.50
2.	Mr. Narendra Hete	Nil	1	Nil	Nil	Nil	Nil
3.	Mr. Sanjay Gaikwad	Nil	1	Nil	1	Nil	Nil
4.	Valuable Technologies Limited	Nil	1	Nil	Nil	Nil	Nil
5.	Valuable Media Limited	Nil	1	Nil	Nil	Nil	Nil
6.	Mr. Ameya Hete	Nil	1	Nil	Nil	Nil	Nil
7.	Mr. Raaja Kanwar	Nil	3	Nil	Nil	Nil	0.32

Various criminal, civil and statutory proceedings (including direct, indirect taxation and writ petitions) have also been initiated against our Subsidiaries, Associates and Group Entities. These are pending at various levels of adjudication. The details of these proceedings are given below:

Sr. No.	Name of the Subsidiary	Nature and number of proceedings					
		Criminal	Tax	Civil	Statutory	Writ Petition	Monetary claim, if any, to the extent ascertainable
							(₹ in millions)
1.	Scrabble Entertainment Limited	Nil	11	Nil	Nil	Nil	71.21
2.	Southern Digital Screenz Private Limited	Nil	11	1	Nil	Nil	2.80

Sr. No.	Name of the Group Entity	Nature and number of proceedings					
		Criminal	Tax	Civil	Statutory	Writ Petition	Monetary claim, if any, to the extent ascertainable
							(in millions)
1.	Valuable Infrastructure Private Limited	Nil	1	Nil	Nil	Nil	Nil
2.	Valuable Destinations Private Limited	Nil	1	Nil	Nil	Nil	Nil
3.	Valuable Ag- Bio Private Limited	Nil	1	Nil	Nil	Nil	Nil
4.	Nisarg Building Art & Technology Private Limited	Nil	1	Nil	Nil	Nil	Nil
5.	Advent Fiscal Private Limited	Nil	1	Nil	Nil	Nil	Nil
6.	Nifty Portfolio Services Private Limited	Nil	1	Nil	Nil	Nil	Nil
7.	Apollo - Everest Kool Solutions Private Limited	Nil	Nil	1	Nil	Nil	Nil
8.	Apollo Fiege Integrated Logistics Private Limited	Nil	Nil	Nil	1	Nil	₹ 0.60
9.	Clarion Logistics India Private Limited	1	Nil	1	Nil	Nil	₹ 2.77
10.	ALS Container Warehousing Limited	Nil	Nil	1	Nil	Nil	Nil
11.	Apollo Logisolutions Limited	Nil	Nil	2	Nil	Nil	₹ 6.50
12.	Apollo International FZC	1	Nil	Nil	Nil	Nil	Nil
12.	Kailash Shipping Services Private Limited	Nil	5	Nil	Nil	Nil	₹ 18.82
14.	Apollo International PTE	3	Nil	Nil	Nil	Nil	₹ 0.24
15.	Clarion Shipping Services L.L.C	Nil	Nil	3	Nil	Nil	AED 2.03

Sr. No.	Name of the Associate	Nature and number of proceedings					
		Criminal	Tax	Civil	Statutory	Writ Petition	Monetary claim, if any, to the extent ascertainable
							(₹ in millions)
1.	Scrabble Digital Limited	Nil	2	Nil	Nil	Nil	3.53

An adverse outcome in any or all of these proceedings could have an adverse effect on our business, prospects, reputation financial condition and results of operations. Furthermore, any criminal proceedings that may be initiated against our Directors could impair their ability to serve our Company. For further details, see the section titled "*Outstanding Litigation and Material Developments*" on page 484.

4. ***Certain qualifications have been noted in our Auditor's audit reports and our business may be adversely affected if we do not adequately address such qualifications or if other qualifications are noted or identified.***

In connection with the audits of our financial statements, certain qualifications have been noted in the Auditor's reports on the financial statements of the Company:

- In the annexure to the Auditor's report on unconsolidated financial statements for the year ended March 31, 2010, the Auditors have qualified that there were two instances of employees misappropriating ₹604,000 from the Company, of which ₹475,000 has been recovered or is recoverable and the balance amount has been written off. Further, in the annexure to the Auditor's report on unconsolidated financial statements for the year ended March 31, 2011, the Auditors have qualified that one of our employees misappropriated funds amounting to ₹154,120 during the year from collections received from clients. We have taken legal action against the employee and his services are terminated and the amount has been written off. This qualification did not require any quantitative adjustment in the restated unconsolidated summary statements. We have implemented measures to minimize misappropriation by employees by: (i) where practicable, having separate employees responsible for collection and depositing of monies, (ii) confirming collections with exhibitors on a more regular basis and (iii) implementing a cash management system. To our knowledge, there have been no further instances of misappropriation by employees after we have implemented these controls.

- In the annexure to the Auditor's report on unconsolidated financial statements for the year ended March 31, 2011, the Auditors have qualified that undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. Further, the Auditors have qualified that undisputed dues of value added tax have not been regularly deposited with the appropriate authorities and there have not been serious delays in large number of cases. This qualification did not require any quantitative adjustment in the restated unconsolidated summary statements. We have implemented internal controls to check on the status of statutory payments and ensure statutory payments are made as they are due. After we have implemented these controls, there have been no further delays in statutory payments that have required auditor qualifications in the Annexures to the Auditor's report on financial statements of the Company.

- In the Auditor's report on consolidated financial statements for the year ended March 31, 2012, the auditors have qualified that Scrabble Entertainment Limited, one of our subsidiaries, did not physically verify inventory during and at year end for inventory lying at Mumbai and Bangalore amounting to ₹11,440,003, and accordingly our auditors could not observe the counting of physical inventories lying at those warehouses at the end of the year. Accordingly, our auditors were unable to obtain sufficient appropriate audit evidence concerning the inventory quantities held at March 31, 2012 and were unable to comment on the existence and valuation of this inventory and consequent adjustments on the cost of goods sold, if any, that might be required in our financial statements. This qualification did not require any quantitative adjustment in the restated consolidated summary statements since the financial effect of this item is not ascertainable. This lack of internal control was present prior to our acquisition of Scrabble Entertainment Limited, and after acquisition, we have implemented a stock management system to address these internal control issues. After we have implemented these controls, there have been no further related issues.

- In connection with the audit of our subsidiary, Southern Digital Screenz India Private Limited, for the year ended March 31, 2012, its auditors noted that Southern Digital Screenz India Private Limited has no internal audit system commensurate with the size and nature of its business. This lack of internal audit was present prior to our acquisition of Southern Digital Screenz India Private Limited, and after acquisition, we have implemented an internal auditing system to address these internal audit issues. After we have implemented this system, there have been no further related issues.

With respect to our downstream investments, we have the following non-compliance issues: (i) we have not intimated Secretariat for Industrial Assistance ("SIA"), Department of Industrial Policy and Promotion and Foreign Investment Promotion Board of our downstream investment within 30 days of the investment and (ii) we have not intimated the regional office of RBI about the non-filing of intimation to FIPB and SIA for downstream investments made within 90 days from the RBI Circular No 1 dated July 4, 2013, as per paragraph 3(iii) of the said circular**.**

5. ***The income tax authorities had carried out search and seizure operations at the premises of certain of our Promoters, including our Promoter Director, members of our Promoter Group as well as Group Entities. Any adverse determination by the tax authorities in this matter could increase their tax liability and / or subject them to monetary penalties.***

In April 2013, the Income Tax Department carried out search and seizure operations under Section 132 of the Income Tax Act, 1961 ("**I.T. Act**") at premises of certain of our Promoters, including our Promoter Director, members of our Promoter Group as well as certain of our Group Entities, namely Mr. Sanjay Shankar Gaikwad, Mr. Narendra Hete, Valuable Technologies Limited, Valuable Infrastructure Private Limited, Advent Fiscal Private Limited ("**Advent**"), Nifty Portfolio Services Private Limited ("**Nifty**"), Ms. Aruna Hete, Mr. Ameya Hete, Ms. Shailaja Gaikwad and Mr. Uday Gaikwad. During the course of the search and seizure operations, the income tax authorities took custody of certain documents, records and jewellery and recorded statements of officials. Thereafter, the jewellery was released against deposit of funds of equivalent value with the Income Tax Department and subsequently copies of documents and records were also released. Pursuant to the search, certain voluntary declarations declaring undisclosed income were made by two of our Promoters, Mr. Narendra Hete and Mr. Sanjay Shankar Gaikwad (who is also our Promoter Director). Further, during the above search, the proceeds of investments made by certain third party investors into Advent and Nifty, which are members of our Promoter Group and Group Entities, were also declared by Advent and Nifty as undisclosed income.

Pursuant to the above search, certain of our Promoters, including our Promoter Director, and members of our Promoter Group and Group Entities received notices under Section 153A of the I.T. Act requiring them to file returns of income for the six year period from A.Y. 2008-09 to A.Y. 2013-14. In response to these notices received above, the relevant entities have complied with the requirement to file revised returns of income and these matters are pending before the assessing officer. Further, Advent, Nifty, Mr. Narendra Hete and Mr. Sanjay Shankar Gaikwad have approached the Settlement Commission in accordance with the provisions of the I.T. Act along with fresh computation of incomes. These matters have been admitted before the Settlement Commission for admission. For further details of these proceedings, please refer to the section titled "*Outstanding Litigation and Material Developments*" beginning on page 484 of this Prospectus. Any adverse developments in the above matters could increase the tax liability of the relevant Promoters, including our Promoter Director, members of our Promoter Group and Group Entities and / or subject them to monetary penalties and could also have an adverse impact on the Company's reputation.

6. ***Contingent liabilities that have not been provided for could adversely affect our financial condition.***

As at December 31, 2014, we had contingent liabilities according to Accounting Standard 29, as follows:

	₹ in millions
Particulars	**Nine months period ended December 31, 2014**
Dividend on 4,885,925 - 6% Cumulative Convertible Preference Shares of Rs. 100/- each.	31.00
Performance guarantees issued by the group on behalf of Subsidiaries to two studios for the performance of obligation relating to distribution of their digital content in certain by its subsidiaries, step down subsidiaries and associates of subsidiary in certain overseas market (Refer note a.)	2,216.60
Corporate Guarantee to a bank on behalf of joint venture of Subsidiary (Refer note b.)	70.00

	₹ in millions
Particulars	**Nine months period ended December 31, 2014**
Corporate Guarantee to a bank on behalf of enterprises owned or significantly influenced by key management personnel or their relatives (Refer note c.)	10.00
Bank guarantees issued by the group in favour of various State Government for Sales tax registration	0.75
Labor Guarantee	0.57
Letter of credit	0.62
Indirect Tax Matters	
West Bengal VAT matter	4.20
Andra Pradesh for VAT matter	0.63
Bihar, VAT matter	5.30
Service Tax matters (Refer note d.)	233.20
Income Tax Matters	27.35
Total Contingent liabilities	**2,600.22**

a. During the year ended March 31, 2014, the Company's subsidiary, Scrabble Entertainment Limited issued performance guarantees of US$ 20 million each to a studio on behalf of Scrabble Entertainment Mauritius Limited and Scrabble Entertainment JLT by terminating two prior guarantees in the amount of US$ 10 million each. The aggregate liability of these two guarantees was capped at an upper limit of US$ 20 million.
   - US$ 5 million to a studio on behalf of Scrabble Entertainment JLT; and
   - US$ 5 million to a studio on behalf of Scrabble Entertainment Mauritius Ltd.

   During the nine-month period, Scrabble Entertainment Limited issued a performance guarantee to a studio on behalf of an associate of a Subsidiary, Scrabble Ventures LLC, in the amount of US$ 5 million.

b. During the nine-month period ended December 31, 2014, the Company provided a corporate guarantee to a bank in respect of an overdraft facility of ₹70 million for a term of 12 months on behalf of Mukta VN Films Limited.

c. During the nine-month period ended December 31, 2014, the Company provided a bank guarantee in the amount of ₹10 million to the Chief Secretary, Revenue Department, Government of Maharashtra which is valid until March 31, 2016 on behalf of Impact Exchange Media Limited, for declaring Impact Media Exchange Limited as an approved satellite based computer ticketing system provider in Maharashtra.

d. The Company has received show cause notices from service tax authorities challenging the qualification of Digital Cinema Equipment as 'capital goods' under the CENVAT Credit legislation, and denying the CENVAT Credit claimed on the procurement of such goods which have been leased out to various theatres / third parties. The Company has filed its responses to the authorities. In the event of any liability crystallising on the Company, the Company will consider capitalising the CENVAT credit.

Income Tax Matters: The Company is contesting certain demands from tax authorities and the management, including its tax advisors, believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Other Matters: The Company had made downstream investments in its subsidiaries. As a foreign owned or controlled company, the Company is required to make certain filings with regulators in India. In the past, there have been delays in filings to be made with the regulators within the specified period as required by exchange control regulations. The ultimate outcome of these delays or their impact on the Company's financial position and results of operations cannot be currently estimated for the nine month period ended December 31, 2014.

For further details of contingent liability as per Accounting Standard 29, see the section titled "*Financial Statements*" on page 352.

Our contingent liabilities may become actual liabilities. In the event that any of our contingent liabilities materialise, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future.

7. ***Certain of our existing shareholders together may be able to exert substantial voting control over us after the Offer, which may limit your ability to influence corporate matters and may cause us to take actions that are not in our best interest.***

Our five largest shareholders, namely P5 Asia Holding Investments (Mauritius) Limited, 3i Research (Mauritius) Limited, Valuable Technologies Limited, Apollo International Limited and Valuable Media Limited, beneficially own, in the aggregate, approximately 86% of the Company's equity share capital. Upon completion of this Offer, such shareholders may continue own substantial shareholding in the Company. This concentration of ownership could limit your ability to influence corporate matters requiring shareholder approval. These existing shareholders will be able to exercise considerable influence over all matters requiring shareholder approval, including the election of directors, approval of lending and investment policies and the approval of corporate transactions, such as a merger or other sale of the Company or its assets. In addition, if our shareholders do not act together, such matters requiring shareholder approval may be delayed or not occur at all, which could adversely affect our business. Moreover, except for the Promoters, these shareholders are not obligated to provide any business opportunities to us. If such other shareholders invest in another company in competition with us, we may lose the support provided to us by them, which could materially and adversely affect our business, financial condition and results of operations.

8. ***We depend on our relationships and agreements with movie producers and distributors, and any failure to maintain these relationships, or to establish and capitalise on new relationships, could have a material adverse effect on our business, prospects, financial condition and results of operations.***

We receive revenues from movie producers and distributors for the secured delivery and screening of their movies primarily in the form of virtual print fees. In the fiscal years 2012, 2013 and 2014 and the nine months ended December 31, 2014, total revenue from Virtual Print Fees (which consists of Virtual Print Fees – DCI (D-Cinema) and Virtual Print Fees – Non-DCI (E-Cinema) was ₹864.50 million, ₹1,510.26 million, ₹2,126.47 million and ₹1,776.99 million, respectively, representing 41.82%, 44.92%, 50.58% and 50.09% of our total revenues from operations for each respective period. Our ability to establish and maintain our relationships and agreements with movie producers and distributors is key to ensuring the success of our business, and depends on a number of factors, including the quality, effectiveness and reliability of our digital cinema distribution platform**.**

- With respect to movies delivered using our UFO-M4 platform, we enter into release orders in India with content producers and distributors on a movie-by-movie basis instead of entering into long-term agreements, and we cannot assure that they will continue to use our services on existing or favourable commercial terms, or at all.

- With respect to our D-Cinema business, we primarily rely on our contracts with certain major Hollywood studios and other studios. Our rights to collect VPF D-Cinema under our agreements with major Hollywood studios (which represents a portion of our total VPF D-Cinema) are all set to expire by June 2018. We do not expect to extend or renew these contracts, and if they are not extended or renewed, we shall be unable to continue to collect VPF D-Cinema from major

Hollywood studios. With respect to non-Hollywood studios, we collect VPF D-Cinema on a movie-by-movie basis instead of entering into long-term agreements, and we cannot assure you that distributors will continue to use our D-Cinema services on existing or favourable commercial terms, or at all. Any expiration, termination or non-renewal of our D-Cinema deployment contracts will have a material adverse effect on our business, prospects, financial condition and results of operations.

Our failure to maintain our relationships and agreements with movie producers and distributors, or to establish and capitalise on new relationships with these parties, could harm our business or prevent our business from growing, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

9. ***We depend on our relationships and agreements with exhibitors, and any failure to maintain these relationships, or to establish and capitalise on new relationships, could have a material adverse effect on our business, prospects, financial condition and results of operations.***

We receive revenues from exhibitors primarily through equipment rental and sales for digital cinema equipment. In the fiscal years 2012, 2013 and 2014 and the nine months ended December 31, 2014, total lease rental income (which consists of Lease Rental Income – DCI (D-Cinema) and Lease Rental Income – Non-DCI (E-Cinema)) was ₹262.86 million, ₹334.26 million, ₹419.56 million and ₹379.00 million, respectively, representing 12.72%, 9.94%, 9.98% and 10.68% of our total revenue from operations for each respective period. In the fiscal years 2012, 2013 and 2014 and the nine months ended December 31, 2014, total sale of products was ₹488.55 million, ₹732.59 million, ₹556.38 million, and ₹409.56 million, respectively, representing 23.64%, 21.79%, 13.23% and 11.55% of our total revenue from operations for each respective period. Our ability to establish and maintain our relationships with exhibitors is key to ensuring the success of our business and depends on a number of factors, including the quality, effectiveness and reliability of our digital cinema distribution platform. These relationships are also subject to the following risks:

- Our digital cinema equipment rental contracts with exhibitors are usually for a fixed-monthly fee for a duration of five to 10 years and there is no assurance that these contracts shall be renewed upon existing or favourable commercial terms, or at all. Further, these rental contracts generally allow for exhibitors to terminate for convenience after a period of three to five years. We rely on our ability to create value and additional streams of revenue, including from advertising, to retain our exhibitor customers, but there is no assurance that exhibitors will not terminate our rental contracts prior to their expiration date or continue to renew their contracts with us.

- Although our D-Cinema deployment contracts and other arrangements with movie producers and distributors enable us to collect VPF D-Cinema from them, the amount of VPF D-Cinema we collect depends on our agreements with exhibitors. We depend either on our rental agreements with exhibitors or separate VPF D-Cinema sharing agreements, to collect VPF D-Cinema on behalf of exhibitors. If these rental agreements or VPF D-Cinema sharing agreements are terminated, expire or are otherwise not renewed, we will be unable to collect VPF D-Cinema for that particular exhibitor, which would directly reduce our revenues and impact our results of operations and financial condition. Further, the portion of VPF D-Cinema we share with exhibitors is set out in these arrangements and is subject to negotiation and their investment in D-Cinema equipment. For example, certain exhibitors that invest in their own D-Cinema equipment and rely on our D-Cinema deployment contracts to collect VPF D-Cinema receive a higher portion of VPF D-Cinema than exhibitors that rent D-Cinema equipment from us. If, after negotiation, their portion of VPF D-Cinema increases, it could directly reduce our revenues and impact our results of operations and financial condition. Further, in certain cases, as our rental agreements of D-Cinema equipment with exhibitors expire, the amount of lease rental income we receive from exhibitors will be reduced and the portion of VPF D-Cinema that we receive from screens owned by such exhibitors will also be reduced.

Our failure to maintain our relationships with exhibitors, or to establish and capitalise on new relationships with them, could harm our business or prevent our business from growing, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

10. ***We depend on our relationships with advertisers, and any failure to maintain these relationships, or to establish and capitalise on new relationships, could have a material adverse effect on our business, prospects, financial condition and results of operations.***

We receive revenues from advertisers through in-cinema advertising. In the fiscal years 2012, 2013 and 2014 and the nine months ended December 31, 2014, advertisement revenue was ₹370.36 million, ₹ 694.97 million, ₹998.64 million and ₹866.22 million, respectively, representing 17.92%, 20.67%, 23.75% and 24.42% of our total revenue from operations, respectively. See “Business— Our Revenue Model—Advertisers” on page 196 for further information on our revenue sharing with exhibitors.

The competition for advertising expenditure is significant, and advertisers will not continue to do business with us if they believe our in-cinema advertising platform is ineffective or overly expensive. In addition, advertisers generally have set advertising budgets, most of which are focused on traditional platforms such as television and, recently, the online and mobile media networks. Reductions in the size of advertisers’ budgets due to local or national economic trends, a shift in spending to new advertising platforms such as the internet and mobile platforms, reduction in cinema attendance, or other factors could also result in lower spending on in-cinema advertising. If we are unable to remain competitive and provide value to our advertising clients, they may reduce their advertising purchases or stop placing advertisements with us, which would adversely affect our revenue and ability to generate new advertising customers. Our gross margin on advertisement revenue is generally higher than our other sources of revenue as we do not incur significant additional cost for each additional advertisement. Consequently, changes in our advertisement revenue will have a larger percentage impact on our profitability than changes in some of our other sources of revenue.

In addition, we receive some of our advertising rights pursuant to agreements with exhibitors and may also share a portion of our advertisement revenue with them, on a case-by-case basis and subject to negotiation. If, after negotiation, they deny us a grant of their advertising rights or their share of advertisement revenue increases, our business, prospects, financial condition and results of operations may be adversely affected.

Our failure to maintain our relationships with advertisers, or to establish and capitalise on new relationships with them, could harm our business or prevent our business from growing, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

11. ***Our advertisement revenue is dependent on a number of factors, including the number of screenings of movies, which is subject to factors outside of our control.***

We generate advertisement revenue based on the number of advertisements played at movie screenings. Therefore, the amount of advertisement revenue we generate is directly linked to the number of screenings of movies at cinemas. We do not control and cannot influence the number of screenings at a cinema, and the number of screenings depends on various external factors, including the number of new movies released in a week, the box-office success of such new movies, weather conditions in different parts of India (for example, during extreme winter times, many theatres in the northern part of India will not screen movies at night) and specific restrictions by the laws of a region to run only set number of shows per day. Further, while there are currently no regulations governing the amount of advertising that can be played in cinemas prior to or during a movie screening, there is no assurance that this will not change based on future regulations. Consequently, any negative downturn in these factors may directly affect our advertisement revenue generation, as well as our relationships with advertisers regarding the effectiveness of our in-cinema advertising platform.

12. ***Certain of our customers account for a large portion of our revenues. The loss or reduction in spending by any of these customers could have an adverse effect on our revenues and results of operations.***

While we seek to diversify the sources of our advertisement revenue, a significant portion of our advertisement revenue are derived from our advertising contracts with the Indian Central and State Governments and Public Sector Undertaking ("PSU") customers. Many of our agreements with the Government and PSU customers are subject to certain terms and conditions, including, with respect to the Central Government, an empanelment process, whereby we receive approval to do business with the Central Government. If we fail to adhere to these terms, these agreements may be terminable or our empanelment may not be renewed. If we lose any of these advertising customers, and if we fail to attract new customers, our revenues and results of operations will be adversely affected.

Further, a significant portion of our VPF D-Cinema is collected from the D-Cinema screens of PVR Cinemas in India. If our relationship with PVR Cinemas deteriorates, or they demand a higher share of VPF D-Cinema, our revenues and results of operations will be adversely affected.

13. ***We face intense competition and if we are not able to compete effectively, our business, results of operations and financial condition will be adversely affected.***

We face competition from other companies in our industry in India and other regions we operate in, including competitors that have also set up, or plan to set up, a satellite-based, digital cinema distribution network, as well as companies providing D-Cinema, E-Cinema and physical movie delivery methods. Some of our competitors, particularly outside of India, may have greater financial, technical, marketing and other resources than us and therefore they may be in a better position than us to invest in networks or platforms or to sustain losses from such investments. In the future, we may also face competition from global companies in India if and when such companies make their foray into the Indian digital cinema sector.

The market for advertising is also very competitive. In-cinema advertising is a small component of the overall Indian advertising market and thus our in-cinema advertising platform must compete with established, larger and better known national and local media platforms such as cable, broadcast and satellite television networks and newly emerging media platforms including on the internet and mobile such as online video services. We compete for advertising rights directly with all media platforms, including radio and television broadcasting, cable and satellite television services, various local print media, billboards and internet and mobile platforms and with other companies that may provide in-cinema advertising. We expect these competitors to devote significant effort to maintaining and growing their respective market shares. We also expect existing competitors and new entrants to the advertising business to constantly revise and improve their business models in light of challenges from us or competing media platforms.

In the event that we are unable to compete effectively, we may lose some or all of our share of the digital cinema distribution network market or our advertisement revenue to these competitors and our business, results of operations and financial condition could be adversely affected.

14. ***We are exposed to pricing pressure from our customers.***

Our customers continually seek to decrease their costs and to increase their margins. The revenue we generate from distributors is primarily derived from VPF E-Cinema and VPF D-Cinema, some of which are subject to negotiation. The revenue we receive from our advertising clients is also subject to negotiation and pricing pressure. Additionally, we typically share certain of our VPF D-Cinema and advertisement revenue with exhibitors which is also subject to negotiation. In order to obtain and retain the businesses of distributors and advertisers, we may have to offer discounts or lower our current fees, and in order to obtain and retain the business of exhibitors, we may have to offer an increased share of VPF D-Cinema or advertisement revenue. The level of fees we receive and that we share are subject to continuous competitive pressure as we enter into new agreements and renew our agreements with distributors, advertisers and exhibitors. Increased competition could also result in increased pricing pressure. Any reduction in the amount of fees to us, or increase of fees shared with exhibitors, would directly reduce our revenue.

15. ***We may not be successful in implementing our growth strategies.***

Our growth strategies involve growing our advertising business and leveraging our technology platform and relationships with producers, distributors, exhibitors and advertisers to expand the movie exhibition market in India through innovative models. Specifically, with respect to our advertising business, we are exploring new in-cinema advertisement products such as content promotions and screen savers, as well as new sources of revenue, such as advertisements on commercial spaces, movie tickets, seat covers, ticketing windows, parking lots and other public spaces. With respect to our exhibition business, we have recently expanded into innovative non-ticketed exhibition models to serve under-penetrated parts of India through Caravan Cinema and Club Cinema. We are working with content owners and exhibitors to screen high-impact alternate content, such as sporting events and award nights and are also working with other media firms to form advertising partnerships.

Our success in implementing our growth strategies is affected by:

- the success of our new business initiatives, including new advertising opportunities, such as content promotion, screen savers and off-screen advertising;
- our ability to continue to attract new distributor, exhibitor and advertising customers;
- our ability to build or acquire required technology and software;
- our ability to attract and retain talent and qualified personnel;
- our ability to expand our businesses through strategic acquisitions and successfully integrate such acquisitions;
- our ability to form mutually beneficial partnerships with other media entities;
- our ability to grow our prices for advertising;
- the general condition of the global economy;
- our ability to compete effectively with existing and new competitors in our lines of business; and
- changes in our regulatory environment.

Many of these factors are beyond our control. There can be no assurance that we will succeed in implementing our strategies and initiatives and if we do not succeed, our business, results of operations and financial condition could be adversely affected.

16. *Our acquisition of Valuable Digital Screens Private Limited could subject us to business and financial risk.*

On December 18, 2014, the Company entered into an investment agreement with Valuable Technologies Limited (one of our Promoters, referred to herein as "**VTL**"), VDSPL and other parties, to acquire an initial tranche of 80% of the equity capital (on a post issuance basis) of VDSPL for cash consideration of approximately ₹44.01 million. Pursuant to this agreement, the Company has completed the acquisition of the initial tranche, with VTL and other parties having transferred to and VDSPL having issued and allotted to the Company a total of 11,580 equity shares representing 80% of the equity capital of VDSPL as of January 6, 2015. In accordance with and subject to the terms of the investment agreement, by no later than August 31, 2018, or such other mutually agreed date, the Company will acquire the remaining 20% equity of VDSPL from VTL for a further consideration to be calculated in accordance with the terms of the agreement. VDSPL has two primary operations: "Club Cinema" and "Caravan Cinema". See "*Business – Recent Developments – Acquisition of Valuable Digital Screens Private Limited*" and "*History & Certain Corporate Matters – Agreements in relation to Valuable Digital Screens Private Limited"* on pages 186 and 221, of this Prospectus, respectively, for further information on this acquisition. There is no assurance that the business of VDSPL shall be successful, or that we will be able to successfully operate its business or integrate it into our business, or that such business will bring us the benefits that we anticipate or enhance our revenue and any such failure shall adversely affect our business, results of operations and financial condition. Further, the acquisition of VDSPL could expose us to risks relating to unknown or undisclosed additional liabilities, prior non-compliances or additional restrictive covenants under the terms of any agreements entered into in connection with the proposed acquisition. If any of these risks occur, our business, results of operations and financial condition could be adversely affected.

17. ***Our business relies heavily on our technology systems and any failures or disruptions may materially and adversely affect our operations.***

We rely heavily on information technology networks and systems to operate our business. The temporary or permanent loss of our on-premises computer equipment and software systems, through cyber and other security threats, operating malfunction, software virus, human error, natural disaster, power loss, terrorist attacks, or other catastrophic events, could disrupt our operations and cause a material adverse impact. These problems may arise in both internally developed systems and the systems of third-party service providers. We devote significant resources to network security and other measures to protect our network from unauthorised access and misuse and also to keep our systems in good running condition. However, depending on the nature and scope of a disruption, if our technology systems were to fail and we were unable to recover in a timely way, we would be unable to fulfil critical business functions, which could lead to a loss of customers and could harm our reputation and also, in certain cases, could lead to a payment of malfunction penalties by us to our customers and result in loss of revenue.

Specifically, our UFO-M4 platform relies on a satellite system owned and operated by Hughes Communications India Limited ("HCIL") to transmit movie files to exhibitors. Satellites are subject to significant operational risks while in orbit. These risks include malfunctions, commonly referred to as anomalies, that can and do occur as a result of various factors, such as satellite manufacturers' errors, problems with the power systems or control systems of the satellites and general failures resulting from operating satellites in the harsh environment of space. Any single anomaly or series of anomalies could materially and adversely affect our operations and revenues and our relationship with current customers, as well as our ability to attract new customers for our UFO-M4 platform. In particular, future anomalies may result in the loss of individual transponders on a satellite, a group of transponders on that satellite or the entire satellite, depending on the nature of the anomaly. Meteoroid events pose a potential threat to all in-orbit satellites. The probability that meteoroids will damage those satellites increases significantly when the Earth passes through the particulate stream left behind by comets. Occasionally, increased solar activity also poses a potential threat to all in-orbit satellites. Satellites also have a limited useful life, after which they are not usable for transmission. In the event a satellite transponder is unable to transmit due to technical problems, we can physically deliver movies via hard drives. We have a link to the Delhi centre of HCIL for disaster recovery and back up purposes. In addition, we have additional fibre networks between Mumbai, Hyderabad, Chennai and Delhi. However, these back-up plans may not work or may be insufficient. In such event, it is not certain when, if ever, we would be able to resume our UFO-M4 operations, which would significantly affect our business, results of operations and financial condition.

Further, any disruption in basic infrastructure, including the supply of power, could negatively impact our ability to provide timely or adequate services to our customers. We rely on a number of telecommunications service and other infrastructure providers. Telecommunications networks are subject to failures and periods of service disruption, which can adversely affect our ability to maintain active voice and data communications among our facilities and with our customers. Such disruptions may cause harm to our customers' business. Although we have back-up and redundancy plans in place for some of our systems, there is no assurance that such plans are adequate to ensure that our operations are uninterrupted. Further, we do not maintain business interruption insurance and may not be covered for any claims or damages if the supply of power, IT infrastructure, telecommunications lines or any other technology system is disrupted. This could disrupt our business process or subject us to additional costs.

18. ***We rely on the availability and performance of information technology services provided by third parties and any disruption or adverse change in their businesses could have a material adverse effect on our business.***

Our businesses are reliant on third party providers of D-Cinema encoding and encryption services, business applications and maintenance services. Our success is dependent on our ability to maintain effective relationships with these third-party technology and service providers. Some of our agreements with third-party technology and service providers may be terminable for cause on short notice and often provide limited recourse for service interruptions. We could face significant additional cost or business disruption if:

- Any such providers fail to enable us with reliable services.

- Our arrangements with such providers are terminated or impaired and we cannot find alternative service providers on commercially reasonable terms or on a timely basis.

19. ***If we do not maintain our technological advantage, our business could be adversely affected and revenue and operating margins could decline.***

The Indian movie industry continues to undergo significant technological developments, including the ongoing transition from analogue celluloid prints to digital media. Although we have been an early adopter of satellite distribution of digital movies in India, we may be unsuccessful in adopting new digital distribution methods or may lose market share to our competitors if the methods that we use become obsolete, or are not as technologically sound, user-friendly, widely accessible or appealing to customers as those adopted by our competitors. If we fail to successfully exploit digital and other emerging technologies, or our equipment and systems become obsolete, our business, prospects, financial condition and results of operations could be materially adversely affected.

We may also have to adapt to new technologies as existing standards and technology in the industry change. For example, major Hollywood studios could update or discontinue the use of the D-Cinema standard. If that were to occur, there is no assurance that we will be successful in adopting new standards that may arise. Any new technology standards introduced may also not be compatible with our existing platform or equipment and our adoption of such technology may require significant capital expenditures.

Our ability to attract content producers, distributors, exhibitors and advertisers as customers depends on our keeping up with technological advances. Should we fail to successfully implement upgrades and new technologies to process and deliver digital movie content in an efficient and secure way, we may be unable to stay ahead of our competitors in offering customers a competitive digital movie distribution network. Our failure to do so could result in us losing our existing customers and market share.

Failure to successfully or cost-effectively implement upgrades to our in-cinema advertising platform could also limit our ability to offer our customers unique and integrated marketing products, which could limit our future advertisement revenue growth. Other advertising platforms may adopt new technology, and failure by us to upgrade our technology to remain competitive could adversely affect our ability to compete with those companies. In addition, the failure or delay in implementation of such upgrades or any problems with the integration of our systems and software could slow or prevent the growth of our business, which could adversely affect our revenue and results of operations.

20. ***We depend on third parties to supply us with digital cinema equipment, as well as for installation and maintenance services, that are essential to our business.***

We depend upon third party suppliers to provide us with digital cinema equipment, such as our "Cine Blaster" digital servers, digital projectors, UPS and VSAT that we rent to exhibitors. We also rely on some of these suppliers for installation and maintenance services for this equipment. In the event that these third parties do not fulfil their obligations to us under our contracts with them, we may not be able to enforce such obligations or succeed in a claim against them for damages, which could affect our business and financial condition.

Moreover, we may be unable to renew these agreements on favourable terms, in a timely manner, or at all, or these agreements may be terminated prior to the expiration of their original terms, and we may be unable to obtain replacement digital cinema equipment in a timely manner, if at all. If we do not have access to digital cinema equipment of suitable quality meeting the specifications required by our technical systems, we may not be able to expand our reach to exhibitors or replace non-functioning digital cinema equipment for existing exhibitors, either of which could result in a reduction of our exhibitor base or damage to our reputation for service and quality. In addition, we may be unable to pass increases in digital cinema equipment cost on to exhibitors. If our digital cinema equipment costs increase, our business, financial condition and results of operations may be adversely affected.

21. ***If the repair and maintenance costs for digital cinema equipment we rent to exhibitors is higher than we estimate, our results of operations and financial condition will be adversely affected.***

Generally, we are obligated under our agreements to provide repair and maintenance services for the digital cinema equipment that we rent to exhibitors. We fix the rental fees for each piece of equipment assuming a certain portion of maintenance costs. However, there is no assurance that our estimates are correct. For example, if a piece of equipment undergoes catastrophic failure, our costs for repairing such equipment may exceed the total rental revenue that we would expect to receive over the useful life of such equipment. Further, there is no assurance that the warranty provided by the manufacturer of such equipment would be available or claimable. If the maintenance costs for digital cinema equipment we rent to exhibitors is higher than we estimate, our results of operations and financial condition will be adversely affected.

22. ***If our digital cinema equipment cannot be redeployed, we will write-off the value of such equipment and our financial condition will be adversely affected.***

If a rental agreement with an exhibitor expires or is terminated, the exhibitor is typically required to return the digital cinema equipment it has rented from us. The equipment is then reviewed by our technical team to determine whether or not the equipment can be redeployed for another exhibitor. If a significant portion of our digital cinema equipment cannot be redeployed, we may have to fully depreciate such equipment, and our financial condition will be adversely affected.

23. ***We cannot ensure that our intellectual property is protected from copying or use by others, including current or potential competitors.***

Our success and competitiveness depend, in part, upon our technologies and other intellectual property, including our brands. Among our significant assets are our licensed software, particularly, our digital cinema software which uses MPEG-4 technology and that is owned by, and licensed to us at no cost for use in the cinema/theatre business through, our wholly owned Subsidiary, UFO International Limited. We rely on a combination of copyright, trademark and confidentiality procedures and contractual provisions to protect these assets globally.

There is no certainty that our intellectual property rights will provide us with substantial protection or commercial benefit. Despite our efforts to protect our intellectual property, some of our innovations may not be protectable, and our intellectual property rights may offer insufficient protection from competition or unauthorised use, lapse or expire, be challenged, narrowed, invalidated, or misappropriated by third parties, or be deemed unenforceable or abandoned, which, could have a material adverse effect on our business, financial condition and results of operations and the legal remedies available to us may not adequately compensate us. We cannot be certain that others will not independently develop, design around, or otherwise acquire equivalent or superior technology or intellectual property rights.

- While we take reasonable steps to protect our brands and trademarks, we may not be successful in maintaining or defending our brands or preventing third parties from adopting similar brands. If our competitors infringe our principal trademarks, our brands may become diluted or if our competitors introduce brands or products that cause confusion with our brands or products in the marketplace, the value that our customers associate with our brands may become diminished, which could negatively impact sales.
- Although we rely on copyright laws to protect the works of authorship created by us, we do not generally register the copyrights in our copyrightable works where such registration is permitted.
- We also rely on our domain names for our online resources. While we use reasonable efforts to protect and maintain our domain names, if we fail to do so the domain names may become available to others. Another party could also create an alternative domain name resembling ours that could be passed off as our domain name. Further, the regulatory bodies that oversee domain

name registration may change their regulations in a way that adversely affects our ability to register and use certain domain names.

Our digital cinema software that uses MPEG-4 technology is particularly integral to our UFO-M4 business. There is no assurance that our competitors or any other person will not copy or create a similar software competing with our UFO-M4 software. We may also rely on other licensed technology from time to time. Such licensors may breach or otherwise fail to perform their obligations, or claim that we have breached or otherwise attempt to terminate their license agreements with us.

In addition, policing unauthorised use of and enforcing intellectual property can be difficult and expensive. The fact that we have intellectual property rights, including registered intellectual property rights, may not guarantee success in our attempts to enforce these rights against third parties. Besides general litigation risks, changes in, or interpretations of, intellectual property laws may compromise our ability to enforce our rights. We may not be aware of infringement or misappropriation. Our decisions may be based on a variety of factors, such as costs and benefits of taking action, and contextual business, legal, and other issues. Any inability to adequately protect our intellectual property on a cost-effective basis could harm our business.

24. ***Intellectual property infringement actions against us could be costly and time consuming to defend and may result in business harm if we are unsuccessful in our defence.***

Third parties may assert, including by means of counterclaims against us as a result of the assertion of our intellectual property rights, that our products, services or technology, or the operation of our business, violate their intellectual property rights. Similarly, movie producers and content owners may claim that the use of our technology by distributors and exhibitors have led to infringement of their copyright. We have in the past, and currently are, and may in the future be subject to such assertions. We have in the past received a notice from one of our producer customers, UTV Software Communications Limited, in connection with the piracy of two movies, prior to their theatrical release, by certain of our employees. UTV Software Communications Limited claimed indemnification for loss of ₹500 million from us on the grounds, among others, of our alleged failure to secure our premises and abetting in infringement and facilitation of such piracy. Although, subsequently, by way of a letter dated October 20, 2009, UTV Software Communications Limited withdrew their claims, there can be no assurance that we will not be subject to similar claims in the future. For further details of pending infringement claims, please see "*Our Company is presently involved in certain disputes with Real Image Media Technologies Private Limited, our competitor, with respect to certain patents held by Real Image. If such disputes are decided against us or are not settled on terms favorable to us, or at all, it would have a material adverse effect on our business, financial condition, results of operations, prospects and reputation and may also have a material adverse effect on our stock price.*" on page 23. As the competition in our industry increases and the functionality of technology offerings further overlaps, such claims and counterclaims could become more common. We cannot be certain that we do not or will not inadvertently infringe third parties' intellectual property rights.

Legal proceedings involving intellectual property rights are highly uncertain, and can involve complex legal and scientific questions. Any intellectual property claim against us, regardless of its merit, could result in significant liabilities to our business, and can be expensive and time consuming to defend. Depending on the nature of such claims, our businesses may be disrupted, our management's attention and other company resources may be diverted and we may be required to redesign, reengineer or rebrand our services, if feasible, to stop offering certain services or to enter into royalty or licensing agreements in order to obtain the rights to use necessary technologies, which may not be available on terms acceptable to us, if at all, and may result in a decrease of our competitive advantage. Our failure to prevail in such matters could result in loss of intellectual property rights, judgments awarding substantial damages, including possible damages and attorneys' fees, and injunctive or other equitable relief against us. If we are held liable, we may be unable to exploit some or all of our intellectual property rights or technology. Even if we are not held liable, we may choose to settle claims by making a monetary payment or by seeking a license to intellectual property rights that we otherwise would not license. Further, judgments may result in loss of reputation, may force us to take costly remediation actions, delay offering our services, reduce features or functionality in our services, or cease such activities altogether. Our existing insurance may not cover or may be insufficient for any such claim.

25. ***We may be unable to effectively manage or continue the growth of our business.***

We have experienced, and may continue to experience, growth in our headcount and operations, which has placed, and could continue to place, significant demands on our management and operational infrastructure. If we do not effectively manage our growth, the quality of our services could suffer which could negatively affect our brand and our relationships with our current customers. Additionally, we may not be able to continue to expand our service to our distributor and exhibitor customers, and we may be unable to manage an increase in utilisation of our existing advertising inventory which could negatively affect our ability to add new advertising customers. To effectively manage this growth and continue to grow our business, we will need to continue to improve our internal management systems. These enhancements and improvements could require an additional allocation of financial and management resources. If the improvements are not implemented successfully and in a timely manner, our ability to provide our customers with a high-quality of service and to manage our growth will be impaired and we may have to make significant additional expenditures to address these issues.

26. ***We may pursue acquisition opportunities which could subject us to considerable business and financial risk, as well as make period-to-period comparisons of our results less meaningful.***

We have in the past, and may in the future, acquire potential complementary businesses and pursue acquisition opportunities. We may not be successful in identifying acquisition opportunities, assessing the value, strengths and weaknesses of these opportunities or consummating acquisitions on acceptable terms. Acquisitions may expose us to particular business and financial risks that include, but are not limited to:

- diverting of financial and management resources from existing operations;
- incurring indebtedness and assuming additional liabilities, known and unknown, including liabilities relating to the use of intellectual property we acquire;
- incurring significant additional capital expenditures, transaction and operating expenses and non-recurring acquisition-related charges;
- experiencing an adverse impact on our earnings from the amortisation or impairment of acquired goodwill and other intangible assets;
- failing to successfully integrate the operations and personnel of the acquired businesses;
- entering new markets or marketing new products with which we are not entirely familiar; and
- failing to retain key personnel of, vendors to and clients of the acquired businesses.

If we are unable to address the risks associated with acquisitions, or if we encounter expenses, difficulties, complications or delays frequently encountered in connection with the integration of acquired entities and the expansion of operations, we may fail to achieve acquisition synergies and may be required to focus resources on integration of operations rather than on our primary business activities. We may also not be in compliance with all the terms of the documentation in relation to certain of our previous acquisitions or future acquisitions, such as confidentiality provisions, which may subject us to claims in relation to the same. In addition, future acquisitions may not be able to bring us anticipated benefits and could result in potentially dilutive issuances of our Equity Shares, the incurrence of debt, contingent liabilities or amortisation expenses, or write-offs of goodwill, any of which could harm our financial condition.

Further, we have in the past made substantial acquisitions, such as our investments in Scrabble, Southern Digital Screenz India Private Limited, and our recent acquisition of a majority interest in VDSPL, and may continue to acquire businesses in the future. As a result, period-to-period comparisons of our results may not be meaningful.

27. ***We have operations outside of India that expose us to risks associated with international activities.***

We currently have operations outside of India and may seek to expand into additional countries and territories in the future. These operations involve risks that are not generally encountered when doing business in a single country. These risks include, but are not limited to:

- changes in foreign currency exchange rates and financial risk arising from transactions in multiple currencies;
- difficulty in developing, managing and staffing international operations because of distance, language and cultural differences;
- disruptions to or delays in the development of communication and transportation services and infrastructure;
- customer attitudes, including the preference of customers for local providers;
- increasing labour costs due to high wage inflation across different international locations, differences in general employment conditions and the degree of employee unionisation and activism;
- business, political and economic instability in foreign locations, including actual or threatened terrorist activities, and military action;
- extensive laws and regulatory requirements, including more comprehensive regulation in the United States;
- export or trade restrictions or currency controls;
- governmental policies or actions, such as consumer, labour and trade protection measures;
- taxes, restrictions on foreign investment and limits on the repatriation of funds;
- difficulty in protecting and enforcing our intellectual property rights held by companies outside India, including digital software that uses MPEG-4 technology, which is owned by, and licensed to us through, our wholly-owned Cyprus subsidiary, UFO International Limited;
- diminished ability to legally enforce our contractual rights; and
- decreased protection for intellectual property.

If one or more of the foregoing risks materialises, it may adversely affect our ability to conduct and grow our business internationally.

28. *Our success depends substantially on our senior management and other skilled personnel, and we may be adversely affected if we lose their services and fail to find equally skilled replacements.*

Our business and future success depends largely on the efforts, expertise and abilities of our key managerial personnel and senior management, as well as other skilled personnel, including technical and operational personnel. Our key managerial personnel and senior management are important to our business because of their experience and in-depth knowledge of the industry, which we believe are key factors for our success. Further, we rely on skilled personnel who have specialised skills that can be difficult and time-consuming to acquire and are often in short supply. There is high demand and competition for well-qualified employees, such as software engineers, developers and other technology professionals.

If one or more of our key managerial personnel or senior management are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly or at all, which could have a material adverse effect on our business, operations and financial results. We do not maintain key-man insurance for any of our key managerial personnel and senior management. We may not be able to retain existing personnel or identify, hire and successfully integrate additional qualified personnel in the future. The loss of the services of key personnel or the inability to attract additional or replacement qualified personnel, could impair the growth of our business.

29. *Our insurance coverage may be inadequate to satisfy future claims against us.*

While we believe that we have adequately insured our operations and property in a way that we believe is customary in our industry and in amounts that we believe to be commercially appropriate, we may become subject to liabilities against which we are not adequately insured or against which we cannot be insured, including losses suffered that are not easily quantifiable and cause severe damage to our reputation. Even if a claim is made under an existing insurance policy, due to exclusions and limitations on coverage, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. In addition, in the future, we may not be able to maintain insurance of the types or in the amounts that we deem necessary or adequate or at premiums that we consider appropriate. The occurrence of an event for which we are not adequately or sufficiently insured, the successful assertion of one or more large claims against us that exceed available insurance coverage or changes in our insurance policies could have a material adverse effect on our business, prospects, financial condition and results of operations. For further details of insurance coverage maintained by the Company, please see "*Business - Insurance*" on page 202.

30. ***We require certain approvals, licenses, registrations and permissions for operating our business and any delay or inability to obtain or renew them may have an adverse effect on our business.***

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made, or are in the process of making, an application for obtaining the approval or its renewal. For example, we have made, amongst others, an application dated July 20, 2012 to the Maharashtra Industrial Development Corporation for the renewal of no objection certificate under the Maharashtra Fire Prevention and Life Safety Measures Act, 2006 which has not been granted as on the date of this Prospectus. For further details on certain key approvals in connection with our business, please see the section titled "*Government and Other Approvals*" on page 526. If we fail to obtain, retain or comply with any such approval, license, registration or permission, or renewal thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied with conditions of such approvals, our business, prospects, financial condition, and results of operations would be materially adversely affected.

31. ***We do not own our registered office, corporate office and other material properties and any revocation or adverse changes in the terms of our leases may have an adverse effect on our business, prospects, results of operations and financial condition.***

We have entered into a lease agreement in respect of our Corporate Office with M/s Media Infotek Park, a Group Entity. This lease is valid until August 31, 2016 and the monthly rent currently payable by us is ₹3,756,012 which shall stand enhanced to ₹3,943,812 on October 1, 2015. Our Registered Office is also located on leased premises, and the lease is valid until August 14, 2017 after the expiry of which the lease may be renewed for a further period of three years with a one-time escalation of 20%. We also lease other premises from which we operate, including our regional sales offices. 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 a material adverse effect on our business, prospects, results of operations and financial condition. For further details, see the section titled "*Business — Properties*" on page 201.

32. ***Our financial indebtedness exposes us to certain risks which might limit our ability to conduct our business and manage our financial resources. Further, we may be unable to meet our debt finance obligations.***

As at December 31, 2014, we had total borrowings (consisting of long term borrowings, current maturities of long term borrowings and short term borrowings) of ₹1,637.19 million, of which ₹675.15 million was long term borrowings, ₹642.21 million was current maturities of long term borrowings and ₹319.83 million was short term borrowings. We anticipate that our total borrowings will increase as a result of our working capital requirements. Our indebtedness could have several important consequences, including but not limited to, the following:

- we may be required to dedicate a portion of our cash flow toward repayment of our existing debt, which will reduce the availability of our cash flow to fund working capital, capital expenditures and other general corporate requirements;
- our ability to obtain additional financing in the future may be impaired;
- the right to appoint a nominee director on our Board could accrue to our lenders, in the event of occurrence of an event of default;

- fluctuations in market interest rates may adversely affect the cost of our borrowings;

- there could be a material adverse effect on our business, prospects, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial covenants of such indebtedness, which may further result in cross defaults under other facility agreements; and

- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

There are restrictive covenants in agreements we have entered into with certain banks and financial institutions for short-term loans and long-term borrowings. These restrictive covenants require us to intimate/seek the prior permission of these banks/financial institutions for various activities, including, among other things, effecting any changes to the capital structure, raising fresh capital or any term loans/ debentures, undertaking any merger/amalgamation/restructuring, utilizing loans for purposes other than those set out in the financing agreement, implementing any scheme of expansion, diversification or modification (other than incurring routine capital expenditure), effecting any amendments in our memorandum and articles of association or making investments over certain specified thresholds. We cannot assure investors that we will receive such approvals in a timely manner or at all. In the event the lenders refuse to grant the requisite approvals, such refusal may adversely impact our business.

Further, these restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends. Such financing agreements may also require us to maintain certain financial ratios. In the event of any breach of any covenant contained in these financing agreements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Furthermore, financing arrangements also contain cross-default provisions which could automatically trigger defaults under other financing arrangements. If an event of default under one or more of these loans occurs, the lenders may enforce the securities under these loans which may adversely affect our operations and profitability. We may also be placed in liquidation, as a consequence of which our shareholders will not receive any return of capital until we have paid all our creditors and/or the cost of liquidation. In these circumstances investors may lose some, or all, of their investment. For further details, see the section titled "*Financial Indebtedness*" on page 435.

Our ability to meet our debt service obligations and to repay our future outstanding borrowings will depend primarily upon the cash flow generated by our business over time, as well as capital markets as a source of capital. In the event that we fail to meet our debt service obligations, the relevant lenders could declare that we are in default, accelerate the maturity of our obligations or take over our assets. We cannot assure investors that in the event of any such acceleration we will have sufficient resources to repay these borrowings. Failure to meet obligations under debt financing agreements may have an adverse effect on our cash flows, business and results of operations.

33. ***We, our Promoters, our Group Companies and/or Associates may obtain unsecured borrowings in the future, which, subject to the terms and conditions of the relevant agreements, may be recalled at any time.***

The lenders of our unsecured obligations may have the right to recall any amounts lent to us at any point of point, with or without the existence of an event of default. In the event such loans are recalled by the lenders, our business, prospects, results of operations and financial condition could be adversely affected.

Further, our Promoters, our Group Companies and our Associates may in the future avail of unsecured loans, which could be recalled by the relevant lenders at any time.

34. ***We are subject to exchange rate fluctuation risk.***

Some of the revenues for certain of our international subsidiaries, as well as of Scrabble India, is received in U.S. dollars. We procure certain digital cinema equipment, such as servers, projectors and UPS, and a portion of our spare parts and consumables from international suppliers, usually denominated in U.S. dollars. As such we remain exposed to exchange risks relating to fluctuation in the exchange rates. Particularly, if the U.S. dollar rises against the Rupee significantly, some of our costs may increase, adversely affecting our results of operations.

35. ***Any increase in interest rates would have an adverse effect on our results of operations.***

We are dependent upon the availability of equity, internal accruals and debt financing to fund our operations and growth. Our borrowings are subject to interest rates which may be fixed from time to time at the discretion of our lenders. As at December 31, 2014, we had total borrowings (consisting of long term borrowings, current maturities of long term borrowings and short term borrowings) of ₹1,637.19 million, of which a significant majority are floating interest rate borrowings. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt could be adversely affected.

36. ***Our business experiences seasonal fluctuations and quarter-to-quarter comparisons of our results may not be meaningful.***

Our business experiences seasonal fluctuations. Our revenues from operations in the third quarter of each fiscal year tend to be relatively higher due to: (i) increased VPF D-Cinema and VPF E-Cinema from distributors, due to the release of a higher number of big budget films corresponding to the festive period in India and (ii) increased advertisement revenue, as corporate advertisers tend to align their advertising spend with the festive season and key movie releases. Our advertisement revenue in the fourth quarter of each fiscal year also tends to be higher as Central Government and State Government advertisers tend to use the remainder of their annual advertising budget prior to the beginning of the next fiscal year. Our revenues from operations in the first quarter of each fiscal year tend to be relatively lower, because of decreased VPF D-Cinema and VPF E-Cinema from distributors, as there is generally a lower amount of films released due to factors such as the monsoon season and school examination period in India. As a result, quarter-to-quarter comparisons of our results may not be meaningful.

37. ***Our Promoters and certain members of our Promoter Group and Group Entities have interests in the Company other than for reimbursement of expenses incurred or normal remuneration or benefits and we have in the past entered into related party transactions and may continue to do so in the future and there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.***

We have entered into transactions with our Promoters and certain members of our Promoter Group and Group Entities. For further details in relation to transactions entered into with our Promoters and certain of our Promoter Group and Group Entities, see "*Our Promoters and Group Entities – Interest of our Promoters*" and "*Our Promoters and Group Entities – Nature and Extent of Interest of Group Entities*" on pages 264 and 328, respectively. These transactions primarily relate to lease agreements and procurement of software development and technical services. For example, the Company has taken on lease our Corporate Office for a period of 33 months ending on August 31, 2016, from a Group Entity, M/s Media Infotek Park. Pursuant to the terms of the lease agreement, for the nine month period ended December 31, 2014, the Company paid ₹33.04 million as lease rental to M/s Media Infotek Park. We had also entered into lease arrangements with Apollo International Limited, one of our Promoters pursuant to which the Company paid ₹0.02 million to Apollo International Limited in the financial year 2014.

In addition to these lease agreements, the Company has entered into (a) an agreement with Valuable Media Limited one of our Promoters, for enabling access by Valuable Media Limited to owners of specified cinema content, processing of such specified content, providing necessary services for the 'Club-X' initiative of Valuable Media Limited and granting a non-assignable, non-transferable and non-exclusive license to Valuable Media Limited to use the brand name 'UFO' in relation to rolling out of Club-X services to the end consumers for a period of 10 years from November 1, 2010. Pursuant to the terms of this agreement, for the nine month period ended December 31, 2014, Valuable Media Limited has paid ₹0.87 million to the Company; (b) an agreement with Valuable Technologies Limited, one of our Promoters, for grant of a non-transferable and non-assignable license to the Company to use and deploy specified 3D technology in theatres in India for a period of 10 years from August 31, 2010. Pursuant to the terms of this agreement, for the nine month period ended December 31, 2014, the Company has paid ₹0.11 million to Valuable Technologies Limited; (c) an agreement dated July 24, 2006, to the extent in force, and amended on June 15, 2009 and subsequently amended on September 25, 2014, with Valuable Technologies Limited, one of our Promoters, for sale of Cine Blaster servers and provision of maintenance services. The agreement for provision of maintenance services is valid till terminated and for the nine month period ended December 31, 2014, the Company has paid ₹51.56 million to Valuable Technologies Limited; and (d) an agreement dated August 31, 2010 with Impact Media Exchange Limited, pursuant to which the Company shall market specified technology under its own name to theatres towards setting up a transaction settlement platform for transparency in sale of tickets and offering real time connectivity to concerned parties for a period of 10 years from August 31, 2010. Pursuant to the terms of this agreement, for the nine month period ended December 31, 2014, the Company has paid ₹1.92 million to Impact Media Exchange Limited. This agreement was subsequently amended on December 18, 2014, pursuant to which the Company shall continue to market specified technology, as stated above.

In addition to the above, we have also entered into transactions with certain of our Group Entities, towards procurement of software development, technical services and licenses. While we believe that all such transactions have been conducted on an arm's-length basis and contain commercial terms, there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance that such transactions will not have an adverse effect on our business, prospects, results of operations and financial condition, result from potential conflicts of interest or otherwise.

38. ***We have made delayed regulatory filings in the past. We may be subject to regulatory action, including monetary penalty that may be imposed on us.***

We have in the past made delayed filings in respect of certain regulatory requirements. The Company filed an application with the RBI for compounding of offences under the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 for non-submission of certain forms and reports required to be filed in relation to the overseas direct investment by our erstwhile holding company, UFO Moviez Limited in DG2L Technologies Pte. Limited and divestment in such company. Pursuant to an order dated December 16, 2014, the RBI has accepted our application for compounding and the Company has paid a compounding fee of ₹1,243,000. Further, our Subsidiary, Southern Digital Screenz India Private Limited, paid a compounding fee of ₹250,000 to the RBI in December 2010 in relation to delays in the issue of equity instruments to a foreign investor and in certain reporting requirements in connection with such foreign investment in Southern Digital Screenz India Private Limited. Southern Digital Screenz India Private Limited paid a compounding fee of ₹10,000 in June 2012 to the Company Law Board for failure to seek the Central Government's approval prior to entering into an agreement with a related party under the applicable provisions of the Companies Act, 1956. We cannot assure you that we will be able to make required future regulatory filings within the required time period or at all.

Further, as on the date of this Prospectus, more than 50% of the Company's capital is owned by non-residents. As such, the Company is required to comply with certain conditions specified under the FEMA Regulations and the foreign direct investment policy with respect to downstream investments by Indian companies that are not owned and/or controlled by resident entities, into other Indian companies, including filings required to be made with the SIA, the FIPB and the RBI within a specified period. There have been delays in such filings by the Company and as required under the FEMA Regulations, we have submitted certificates to the RBI obtained from our Auditors regarding compliance with the downstream requirements, which contain qualifications in respect of the following non-compliances: (i) we have not intimated Secretariat for Industrial Assistance ("SIA"), Department of Industrial Policy and Promotion and Foreign Investment Promotion Board of our downstream investment within 30 days of the investment and (ii) we have not intimated the regional office of RBI about the non-filing of intimation to FIPB and SIA for downstream investments made within 90 days from the RBI Circular No 1 dated July 4, 2013, as per paragraph 3(iii) of the said circular.

There can be no assurance that no penal action will be taken against us by the relevant regulators with respect to such delay in filings. In the event that any adverse actions are taken against us, our results of operation could be adversely affected.

Delayed or non-submission such regulatory filings may subject us to penalties and could adversely affect our business and results of operations.

39. ***Certain of our corporate records relating to forms filed with the Registrar of Companies in India are not traceable.***

We are unable to trace copies of some prescribed forms filed with the Registrar of Companies, Maharashtra at Mumbai by the Company, including, *inter alia*, in respect of changes in our authorized share capital prior to June 2008. While the Company believes that these forms were duly filed on a timely basis, we have not been able to obtain copies of these documents in spite of having conducted a search in the records of the Registrar of Companies through an independent company secretary. The Company cannot assure you that these form filings will be available in the future or that it will not be subject to any penalty imposed by the competent regulatory authority in this respect.

40. ***Certain other ventures of our Promoters are authorised to engage in a similar line of business.***

Our Promoters are interested in other companies that may compete with us. Certain of our Subsidiaries, Associates and Joint Venture are engaged in lines of businesses that are similar and/or synergistic to the Company. In addition to these, certain of our Group Entities, including M5 Media Investments Private Limited, Impact Media Exchange Limited, Qwik Entertainment India Limited, Sky N Land Video Networks Private Limited, Valuable Impressions Private Limited, Valuable Infotainment Private Limited, Crown Infotainment Limited, Jeevangani Films, Venera Technologies Private Limited and Valuable Innovations Private Limited, are authorized to carry out businesses and/or are engaged in businesses which are similar to those carried out by the Company. For further details with respect to our Promoters and our Group Entities, see the section titled "*Our Promoters and Group Entities*" on page 255 of this Prospectus. We cannot assure you that our Promoters or Directors will not favour the interests of our Group Entities over our interests. Such Group Entities, including those which may be in a similar line of business, may dilute our Promoters' and Directors' attention to our business, which could adversely affect our business, prospects, financial condition and results of operations.

While we have non-compete arrangement with our Promoters, which restricts them for a specified period of time from, either directly or through affiliates, carrying on, owning, managing, investing in, providing advice to or otherwise benefitting economically from any business or entity engaged in a competing business, soliciting any business or customers or distributors, suppliers, dealers or agents for any competing business or inducing any director or senior management of the Company to leave the employment of the Company, or operating, joining, assisting, investing in, lending money to or having an interest or control in or otherwise benefit economically from any business/business activity competing with our existing exhibition business, such non-compete arrangements are subject to certain exceptions, including the Valuable Group and/or its affiliates engaging in the supply of 3D equipment to any person, licensing of 3D technology outside India and in India under certain circumstances and licensing or supplying of technology or software to any person for carrying out the cinema ticketing and settlement platform business outside India and in India under certain circumstances. For further details on the non-compete arrangement with our Promoters, see the section titled "*History and Certain Corporate Matters – Common Pursuits*" on page 234 of this Prospectus. There can be no assurance that our Group Entities will not provide comparable services, expand their presence, solicit our employees or acquire interests in competing ventures in the locations or segments in which we operate. A conflict of interest may occur between our business and the business of our Group Entities, which could have an adverse effect on our business, prospects, results of operations and financial condition.

41. *We have experienced net decrease in cash and cash equivalents in the past and may continue so in the future, which could adversely affect our results of operations and financial condition.*

For the financial years ended March 31, 2010 and 2012, the Company, on an unconsolidated basis had net decrease in cash and cash equivalents aggregating to ₹43.20 million and ₹125.93 million, respectively. For the financial years ended March 31, 2010 and 2012, the Company, on a consolidated basis, had net decrease in cash and cash equivalents aggregating to ₹45.63 million and ₹30.87 million, respectively. Furthermore, for the nine month period ended December 31, 2014, the Company, on an unconsolidated basis and on a consolidated basis, had net decrease in cash and cash equivalents aggregating to ₹99.02 million and ₹49.78 million, respectively. If we experience any net decrease in cash and cash equivalents in the future, this could adversely affect our results of operations and financial condition. For further details, see the sections titled "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 336 and 455 of this Prospectus.

42. *Certain of our Subsidiaries, Associates, and Group Entities and our Joint Venture have incurred losses during recent financial years.*

The following Group Entities (excluding our Subsidiaries, Associates and Joint Venture) have incurred losses as of the financial years, as set forth below:

Name of Entity	Loss for the year ended		
	March 31, 2014 ***(in ₹)***	**March 31, 2013** ***(in ₹)***	**March 31, 2012** ***(in ₹)***
M5 Media Investments Private Limited	48,697	20,205	17,816
Impact Media Exchange Limited	5,580,563	11,575,139	11,429,035
Omniscient Consultancy Services Private Limited	51,064	16,260	273,118
	March 31, 2014 ***(in ₹)***	**March 31, 2013** ***(in ₹)***	**March 31, 2012** ***(in ₹)***
V2 Infrastructure Private Limited	107,036	35,106	57,074
Valuable Impressions Private Limited	111,029	3,516,224	165,525
Valuable Infotainment Private Limited	17,337,992	2,079,695	2,911,909
Valuable Reserves India Private Limited	-	-	1,471,305
Vspark Hotels Private Limited	57,736	10,970	16,200
VT Entertainment Parks Limited	26,405	33,682	58,984
Dima E – Solutions Private Limited	3,626,375	1,498,137	437,815
Dusane Infotech India Private Limited	3,402,428	1,212,340	-
Valuable Design Studio Private Limited	27,526	35,124	26,759

Name of Entity	Loss for the year ended		
Valuable Destination Private Limited	111,877	-	201,441,300
Valuable Energy Private Limited	438,953	418,119	17,211
Jeevangani Films	1,058,071	-	-
Venera Technologies Private Limited	17,587,883	4,763,843	4,389,300
Titbit Interactive Services Private Limited	21,953,118	20,740,694	9,181,368
Valuable Infra-Tech Private Limited	2,879,200	167,015	165,069
Valuable Infrastructure Private Limited	11,646,828	6,448,749	-
Magikwand Media Private Limited	-	18,990,437	25,948,795
Nisarg Building Art & Technology Private Limited	279,768	3,729,345	95,873,544
Valuable Edutainment Private Limited	-	27,80,057	57,28,873
Cway Builders and Developers Private Limited	26,732	16,630	19,120
Zeus Entertainment Private Limited	29,043	10,970	21,500
Crown Infotainment Limited	5,618	258,107	502,870
Lynx Developers Private Limited	8,520	21,813	-
Gananath Developers Private Limited	35,095	-	-
	March 31, 2014 ***(in ₹)***	**March 31, 2013** ***(in ₹)***	**March 31, 2012** ***(in ₹)***
Systemax Technology Private Limited	9,500	9,500	9,500
Square1 Global Inc.	USD 3037.67	USD 3028.46	USD 7246.23
Infinity Systems Inc.	USD 2690.21	USD 3028.46	USD 7261.80
Valuable Technologies Inc.	USD 2,081,296	USD 4,068,205	USD 4,854,110
GoldenCrest Financial Services Private Limited	-	-	619,482
Ve-Comm Software Private Limited	125,284	53,848	337,463
Qwik Entertainment India Limited	126,384,550	10,072,574	13,964
Sky N Land Video Networks Private Limited	179,908	204,716	236,393
Valuable Advertising Networks Private Limited	268,346	165,045	1,800,076
Asiastar City Holdings Private Limited	1,728,981	111,123	219,110
Spadeworx Software Services Private Limited	15,480,200	-	-

Name of Entity	Loss for the year ended		
Blue Martini Private Limited	12,192	22,250	-
Advent Fiscal Private Limited	134,030	-	-
	March 31, 2014 ***(in ₹ million)***	**March 31, 2013** ***(in ₹ million)***	**March 31, 2012** ***(in ₹ million)***
Encorp E-Services Limited	1.22	5.62	-
Clarion Logistics India Private Limited	6.59	3.92	7.04
AF Ferrari Secure Logitech Private Limited	1.42	-	-
Celestial Container Warehousing Private Limited	0.06	-	-
Apollo-Everest Kool Solutions Private Limited	0.06	-	0.01
Glassdoor Entertainment Limited	0.06	-	0.27
ALS Container Warehousing Limited	0.32	0.30	0.54
Apollo World Connect Limited	3.05	1.66	-
Modal Container Services Private Limited	0.11	0.08	0.18
Kashipur Infrastructure and Freight Terminal Private Limited	0.08	0.33	0.04
Apollo Fiege Integrated Logistics Private Limited	168.07	51.56	-
Trend Container Services Private Limited	-	-	0.30
Cosmic Investments Limited	0.04	0.04	0.04

Name of Entity	Loss for the year ended					
	December 31, 2013 ***(in million)***		**December 31, 2012** ***(in million)***		**December 31, 2011** ***(in million)***	
Clarion Logistics Limited, Nigeria	NGN 8.27	₹3.21	NGN12.37	₹ 4.36	NGN 3.11	₹ 1.02
Clarion Al-Mada Shipping Services Co. W.L.L. Kuwait	KWD 0.03	₹ 6.57	KWD 0.01	₹ 1.95	KWD 0.00	₹ 0.76
Apollo International Trading LLC Dubai, U.A.E	-	-	AED 1.12	₹ 16.59	-	-
Apollo TTG East Africa Limited, Uganda	UGX 69.23	₹ 1.63	-	-	-	-
Apollo International Pte Limited, Singapore	USD 0.06	₹ 3.32	USD 0.08	₹ 4.47	USD 0.25	₹ 12.47

For details on the above Group Entities, see the section titled "*Our Promoters and Group Entities*" on page 266 of this Prospectus.

Further, the following Subsidiaries, Associates and Joint Ventures have incurred losses in the previous financial periods, as set forth below:

Name	Loss for the year ended / financial year ended *(in million)*			
	Reporting Currency	**2014**	**2013**	**2012**
Scrabble Entertainment Limited	₹	-	-	-
V N Films Private Limited (previously known as Allied Film Services Private Limited)	₹	1.28	0.12	0.11
Southern Digital Screenz India Private Limited	₹	-	15.28	35.86
Edridge Limited	USD	0.03	0.01	0.02
United Film Organisers Nepal Private Limited	NPR	0.71	0.55	1.83
UFO International Limited	USD	0.15	0.15	0.40
DCLP Limited	USD	-	0.00	0.00
UFO Europe Limited	USD	-	0.01	0.13
United Film Organisers (UFO) (Mauritius) Private Limited.	MUR	0.06	0.04	0.04
UFO Lanka (Private) Limited.	LKR	0.17	10.06	0.27
UFO Software Technologies Private Limited.	₹	-	0.07	-
Scrabble Entertainment JLT	AED	-	-	0.74
Scrabble Entertainment Mauritius Limited	USD	-	0.02	0.02
Scrabble Entertainment (Lebanon) Sarl*	LBP	23.39	36.05	0.02
Scrabble Digital Inc	USD	0.50	-	-
Scrabble Digital Limited	₹	-	-	1.59
Scrabble Digital JLT	AED	-	-	-
Scrabble Venture LLC	USD	1.37	-	
Scrabble Ventures, S. de R.L. de C.V, Mexico	MXP$	20.35	-	-
Mukta V N Films Private Limited	₹	0.03	-	-
Valuable Digital Screens Private Limited	₹	5.40	-	0.23

* The financial year for Scrabble Entertainment (Lebanon) Sarl ends on December 31 of each year. Accordingly the loss shown is as of December 31, 2014

For details on the above Subsidiaries, Associates and Joint Venture, see the section titled "*History and Certain Corporate Matters*" on page 222 of this Prospectus.

EXTERNAL RISKS

43. ***This Prospectus contains information from the CRISIL Report.***

The information in the section entitled "*Industry*" on page 158 of this Prospectus is derived from the CRISIL Report. The Company commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the CRISIL Report. CRISIL has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CRISIL Report or the data therein. The CRISIL Report highlights certain industry and market data relating to the Company and its competitors. Such data is subject to many assumptions. 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. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL's assumptions are correct or will not change and accordingly our position in the market may differ from that presented in this Prospectus. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division or CRIS, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL and not of CRISIL's Ratings Division or CRIS. The CRISIL Report also contains industry projections which may not materialise as anticipated. Prospective investors are advised not to unduly rely on the CRISIL Report when making their investment decision.

Risks Relating to India

44. ***As our operations in India contribute a significant source of our revenue, a slowdown in economic growth in India could cause our business to suffer. We are also subject to regulatory, economic, social and political uncertainties in India.***

A substantial portion of our business and a majority of our employees are located in India, and we intend to continue to develop and expand our business in India. A significant portion of our revenues are derived directly from our operations in India. Consequently, our financial performance, growth and the market price of our Equity Shares are and will be dependent on economic conditions prevalent in India and affected by changes in exchange rates and controls, interest rates, changes in government policies, including taxation policies, the stability of financial markets in India, social and civil unrest and other political, social and economic developments in or affecting India. Economic conditions in India may be materially and adversely affected by political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. The CIA World Factbook estimates that consumer inflation in India was 9.2% in 2012 and 9.6% in 2013. The Indian economy also remains largely driven by the performance of the agriculture sector which depends on the quality of the monsoon which is difficult to predict. The Indian economy has grown significantly over the past few years, although it has recently experienced an economic slowdown. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the Indian cinema industry and, as a result, on our financial condition and results of operations.

India also faces major challenges in sustaining its growth, which include the need for substantial infrastructure development. If India's economic growth cannot be sustained or otherwise slows down significantly our business and prospects could be adversely affected.

The Government of India has exercised and continues to exercise significant influence over many aspects of the Indian economy. Since 1991, successive Indian governments have generally pursued policies of economic liberalisation and financial sector reforms, including by significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant and we cannot assure you that such liberalisation policies will continue. The rate of economic liberalisation could change, and specific laws and policies affecting companies in our industry or the industries in which our customers operate in, foreign investments, currency and other matters affecting investments in India could change as well. A significant change in India's policy of economic liberalisation and deregulation or any social or political uncertainties could adversely affect business and economic conditions in India generally and our business and prospects.

45. ***Natural disasters, epidemics, terrorist attacks and other acts of violence or war could adversely affect the financial markets, result in a loss of business confidence and adversely affect our business, prospects, financial condition and results of operations.***

Numerous countries, including India, where the majority of our operations are located, have experienced community disturbances, strikes, terrorist attacks, riots, epidemics and natural disasters. In particular, India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in the past few years. For example, in September 2014, the Jammu and Kashmir regions of India were hit by heavy floods caused by torrential rainfall causing widespread damage. Substantially all of our operations and employees are located in India and there can be no assurance that we will not be affected by natural disasters in India or elsewhere in the future. These acts and occurrences may result in a loss of business confidence and could cause a temporary suspension of our operations and could have an adverse effect on the financial markets and economies of India and other countries. Such closures could in the future have a material adverse effect on our business, prospects, financial condition and results of operations.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the November 2008 Mumbai terrorist attacks, other incidents such as those in Indonesia, Madrid, London, New York and Washington, D.C. and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our business and profitability.

Also, India, the United States or other countries may enter into armed conflict or war with other countries or extend pre-existing hostilities. South Asia has, from time to time, experienced instances of civil unrest and hostilities among neighbouring countries. Military activity or terrorist attacks could adversely affect the Indian economy by, for example, disrupting communications and making travel more difficult. Such events could also create a perception that investments in Indian companies involve a higher degree of risk. This, in turn, could adversely affect customer confidence in India, which could have an adverse impact on the economies of India and other countries, on the markets for our services and on our business. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares.

46. ***The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have recently 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, and in certain cases, introduced certain requirements which did not have corresponding provisions under the Companies Act, 1956, such as in the provisions related to private placement of securities, disclosures in prospectus, corporate governance norms, accounting policies and audit matters, 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 and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. The Companies Act, 2013 also introduced provisions relating to corporate social responsibility ("**CSR**"), pursuant to which we may also need to spend, in each financial year, at least 2.0% of our average net profits during the three immediately preceding financial years towards one of the specified CSR activities. As a result of the changes brought about by the Companies Act, 2013, we have revised the rate of depreciation on certain tangible fixed assets and, consequently, the depreciation charge in our Restated Unconsolidated Summary Statements for the nine months ended December 31, 2014 is higher by ₹ 5.27 million.

Accordingly, we may face challenges in interpreting and complying with such provisions due to limited administrative precedent or jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, 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). We may face difficulties in complying with any such overlapping requirements. Further, the Companies Act, 2013 imposes greater monetary and other liability on the 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. 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 and results of operations.

47. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, in India may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business in India. For further details on certain existing regulations applicable to our business, see "*Regulations and Policies*" on page 203 of this Prospectus.

There can be no assurance that the Government may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

The Government of India proposes to revamp the implementation of direct taxes by way of the introduction of the Direct Taxes Code, 2013 ("**DTC**"). The DTC proposes to consolidate and amend laws relating to income tax and wealth tax. The DTC, has, among things, specified the manner of aggregation and computation of income, minimum alternate tax, wealth tax, dividend distribution tax, provided for certain tax incentives and has specified penalties in the event of contravention of the provisions of the DTC. The DTC has specified that dividend distribution tax is payable at the rate of an effective rate of 16.99% by a domestic company, including applicable cess and surcharge. Further, the DTC has specific rates for taxation, including for non-residents. For instance, withholding tax at the rate of 25%, plus effective cess and surcharge, will be applicable for interest (other than specified interest) on any dividends not subject to distribution 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 has been tabled before the Indian Parliament. However, the Finance Act, 2015 has not yet been passed by the Indian Parliament. As such, there is no certainty on the impact that the Finance Bill, 2015 may have on our business and operations or on the industry that we are in.

The Government of India 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. While the Government of India and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. GST is proposed to be effective as of 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.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to our products and services, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties and, if we pass on such costs to our customers, it may result in a decrease in the demand for our products and services. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

48. ***Our businesses and activities may be regulated by the Competition Act, 2002, as amended, and any adverse application or interpretation of the Competition Act could materially and adversely affect our business and financial performance.***

The Competition Act, 2002, as amended (the "**Competition Act**") regulates practices that could have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and results in imposition of substantial monetary penalties. Any agreement among competitors which directly or indirectly determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the market, is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits the abuse of a dominant position by any enterprise either directly or indirectly, including by way of unfair or discriminatory pricing or conditions in the sale of goods or services, using a dominant position in one relevant market to enter into, or protect, another relevant market, and denial of market access.

On March 4, 2011, the Government also issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require the Competition Commission of India (the "**CCI**") to be notified of and pre-approve any acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds. 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.

Any acquisitions, mergers or amalgamations exceeding the prescribed thresholds which have an appreciable adverse effect on competition in India are prohibited and void. Consequently, all agreements entered into by us could be within the scope of the Competition Act. There can be no assurance that we will be able to obtain approval for any future transactions on satisfactory terms, or at all.

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.

If we or any member of our group are 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 business, financial performance and reputation may be materially and adversely affected.

49. ***Foreign investors may have difficulty enforcing foreign judgments against us or our management.***

The Company is incorporated under the laws of India. All our directors and executive officers are residents of India and a substantial portion of our assets and those of such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons in jurisdictions outside India, or to enforce against us or such parties judgments obtained in courts outside India based upon the liability provisions of foreign countries, including the civil liability provisions of the federal securities laws of the United States.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Instead, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of The Code of Civil Procedure, 1908 of India (as amended) (the "**Civil Code**"). Section 13 of the Civil Code provides that a foreign judgment shall be conclusive as to any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty.

The United States has not been declared by the Central Government to be a reciprocating territory for the purpose of Section 44A of the Civil Code. However, the United Kingdom, Singapore and Hong Kong have been declared by the Central Government to be a reciprocating territory. Accordingly, a judgment of a court in the United States or another jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered.

50. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or 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 impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

51. ***Significant differences exist between the requirements of Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.***

We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from the requirements of Indian GAAP. Accordingly, the degree to which the financial statements included in this 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 Prospectus should accordingly be limited.

52. ***Public companies in India, including our Company, may be required to prepare financial statements under a variation of IFRS, referred to as Indian Accounting Standard ("Ind AS") that are different from Indian GAAP. The transition to Ind AS in India is very recent and unclear and our Company may be negatively affected by such transition.***

Our financial statements, including the restated financial information included in this Prospectus are prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations. The Ministry of Corporate Affairs released a notification on February 16, 2015 advising that the Companies (Indian Accounting Standards) Rules, 2015 (the "Indian Accounting Standard Rules") will come into force on April 1, 2015. Under the terms of the notification, all companies in India, whether public or private, with a net worth exceeding Rs. 5,000 million as of March 31, 2014 or as of the end of the immediately succeeding fiscal period for which audited financial statements are prepared, will be required to prepare annual and interim financial statements under Indian Accounting Standard 101 "First-time Adoption of Indian Accounting Standards" ("Ind AS") with effect from April 1, 2016. In addition, all public companies in India with a net worth below Rs. 5,000 million, and all private companies in India with a net worth exceeding Rs. 2,500 million but lower than Rs. 5,000 million, in each case as of March 31, 2014 or as of the end of the immediately succeeding fiscal period for which audited financial statements are prepared, will be required to prepare annual and interim financial statements under Ind AS with effect from April 1, 2017. These requirements do not apply to banking companies, insurance companies and non-banking finance companies but apply to any holding, subsidiary, joint venture or associate companies of the companies meeting the net worth threshold described above. Our Company had a net worth of less than Rs. 5,000 million as of March 31, 2014 and accordingly, we may have to convert our opening balance sheet as on April 1, 2017 in accordance with Ind AS. We may also be required to convert our balance sheet as on April 1, 2016 in accordance with Ind AS for preparing comparable financial statements for the previous year. The Indian Accounting Standard Rules also permit voluntary adoption of Ind AS by companies for accounting periods beginning on or after April 1, 2015, with the comparatives for the periods ending March 31, 2015 or thereafter.

The rules regarding the implementation and application of Ind-AS may change. 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 financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially different, or worse, under Ind AS than under current Indian GAAP. As we transition to reporting under Ind AS, we may encounter difficulties or challenges in the ongoing process of implementing and enhancing our management information systems. Our management may also have to divert its time and other resources for successful and timely implementation of Ind AS. Moreover, our transition to Ind AS may be hampered by increasing competition and increased costs due to the small number of Ind AS experienced accounting personnel as more Indian companies begin to prepare Ind AS financial statements. There can be no assurance that our adoption of Ind AS will not adversely affect our reported results of operations or financial condition. Any failure to successfully adopt Ind AS when required under Indian law could have a material adverse effect on the financial position and results of operation of our Company.

53. ***Government regulation of foreign ownership of Indian securities may have an adverse effect on our results of operations, financial condition, financial performance and the price of our Equity Shares.***

Foreign ownership of Indian securities is subject to Government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa. Additionally, any person who seeks to convert the Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any approval from the RBI or any other government agency will be obtained on terms favourable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in our Equity Shares may be prevented from realising gains during periods of price increase or limiting losses during periods of price decline.

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

Risks Relating to Our Equity Shares

54. ***Our Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for our Equity Shares. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges in India may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of our Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and the other markets in which we operate, volatility in the Stock Exchanges and securities markets elsewhere in the world.

55. ***Any future issuance of Equity Shares or convertible securities or other equity-linked securities of the Company may dilute your shareholdings, and any such issuance or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuances of our Equity Shares, convertible securities or equity-linked securities, including pursuant to the employee stock option schemes of the Company, may lead to the dilution of your shareholding in the Company. Certain employees have been granted options under the employee stock option schemes of the Company, which may be exercised at a price lower than the Offer Price. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of the Offer, including by our Promoters or other major shareholders, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could materially impair our future ability to raise capital through offerings of our Equity Shares. Pursuant to the ICDR Regulations, the Equity Shares held by the employees of the Company (who continue to be employees of the Company as on the date of Allotment) which were allotted to such employees under ESOP 2006, ESOP 2010 or ESOP 2014 and the Equity Shares held by P5 Asia Holding Investments (Mauritius) Limited under the FVCI route are exempt from the lock-in requirements applicable to other pre-Offer shareholders of the Company. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

56. ***We cannot assure you that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all, which may restrict your ability to dispose of the Equity Shares.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted by the Stock Exchanges until after the Equity Shares offered in the Offer have been Allotted. In addition, we are required to deliver a copy of the Red Herring Prospectus and this Prospectus to the RoC for registration under the applicable provisions of the Companies Act and the ICDR Regulations. We cannot assure you that the RoC will register the Prospectus in a timely manner, or at all. Such approval will require all other relevant documents authorising the transfer of the Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares.

57. ***If securities or industry analysts do not publish research or publish unfavourable or inaccurate research about our business, the price and trading volume of our Equity Shares could decline.***

The trading market for our Equity Shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of the Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for our Equity Shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts who cover us downgrade our Equity Shares or publish inaccurate or unfavourable research about our business, our Equity Shares price would likely decline. If one or more of these analysts cease coverage of the Company or fail to publish reports on us regularly, demand for our Equity Shares could decrease, which might cause the price and trading volume of our Equity Share to decline.

Prominent Notes:

1. Initial public offering of 9,600,000 Equity Shares having a face value of ₹ 10 each of our Company for cash at a price of ₹ 625 per Equity Share (including a share premium of ₹ 615 per Equity Share) aggregating to ₹ 6,000 million, through an offer for sale by the Selling Shareholders. The Offer shall constitute 34.77% of the fully diluted post-Offer paid-up capital of our Company.

2. We were incorporated as 'Valuable Media Private Limited' under the provisions of the Companies Act, 1956 pursuant to a certificate of incorporation dated June 14, 2004 issued by the Registrar of Companies, Maharashtra at Mumbai. For further details in relation to the changes to our name see the section titled "*History and Certain Corporate Matters*" on page 206 of this Prospectus.

3. Our Net Worth, as at December 31, 2014, was ₹ 4,388.07 million, as derived from our Restated Consolidated Summary Statements, and was ₹ 3,880.12 million, as derived from Restated Unconsolidated Summary Statements.

4. The net asset value per Equity Share was ₹ 169.44 as at December 31, 2014, as per our Restated Consolidated Summary Statements and the net asset value per Equity Share was ₹ 149.82 as at December 31, 2014, as per our Restated Unconsolidated Summary Statements.

5. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	No. of Equity Shares held	Average price per share (in ₹)
Sanjay Gaikwad	329,773	Nil
Narendra Hete	134,724	Nil
Valuable Media Limited	2,131,782	191.11
Valuable Technologies Limited	3,071,745	165.40
Apollo International Limited	2,266,417	60.70

6. For details in relation to interests of Group Entities in our Company, including business interests see the section titled "*Promoter and Group Entities – Related business transactions and business interest of Group Entities in our Company*" on page 330 of this Prospectus.

7. There are no financing arrangements whereby the Promoter Group, the Directors, the directors of our corporate Promoters or their relatives may have financed the purchase of our Equity Shares by any other

person other than in the normal course of business of the financing entity in the six months immediately preceding the date of filing of the Draft Red Herring Prospectus with SEBI.

8. For any complaints in relation to the Offer, Bidders may contact the Managers. For further details of the Managers, including contact details, see the section titled "*General Information*" on page 86 of this Prospectus.

9. For the financial year ended March 31, 2014 and the nine month period ended December, 2014, we had entered into certain related party transactions with related parties (as defined under Accounting Standard 18). For further details in this regard, please refer to "*Financial Statements*" on page 377 of this Prospectus. For the financial year ended March 31, 2014 and the nine month period ended December 31, 2014, we had entered into certain related party transactions with our Group Entities. For further details in this regard, please refer to "*Our Promoters and Group Entities – Related Business Transactions and Business Interest of Group Entities in our Company*" on page 330 of this Prospectus.

SUMMARY OF OUR BUSINESS

Our ability to implement our business strategy may be affected by various factors that have an influence on our operations or on the industry segment in which we operate. Such factors have been disclosed in the section entitled "Risk Factors" on page 23. The "Summary of Business" section should be read in conjunction with such risk factors. Certain information in this section (as indicated) is derived from the CRISIL Report. We commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the CRISIL Report. CRISIL Research, a division of CRISIL, has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CRISIL Report or the data therein. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the report. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division or CRIS, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL Research and not of CRISIL's Ratings Division or CRIS. No part of the CRISIL Report may be published/ reproduced in any form without CRISIL's prior written approval. Prospective investors are advised not to unduly rely on the CRISIL Report when making their investment decisions.

Our Mission

Provide an end-to-end, high-reach and high-quality digital cinema solution for movie producers, distributors and exhibitors and offer a flexible, transparent and high-impact platform that allows advertisers to have maximum engagement with cinema-goers.

Overview

We are India's largest digital cinema distribution network and in-cinema advertising platform (in terms of numbers of screens), as at October 31, 2014, according to CRISIL. We operate India's largest satellite-based, digital cinema distribution network (in terms of numbers of screens) using our UFO-M4 platform, as well as India's largest D-Cinema network (in terms of numbers of screens), according to CRISIL. In fiscal year 2014, we digitally delivered more than 1,500 movies in 22 languages to 4,703 screens with aggregate seating capacity of approximately 2.15 million viewers spread across India. Since the beginning of our operations, we have digitally delivered more than 8,800 movies in India until February 28, 2015. As at February 28, 2015, our global network spans 6,626 screens worldwide, including 4,911 screens across India and 1,715 screens across Nepal, the Middle East, Israel, Mexico and the USA.

We believe our digitisation and delivery model has been a key driver of extensive digitisation of Indian cinemas and has enabled wide-spread, same day release of movies across India. Prior to the advent of digital cinema exhibition, movies were exhibited using analogue celluloid prints, which involved a high upfront production cost and required distributors to physically deliver the prints to cinemas. As distributors were unable to predict the actual demand for a movie, they were often unable to produce an optimal number of prints, either producing too few prints, leading to potential loss of revenue, or too many prints, leading to excess expenses. This challenge, together with the logistical challenges of physically delivering heavy celluloid prints, limited the wide-spread release of movies across India. As there were only a limited number of physical reels available for each movie, only cinemas in metropolitan areas and large cities would generally receive movies during their first week of release. Cinemas outside of those areas would generally receive used physical reels a few weeks after their initial release. This delay, coupled with the lack of any inherent security measures in celluloid prints to prevent piracy, meant that customers in those locations would generally have had access to the movies via pirated media, leading to potential loss of revenue for distributors and exhibitors and a poor viewing experience for audiences due to the viewing of low-quality pirated media.

We believe we add value to all stakeholders in the movie value chain, spanning movie producers, distributors, exhibitors and the cinema-going audience. We provide value to movie producers and distributors by reducing distribution costs, providing reach to a wide network of over 4,900 screens across India as at February 28, 2015, providing a faster method of delivery of content, and reducing piracy through encryption and other security measures. We provide value to movie exhibitors throughout India by providing access to first day release of movies on our digital platform. Audiences benefit from faster access to new movie releases and a consistently high quality viewing experience. According to CRISIL, we have an overall 54% market share in India's digital cinema exhibition industry in terms of screens that use digital cinema distribution networks. Further, according to CRISIL, the number of films certified in India for fiscal years 2013 and 2014 were 1,630 and 1,856, respectively. For fiscal years 2013 and 2014, we released 1,504 and 1,767 films, respectively, representing 92.3% and 95.2% of the total number of films certified in the respective year. However, not all films certified in a given year may be released theatrically in that year or at all. On this basis, we believe, the majority of films released in India are released on our network.

We have created a pan-India, high-impact, in-cinema advertising platform with generally long-term advertising rights to 3,770 screens, with an aggregate seating capacity of approximately 1.85 million viewers and a reach of over 1,800 locations across India, as at February 28, 2015. We believe our in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. We believe that our in-cinema advertising platform offers a number of key advantages over traditional advertising methods, including (i) high levels of transparency, such as logging of actual advertisements played, which enhances advertiser confidence in the medium, (ii) remote capability (in approximately 3,330 screens), which allows for last minute scheduling and content changes, and (iii) advanced technology, such as multi-lingual support. Further, our in-cinema advertising platform simplifies the logistics of advertising, as we control and arrange advertising on our network, eliminating the need for advertisers to deal with a large and fragmented group of exhibitors. We have been able to attract 1,056 advertisers from private and government sectors in fiscal year 2014, compared with 563 advertisers in fiscal year 2013. We have also been able to grow our consolidated advertisement revenue from ₹370.36 million to ₹998.64 million from fiscal year 2012 to 2014, at a compound annual growth rate of 64.21%. Our in-cinema advertising platform also allows small exhibitors who otherwise are not able to effectively monetise their advertising inventory due to their limited scale and reach to receive a greater share of advertisement revenue than they are able to using traditional advertising methods.

We deliver movie content through (i) our satellite-based cinema distribution network using our UFO-M4 platform, and (ii) D-Cinema network:

- UFO-M4 is our satellite-based, E-Cinema movie delivery platform. "E-Cinema" is a commonly used term to describe various technologies used to digitally deliver movie content other than through D-Cinema. Our UFO-M4 platform provides an end-to-end platform for the satellite delivery of movies (excluding movies from the major Hollywood studios that created the D-Cinema standard format), to exhibitors across 3,462 cinema screens across India as at February 28, 2015, which then exhibit our movies using our digital cinema equipment.

- Under our D-Cinema network, our primary activities include: (i) collecting VPF D-Cinema from certain major Hollywood studios and other movie studios, and (ii) providing D-Cinema equipment to D-Cinemas across India. We have D-Cinema deployment contracts with certain major Hollywood studios which allows us to collect VPF D-Cinema from those studios. As at February 28, 2015, we collect VPF D-Cinema for 1,449 screens across India. We further provide D-Cinema equipment to 680 D-Cinema screens across India as at February 28, 2015. In fiscal year 2014, we digitally delivered 57 movies from major Hollywood studios across our D-Cinema network.

Recently a movie produced by a major Hollywood studio that would have otherwise been delivered only through D-Cinema platform was simultaneously delivered on both our E-Cinema and D-Cinema platforms.

We receive revenues primarily from (i) advertisers, through in-cinema advertising, (ii) movie producers and distributors, for the secured delivery and screening of their movies and (iii) exhibitors, through equipment rental and sales for digital cinema equipment. We have a variety of revenue arrangements with exhibitors depending on the technology format (UFO-M4 or D-Cinema) and investment in equipment. See *"— Our Revenue Model*" on page 195 for further information on our revenue model.

Our technological innovation and business achievements have earned us multiple industry awards, including (i) India's TOP SME 100 Awards for 2014, (ii) Inc. India 500 Certificate of Excellence in recognition of exemplary growth in 2012, (iii) Marico Innovation Foundation's Innovation for India Awards 2012 – Award for Business Innovation, (iv) Technology Fast 50 – India 2010 winner, by Deloitte, (v) the Advertising Club Awards for Excellence in Advertising and Media– For Media Innovation Digital Gold in 2007, (vi) the Idea IIFA Innovation Award in Indian Cinema in 2007 and (vii) Global Entrepolis @ Singapore Award – For Technopreneur of the Year in the Asia-Pacific Region in 2007.

For fiscal years 2012, 2013 and 2014, our consolidated total revenues were ₹2,076.50 million, ₹3,374.97 million and ₹4,210.89 million, respectively. Our consolidated total revenue increased by ₹2,134.39 million from fiscal year 2012 to fiscal year 2014, representing a compound annual growth rate of 42.40%. For fiscal years 2012, 2013 and 2014, our consolidated restated earnings before interest, tax, depreciation and amortisation (EBITDA) was ₹523.04 million, ₹1,069.49 million and ₹1,316.97 million, respectively, representing a compound annual growth rate of 58.68% from fiscal 2012 to fiscal 2014. For fiscal years 2012, 2013 and 2014, our consolidated restated profit after tax attributable to equity shareholders of the Company was ₹43.59 million, ₹333.89 million and ₹465.42 million, respectively, representing a compound annual growth rate of 226.76% from fiscal 2012 to fiscal 2014. For the nine months ended December 31, 2014, our consolidated total revenue was ₹3,572.30 million and our consolidated restated profit after tax attributable to equity shareholders of the Company was ₹368.61 million. We expect our advertising revenue and EBITDA for the quarter ended March 31, 2015 to be lower than the quarter ended March 31, 2014 primarily due to lower number of new blockbuster movies released for screening during the quarter ended March 31, 2015 as well as the cricket world cup held during the quarter ended March 31, 2015 that diverted a significant share of advertising budget from our advertisers.

Recent Developments

Acquisition of Valuable Digital Screens Private Limited ("VDSPL")

On December 18, 2014, the Company entered into an investment agreement with Valuable Technologies Limited (one of our Promoters, referred to herein as "VTL"), VDSPL and other parties for the acquisition of the entire equity share capital of VDSPL, in two tranches. The Company completed the acquisition of the initial tranche for cash consideration of approximately ₹44.01 million, with VTL and other parties having transferred to and VDSPL having issued and allotted to the Company a total of 11,580 equity shares representing 80% of the equity share capital of VDSPL as of January 6, 2015.

Further, as per the terms of the investment agreement, by no later than August 31, 2018, the Company will acquire the remaining 20% equity of VDSPL from VTL for a further consideration to be calculated in accordance with the terms of the investment agreement. Completion of the second tranche may remain subject to satisfaction of conditions precedent such as the transfer to VDSPL of all intellectual property and brands necessary to conduct the business of VDSPL, which may not occur until a later date.

Additionally, VTL and certain other parties to the investment agreement agreed that, in exchange for a non-compete fee of ₹1.0 million payable by VDSPL, save and except for certain existing businesses, during the non-compete term (which commences from the date of completion of the acquisition by the Company of the initial tranche of 80% of the equity share capital of VDSPL and expires on such date as specified in the agreement), the parties shall not compete, directly or indirectly, in India or any other part of the world, and shall ensure that none of their respective affiliates, in India or any other part of the world, competes, directly or indirectly, with the businesses as specified in the agreement or any part thereof. See "*History & Certain Corporate Matters – Agreements in relation to Valuable Digital Screens Private Limited*" on page 221 of this Prospectus, for further information on this acquisition.

VDSPL is an India-based business that has two primary operations:

The "Club Cinema" business provides digital screening of movies in clubs and community centres at private screens, such as remote industrial townships, corporate auditoriums, educational institutions and other leisure and entertainment complexes. Club Cinema provides a complete digital cinema solution for screening of recently released films outside of traditional cinemas, facilitating content acquisition for such screening from movie producers and distributors and renting and provision of digital cinema equipment.

The "Caravan Cinema" business provides movie screenings with low capital expenditures in targeted rural areas, especially "Haats" (weekly market place at villages), creating a unique opportunity for advertisers to reach a captive audience by partnering with various brands. Currently, movies are screened free to viewers and Caravan Cinema derives its revenues through advertising.

Our Strengths

We believe we have the following competitive strengths which (i) add value to all stakeholders in the movie value chain, (ii) generate customer loyalty and (iii) position us well for future growth.

Leading player in the digital cinema space in India.

We believe that our end-to-end, high-quality digital cinema solution has made us an essential partner for movie producers, distributors and exhibitors in India. We believe that this has helped us create the leading digital cinema distribution network, in terms of market share, size and scale. According to CRISIL, we have an overall 54% market share in India's digital cinema exhibition industry in terms of screens that use digital cinema distribution networks. Further, according to CRISIL, the number of films certified in India for fiscal years 2013 and 2014 were 1,630 and 1,856, respectively. For fiscal years 2013 and 2014, we released 1,504 and 1,767 films, respectively, representing 92.3% and 95.2% of the total number of films certified in the respective year. However, not all films certified in a given year may be released theatrically in that year or at all. On this basis, we believe, the majority of films released in India are released on our network. We have grown the number of screens that use our digital cinema distribution network in India from 1,817 as at March 31, 2010 to 4,911 as at February 28, 2015. We have further established our market share with our pan-India presence, with a network of sales offices and service centres with field engineer staff across India, and a dedicated workforce, with in-house teams for software development, advertisement sales and repairs and maintenance. Further, according to CRISIL, the Indian film industry is expected to continue growing despite the growth of digital entertainment (i.e. entertainment delivered through mobile and the internet). We believe these factors position us well for future growth.

Business model focused on creating value for all stakeholders in the cinema industry.

We have focused our business model on creating value for all stakeholders in the cinema industry, from movie producers and distributors to exhibitors, the cinema-going audience and advertisers. We provide value to movie producers and distributors of movies by reducing distribution costs, providing a reach to a wide network of over 4,900 screens across India as at February 28, 2015, a faster method of delivery of content, and encryption and other security measures to reduce piracy. We provide value to exhibitors of movies by providing them access to first day release of movies on our digital platform. Exhibitors also benefit from sharing a portion of our advertisement revenue, which enhances their overall revenue and provides them with a source of capital for improving their cinemas. Cinema-going audiences benefit from faster access to new movie releases and a consistently high quality viewing experience. Advertisers benefit from high levels of transparency, remote capability, and advanced technology. We believe that by providing value for each participant in the cinema industry, we have positioned ourselves as an essential player and partner of each participant.

Market leader in reach (in terms of number of screens) in the fast growing in-cinema advertising market in India.

We believe that our in-cinema advertising platform can offer advertisers value through being a pan-India, high-impact platform that enables them to reach a targeted, captive audience with high flexibility and control over the advertising process, along with high levels of transparency. We believe that our in-cinema advertising platform offers a greater advantage to the advertising platforms offered by large Indian cinema chains because we can provide reach to over 3,700 screens spanning 1,800 locations across India as at October 31, 2014, which, according to CRISIL, is six to seven times greater than PVR Cinema, the largest cinema chain in India, thereby making us a market leader in terms of reach (through number of screens) in India. As of February 28, 2015, our in-cinema advertising platform provided reach to over 3,700 screens spanning over 1,800 locations across India.

Our consolidated advertisement revenue has grown from ₹370.36 million in fiscal year 2012 to ₹998.64 million in fiscal year 2014, representing a compound annual growth rate of 64.21% over the past two years, and has been a dependable revenue stream for us, comprising 17.84%, 20.59% and 23.72% of our consolidated total revenues in fiscal 2012, 2013 and 2014, respectively. Given the benefits of the platform, we have been able to attract 1,056 advertisers from private and government sectors in fiscal year 2014. Advertisers that have used our platform include large, national advertisers, such as Honda Motorcycle and Scooters India Ltd, TVS Motors and Hero Moto Corp in the automobile space, Coca-Cola, Emami Limited and ITC Consumer Products Limited in the fast-moving consumer goods space, IIFL, HDFC Bank and ICICI Pru Life in the financial services space and other multinational corporations such as Vodafone, Johnson & Johnson and Google.

We believe that our in-cinema advertising platform positions us well to take advantage of the growth of advertising in India. Our in-cinema advertising business benefits exhibitors who use our in-cinema advertising platform since they receive a share of our advertisement revenues, which aligns their interests with ours, giving them a strong incentive to continue utilising our systems.

Advanced end-to-end technology platform with high uptime levels.

We have built an advanced end-to-end technology platform in India backed by a dedicated workforce, with in-house teams for software development, advertisement sales and repairs and maintenance. With respect to our UFO-M4 platform, our use of satellite technology, enabled with our advanced UFO-M4 compression and encryption technology, provides us with technological advantages, including the ability to deliver high quality movies on a real time basis with lower bandwidth requirements, remote capability in approximately 3,330 screens, advanced security features and flexible management of operations. Our UFO-M4 platform has been proven to be scalable, growing in India from 1,817 screens as at March 31, 2010 to 4,911 screens as at February 28, 2015. From the beginning of fiscal 2013 until February 2015, our network has had a 99.9% uptime levels (which is the amount of time our network has been operational compared to the total time our network has been in operation). As at February 28, 2015, our network is further supported by 19 service centres with field engineer staff across India, enabling us to respond to any issues quickly and efficiently. We believe that our technology platform cultivates customer loyalty and satisfaction which further enhances our relations with our customers.

Further, the digital cinema equipment that we provide to exhibitors is, in the majority of cases owned by us, and generally provided under long term agreements of five to 10 years with the option to terminate for convenience only after a period of approximately four years.

Experienced management team with established track record.

Our management team has substantial industry knowledge and expertise, with a majority of our executive officers and executive directors having been involved in the media, movie and technology industries for numerous years, which has served as a key driver of the growth of our business. Further, several members of our management team have established relationships with leading movie producers, distributors, exhibitors and advertisers, which have been critical to our success. Through their relationships and expertise, our management team has a proven track record of conceptualizing, implementing and growing new and innovative business models, which have resulted in our improved revenues and created value for various stakeholders.

Strong profitability with diversified and visible revenue streams.

We have a strong track record of growth and profitability, with our consolidated total revenues increasing from ₹2,076.50 million in fiscal 2012 to ₹4,210.89 million in fiscal 2014, representing a compound annual growth rate of 42.40%. Our consolidated restated earnings before interest, tax, depreciation and amortisation (EBITDA) increased from ₹523.04 million to ₹1,316.97 million over the same period, representing a compound annual growth rate of 58.68%.

Our revenues are also diversified and come from three primary sources: distributors, exhibitors and advertisers. In fiscal 2014, revenue from: (i) distributors, which includes Virtual Print Fees - Non - DCI (E-Cinema) and Virtual Print Fees - DCI (D-Cinema), accounted for 50.50% of our consolidated total revenues, (ii) exhibitors, which includes Lease rental income - Non - DCI (E-Cinema), Lease rental income - DCI (D-Cinema) and sales of products (including lamps and digital cinema equipment), accounted for 23.18% of our consolidated total revenues, and (iii) advertisers, which includes advertisement revenue (primarily from in-cinema advertising), accounted for 23.72% of our consolidated total revenues. We believe that by providing services for each of the participants of the movie distribution, exhibition and advertising ecosystems, we have established our role as an essential part of the digital cinema space and are able to benefit from the diverse revenue streams from those participants, reducing our dependence on any one revenue stream. Further, our pan-India presence provides us with a wide distributor and exhibitor base and reduces our dependence on any one major distributor or exhibitor.

Further, our contracts with UFO M-4 exhibitor customers are typically long-term contracts which were entered into for periods of approximately ten years and allow for exhibitors to terminate for convenience only after a period of approximately four years, giving us visible and dependable streams of revenue. We also share a portion of our advertisement revenues from advertisers with exhibitors, which aligns their interests with ours, giving them a strong incentive to continue utilising our systems. For the nine months ended December 31, 2014, our screens lost, which is defined as screens that stopped using our platform divided by the average total number of screens for the period, was 6.71%. In the same period we have added a further 371 screens to our UFO M-4 exhibitor customer base.

We believe these factors mitigate our dependence on any one revenue stream and create a dependable, highly visible revenue streams that position us well to continue growth.

Our Strategy

Our key business strategies include:

Leverage existing platform for growth of advertising business

We intend to grow the revenue from our advertising business through deepening advertiser engagement, attracting new advertisers to our platform, expanding our on-screen advertising offerings, growing our advertising spot rates and monetizing below-the-line advertising opportunities. We believe we have successfully proven the advertising monetization potential of our platform by increasing consolidated advertisement revenues from ₹97.37 million in fiscal year 2010 to ₹998.64 million in fiscal year 2014. We believe we have the opportunity to further grow our on-screen advertising which, as at February 28, 2015, on a fiscal year to date basis, is at 3.36 minutes sold per show per advertising screen. We plan to deepen our relationships with our existing advertising clients and increase their usage of in-cinema advertising by making it an integral part of their overall advertising activities. We also seek to expand our advertising client base by attracting new advertising clients, both from the government and the private sector. We have dedicated teams to service our government and private sector advertising clients and have been able to grow our advertising clients from 563 advertisers in fiscal year 2013 to 1,056 advertisers in fiscal year 2014. Given in-cinema advertising is a relatively new advertising medium, we identify verticals which are under-penetrated and then target major players within that vertical. After we have sufficiently deepened this engagement, we utilize the success story to win new clients in that vertical. In addition to selling advertising inventory to existing/ new clients, we are also developing innovative products like content promotions and screen savers to expand our advertising business. For example, we also offer a product, Screensaver, to monetize the idle on-screen time which was not being used for advertising earlier. With the increasing usage of in-cinema advertising, we believe that the ad spot rates on our platform can be grown considerably.

In addition to maximizing our on-screen advertising inventory utilization, we also have the opportunity to monetize below-the-line advertising opportunities at each cinema. In many advertising screens, we also have the rights to monetize additional commercial space which we intend to utilize for setting up kiosks for our corporate customers for product promotions. In addition, we are exploring new opportunities including advertisements on movie tickets, seat covers, ticketing windows, parking lots and other public spaces.

In addition, we believe we have the opportunity to enter into advertising agreements with smaller multiplex chains and single screen theatres which are digitized but are not currently on our network. We believe that our pan-India advertising sales team and established relationships with advertisers can significantly increase the advertisement revenues for such screens, compared to what they are otherwise able to achieve.

Leverage existing platform for growth of exhibition business.

We believe we have the opportunity to leverage our technology platform and our relationships with distributors and advertisers to expand the movie exhibition market in India through innovative models. We believe India is an under-penetrated movie exhibition market relative to developed and other emerging markets. Our technology platform has improved the digitisation of the Indian exhibition sector and led to improved economics for exhibitors. Given the potential growth of the exhibition business in India, we plan to develop, invest and grow innovative low capital expenditure exhibition and advertising models. For example, we have recently entered into innovative low-capital expenditure exhibition models to serve under-penetrated parts of India through Caravan Cinema and Club Cinema through our acquisition of VDSPL. Caravan Cinema provides movie screenings with low capital expenditure in targeted rural areas, especially "Haats" (weekly market place at villages), creating a unique opportunity for advertisers to reach a captive audience by partnering with various brands. Currently, movies are screened free to viewers and Caravan Cinema derives its revenues through advertising. We believe this is an effective advertisement platform for companies targeting rural markets. Club Cinema provides movie screenings of recently released films in clubs and community centres at private screens, such as remote industrial townships, corporate auditoriums, educational institutions and other leisure and entertainment complexes. We believe by providing a complete digital cinema solution to such customers, we will be able to reach an untapped and niche segment of Indian exhibition sector.

Continue to innovate in new areas that leverage our platforms.

We intend to continue innovative business development efforts which leverage our technology platform to add value to key stakeholders, such as distributors, exhibitors and advertisers. For example, we believe we have the opportunity to work with content owners and exhibitors to screen high-impact alternate content, such as sporting events and award nights. We believe that as one of the largest in-cinema advertising companies in India in terms of numbers of screens, we have opportunities to work with television, print and other media companies for advertising partnerships. We believe that access to the advertisement sales network at larger media companies can greatly increase our reach to regional and local advertisers who have historically advertised primarily on television and print. For example, we are considering working with leading media companies for bundling of our on-screen advertising inventory with their existing advertising packages.

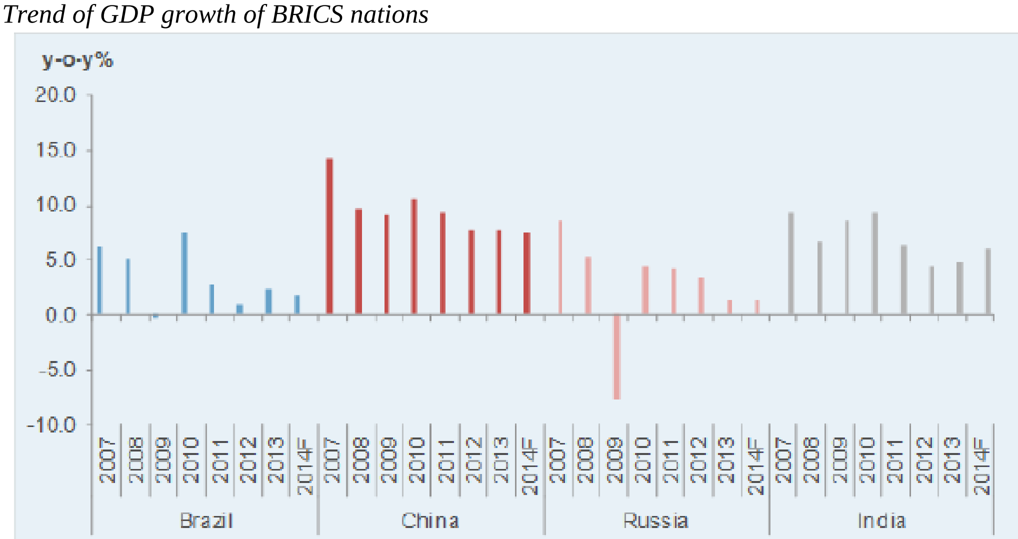
SUMMARY OF INDUSTRY

The information in this section is derived from the "Study of the Media and Entertainment Sector in India, CRISIL Research, November 2014 and 'Update to CRISIL Report comprising Study of the Media and Entertainment Sector in India' dated January 19, 2015" (the "CRISIL Report"). We commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the CRISIL Report. CRISIL Research, a division of CRISIL Limited ("CRISIL"), has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CRISIL Report or the data therein. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the report. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division or CRISIL Risk and Infrastructure Solutions Limited ("CRIS"), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL Research and not of CRISIL's Ratings Division or CRIS. Prospective investors are advised not to unduly rely on the CRISIL Report when making their investment decision.

Overview of the Indian Economy

India has been one of the fastest growing economies in the past decade. In the first decade of the 21st century, India set a robust pace of GDP growth (along with China), and emerged as a bulwark of the global economy. India's growth averaged over 9% from 2004-05 to 2007-08 (although China's growth was higher). India and China were joined later by other major developing economies such as Brazil, Russia, Indonesia and South Africa (BRICS), whose growth averaged over 5.6% during this period; by contrast, growth in the US and Europe averaged only 2.4% and Japan around 1.3%. Together, the share of developing economies of world GDP exceeded that of the developed economies for the first time ever, as did their cumulative share in global trade.

Trend of GDP growth of BRICS nations



Source: IMF and CRISIL Research

The global financial crisis of 2008-09 and the growth slump engulfed various parts of the world to varying degrees. India was not completely insulated from the slowdown and its growth dipped to 6.7% in 2008-09.

Although fiscal and monetary stimuli improved the economy in 2009-10 and 2010-11, the economy slipped again as the effects of these measures faded. Growth plummeted to a decade low of 4.5% in 2012- 13 and 4.9% in 2013-14 as demand slumped, paralysis engulfed policy-making and the investment cycle ground to a halt.

But going forward, the conditions are expected to improve with the GDP growing by 5.7% in the first quarter of 2014-15 as domestic demand picked up. CRISIL Research expects GDP to grow around 5.5% in FY 15 over FY 14.

Growth of aggregate advertising revenues

The total advertising revenues across various segments of media and entertainment have grown at an 11% CAGR over the last five years to an estimated ₹400 billion in 2014. Growth has been aided by a continuous rise in advertising spends in television (as more advertisers continue to use this as a preferred medium) as well as newspapers (aided by increasing circulation and reach, particularly in non-English newspapers).

Advertising revenue split across media

(Rs billion)	2009	2010	2011	2012	2013	2014E	CAGR
Television	98	114	126	137	149	167	11%
New spapers	95	108	116	123	132	147	9%
Radio	9	11	13	14	15	17	13%
Digital	6	10	13	17	22	28	37%
Outdoor	13	16	17	16	17	20	9%
Others*	14	14	16	16	18	21	9%
Total	**234**	**274**	**301**	**322**	**354**	**401**	**11%**

E: Estimated

* Others include revenues from magazines and films

Source: CRISIL Research

Aggregate Advertising Revenues Expected to Cross ₹730 billion by 2019

At an industry level, total advertising spends are expected to grow by a 13% CAGR over the next five years, crossing ₹730 billion by 2019. Some structural factors that will propel growth owing to which advertising revenues are expected to remain unaffected over the long term are:

- Fragmentation and expanding reach of media will result in advertisers increasing outlays to reach target audience, as it would be necessary in order to make their presence felt.

- The emergence of newer sectors with heavy advertising (like e-commerce over the last 12-18 months).

A key development in 2013 was the mandate by the Telecom Regulatory Authority of India (TRAI) to restrict advertising breaks on television channels to a maximum of 12 minutes per clock hour (without any averaging of this limit through the day). While leading general entertainment channels (GECs) have already cut down their inventory time as per the limits stated, other genres like news and music are yet to implement it.

CRISIL Research believes that TRAI's mandate will affect news channels the most, owing to a drastic reduction in their advertising inventory (currently ranges from 20-25 minutes per hour), which may not necessarily correspond with a proportionate increase in advertising rates owing to their limited audience, as compared to GECs that have a wider audience.

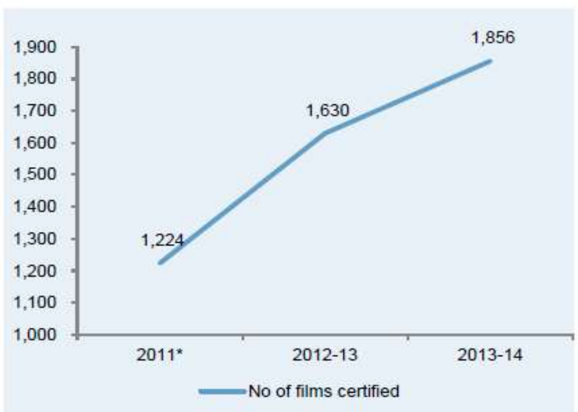
While advertising volumes would decline if the mandate takes effect, the advertising rates are expected to go up as well. Several leading GECs (national and regional) had hiked their advertising rates by 20-50% owing to a fall in their advertising inventory as a result of the mandate. A fallout of the mandate (if implemented) could be the likely shutdown of channels that rely predominantly on advertising revenues. Certain advertising campaigns by small-and medium-sized companies could shift to less costly media like digital or radio.

While the News Broadcasters Association (NBA) has approached the judiciary seeking a stay on implementation of the cap, the information and broadcasting ministry is examining the possibility of postponing the implementation deadline for news channels and also not having any such cap for free-to-air channels. (The next hearing on the NBA case is scheduled for January 2015.)

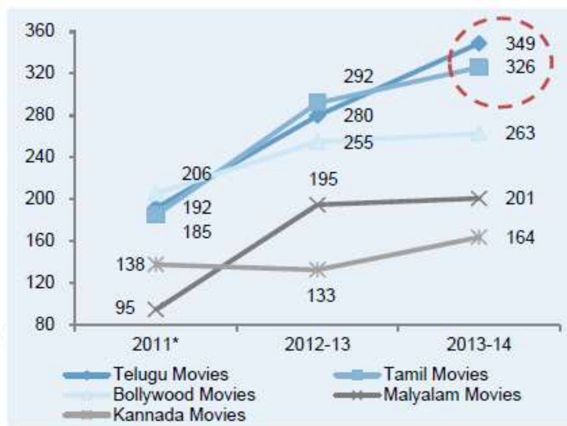
Advertising rates could see a significant spike (in excess of 50% for news and a few other genres) in order to offset the possible fall in advertising inventory if the directive is implemented. Such increase though may not be possible for most genres, giving the steep quantum of hikes which may be involved, the limited viewership in most genres and the possibility of subscribers not paying subscription to view the channel.

Growth in the number of some regional movies has outpaced growth in the number of Bollywood movies

Trend in number of movies certified (Hindi+regional)



Trend and break up of movies certified



Note: * Calendar year
Source: Film federation of India, CRISIL Research

As per data available from the film federation of India, the Indian film industry has grown by 23-24% annually on an overall basis between 2011 and 2013-14 in terms of number of movies certified. It has also been observed that growth in regional movies such as Tamil, Telugu, Malayalam and Punjabi has outstripped the growth in Hindi movies or Bollywood movies. Although the high growth in Punjabi movies is also a factor of a small base, the number of Tamil and Telugu movies being produced in the country are now higher than the number of Bollywood movies.

Although, the film production segment is fragmented, it has been witnessing some consolidation in recent years, with the large production houses announcing the rollout of multiple projects at a time.

Distributors

Film distributors buy the rights from a producer for distributing the films within a territory or across several territories. In some cases, they offer a minimum guarantee fee to the producer. There are instances where the distributors purchase the rights well in advance of the release of the film while in others, it is on a revenue-share basis with the producer.

There is no scientific basis for the determination of the amount payable towards distribution rights; this poses a huge risk to the distributor in case a film does not do well at the box office. Distributors play various roles including part financing of films, spending on print and publicizing the film in many cases, selection of exhibition halls and managing the distribution of the film prints. Distributors in India are rarely involved at the pre-production or production stage and they get to see a film only after it is completed.

Film distribution process

Assessment of value of the film

↓

Negotiation and finalisation of the price and territories with the producer

↓

Finalising the marketing strategy

↓

Entering into arrangements with exhibitors

↓

Creating pre-release hype

↓

Marketing activity during the week of release

↓

Post-release publicity

Source: CRISIL Research

Film distribution segment highly fragmented

The film distribution segment is fragmented with a majority of the distributors having only a limited presence, which also results in intense competition among them to receive the rights of big-ticket films in particular. Therefore, for theatrical distribution of a film throughout the country, producers need to typically tie-up with a number of distributors. The extent of fragmentation though has reduced over the years with multiple large studios increasing their presence in the business. Some of the largest film distributors in India are Yash Raj Films, Viacom18, Sun Pictures, Tips Industries, Eros Entertainment, Mukta Arts and Reliance Mediaworks.

By contrast, as per industry reports, the distribution industry is fairly consolidated in countries like the US, where the six largest studios (i.e. Twentieth Century Fox, Paramount Pictures, Sony Pictures, Universal Studios, Walt Disney Studios and Warner Bros. Entertainment) manage nearly 70% of the movies produced in the country.

Marketing budgets going up year-on-year; newer avenues for film promotion opening up

The print and advertisement costs mainly comprise the cost of making the prints of the movie and the cost of marketing the movie.

Marketing budgets for films have been increasing over the years with the spend on promoting big budget movies like Bang Bang and Happy New Year anywhere between ₹200 and ₹250 million while for medium or smaller budget films it can be anywhere between ₹40 and ₹50 million. The same for regional movies is much lower-in the range of ₹1 and ₹2 million say for a Punjabi film and varies from movie to movie depending on the budget of the movie. The costs of making prints comes to around ₹35-45 million for a big budget movie and around ₹10-25 million for a small/medium budget movie.

Distributors are also making use of the newer platforms to promote their movies. Apart from TV, print, radio and online advertising, the use of social media has increased manifold in the last few years. Social media platforms like Facebook, Twitter, YouTube etc. have proved to be a cost effective and highly impactful means of promoting a movie. Many distribution houses are running campaigns across these websites to promote their films. For instance, as per media reports the theatrical trailer of Dhoom 3 was launched on YouTube and it got 12 million views within 20 days. Consequently, digital marketing budgets have also grown significantly. For a big budget movie the digital marketing spend ranges between ₹10 to ₹15 million.

Typically, 40-50% of the marketing spend of a movie goes to TV advertisement, 25-30% to non-media channels (print etc.), 10-15% to online media including social platforms and the remaining 10-15% goes to others like in-cinema advertising etc.

Exhibitors

Exhibitors form the link between the film distributors and the audience, controlling the last mile in the box office value chain.

With 9,500-10,000 cinema screens as of 2013, India has a very low screen density of around 8 screens per million population as compared to 117 screens per million in the US and around 30 screens per million in China (as per interactions with market players). This highlights the significant potential for increasing the number of screens in the country over the next few years.

Of the total screens available, 90-95% has been digitised. Digitisation has enabled faster releases across wider geographies and security of content.

The film exhibition sector can be divided into two segments – single screen cinemas and multiplex cinemas. About 80-85% of the cinema screens in India are single-screen cinemas owned by individual entrepreneurs, operating in a mostly unorganised environment.

In-Cinema Advertising

Until the early 1980s, cinema was a strong medium of advertisement for brands as television was not that prevalent. However, as television became a household item, television along with print media became the most popular medium of advertisement for companies due to their large reach. In-cinema advertising went out of favour for a variety of reasons including: 1) limited reach (as movies were released in a select number of theatres initially), 2) lack of transparency (there was no means of confirming if the theatre had played the advertisement or not) and 3) difficulty in reaching out to a large number of theatre owners scattered across the country etc.

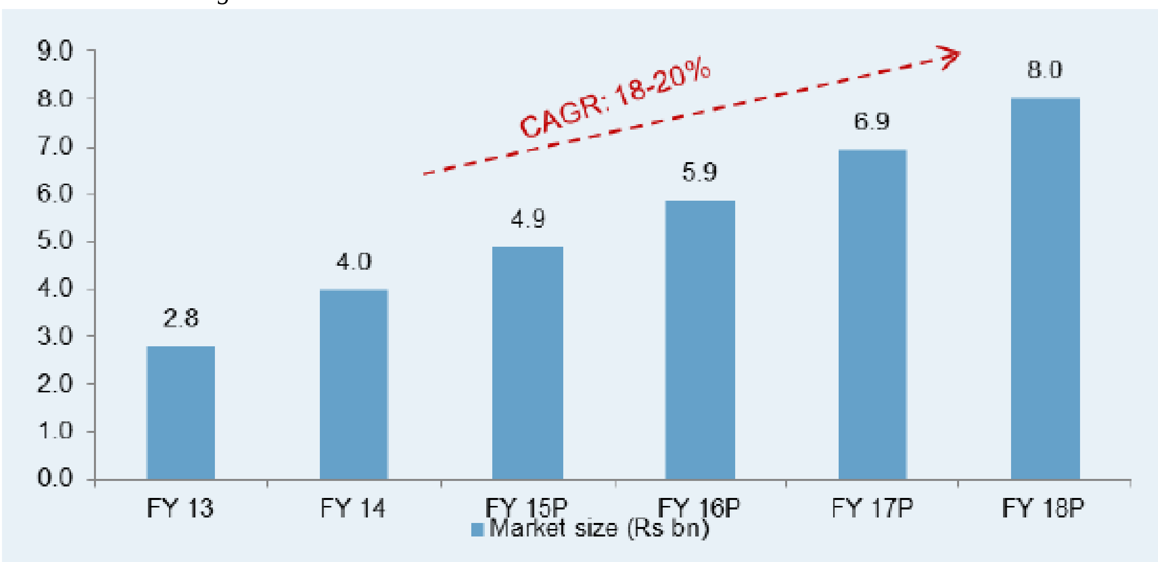
With digitisation, the problem of reach and transparency has been solved to a significant extent. In digitised theatres, reliable statistics of whether the advertisements are played or not are easily available as content being played on the screen is controlled via servers using online means. Consequently, advertisers like Hindustan Lever have now started to use digitised screens to reach out to people in remote locations.

In-Cinema Advertising Revenues to Grow by 18-20% Annually between 2013-14 and 2017- 18

At present, in-cinema advertising does not come very high on the list of media planners of private companies, who still prefer to run a majority of their advertisement campaigns over print media or audio visual media like television and radio. Consequently, the share of in-cinema advertising in the total advertising spend is still very low. However, in-cinema advertising is slowly catching the attention of advertisers and has been growing in double digits in the last 3-4 years.

Demand for in-cinema advertisement is picking up especially on a film to film basis; for instance for a big release like Bang Bang or Chennai Express or Happy New Year, the demand for in-cinema advertisement goes up substantially in the week of release. Government advertising is also catching up and growing at a steady pace. As a result, inventory utilisation levels of in-cinema advertising have grown significantly to around 20-30% currently.
Based on the published financials of key multiplex players and CRISIL Research industry interactions, CRISIL Research estimates that In-cinema advertisement revenues stood at ₹4 billion in 2013-14.

In-cinema advertising market size: trend and outlook



Source: CRISIL Research

In-cinema advertisement revenues are expected to play an increasing role in the growth of revenues for theatres going forward. In-cinema advertisement revenues grew by 43-44% year-on-year in 2013-14 for PVR Cinemas, the market leader in in-cinema advertisement and by 52-53% for Inox in the same year. Currently only around 20-30% of the advertisement inventories of theatres are utilized, which indicates a good potential for growth.

Going forward, in-cinema advertising revenues are expected to grow on the back of growth in the number of multiplex screens and improvement in utilisation levels of advertisement inventory. CRISIL Research believes that in-cinema advertisement revenues will grow by 18-20% annually from ₹4 billion in 2013-14 to ₹8 billion in 2017-18.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Summary Statements. The summary financial information presented below should be read in conjunction with the Restated Summary Statements and the sections "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Conditions and Operations*" on pages 336 and 455 of this Prospectus.

UFO Moviez India Limited

Restated consolidated Summary Statement of Assets and Liabilities

Rs. in million

Particulars	Annexures	As at 31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A Equity and Liabilities							
Shareholder's Funds							
Equity share capital		258.98	258.98	258.98	258.98	201.50	186.59
Reserves and surplus	V	4,160.09	3,742.83	3,206.40	2,838.20	1,164.78	844.61
Total of Shareholder's Funds		**4,419.07**	**4,001.81**	**3,465.38**	**3,097.18**	**1,366.28**	**1,031.20**
B Share application money		-	-	-	-	440.00	-
C Minority Interest		**65.33**	**147.99**	**109.46**	**144.21**	**0.62**	**0.10**
D Non-current liabilities							
Long-term borrowings	VI	675.15	999.15	683.92	536.77	330.17	350.50
Deferred tax liabilities (net)		0.17	-	-	0.01	0.20	0.29
Other long-term liabilities	VII	565.45	443.16	386.40	317.35	254.65	195.94
Long-term provisions	VII	9.32	8.44	11.78	5.58	-	-
Total of Non-Current liabilities		**1,250.09**	**1,450.75**	**1,082.10**	**859.71**	**585.02**	**546.73**
E Current liabilities							
Short-term borrowing	VIII	319.83	8.59	168.07	37.99	-	-
Trade payables	IX	667.08	591.58	350.70	201.19	209.10	79.15
Other current liabilities	IX	1,367.86	1,178.59	1,084.27	701.88	285.88	335.17
Short-term provisions	IX	37.95	47.03	26.20	22.04	10.08	6.80
Total of Current liabilities		**2,392.72**	**1,825.79**	**1,629.24**	**963.10**	**505.06**	**421.12**
Total A + B + C + D + E		**8,127.21**	**7,426.34**	**6,286.18**	**5,064.20**	**2,896.98**	**1,999.15**
F Non-current assets							
Fixed assets							
Tangible assets		3,139.38	3,412.26	2,618.90	1,902.72	1,144.13	1,105.14
Intangible assets		43.52	49.31	56.86	70.32	41.84	44.63
Capital work-in-progress		146.49	198.74	311.66	508.34	76.19	75.61
		3,329.39	**3,660.31**	**2,987.42**	**2,481.38**	**1,262.16**	**1,225.38**
Goodwill on consolidation		1,675.80	1,365.92	1,308.57	1,168.01	417.81	144.07
Non-current investments	X	57.84	52.64	18.02	15.53	184.16	8.60
Deferred tax assets (net)		187.06	131.39	21.93	13.04	-	-
Long-term loans and advances	XI	385.33	378.27	241.99	174.11	249.46	43.21
Non-current trade receivables	XII	-	1.00	4.55	4.31	-	-
Other non-current assets	XI	84.38	36.51	62.06	0.94	-	0.42
Total of Non-current assets		**5,719.80**	**5,626.04**	**4,644.54**	**3,857.32**	**2,113.59**	**1,421.68**
G Current assets							
Current investments	XIII	95.74	52.99	116.63	12.92	-	-
Inventories		89.46	97.43	106.05	102.87	40.54	52.53
Trade receivables	XIV	1,335.70	912.31	753.89	387.38	387.92	142.68
Cash and bank balances		538.23	517.50	420.56	518.11	199.10	160.59
Short-term loans and advances	XV	224.92	150.77	219.93	175.63	155.81	211.10
Other current assets	XV	123.36	69.30	24.58	9.97	0.02	10.57
Total of Current assets		**2,407.41**	**1,800.30**	**1,641.64**	**1,206.88**	**783.39**	**577.47**
Total of F + G		**8,127.21**	**7,426.34**	**6,286.18**	**5,064.20**	**2,896.98**	**1,999.15**

UFO Moviez India Limited

Restated consolidated Summary Statement of Profits and Losses

Rs. in million

Particulars	Annexures	Nine months period ended 31-Dec-14	For the year ended				
			31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Income from continuing operations							
Revenue from operations	**XVI**	3,547.36	4,204.30	3,362.30	2,067.05	1,088.02	731.60
Other income	**XVII**	24.94	6.59	12.67	9.45	11.69	3.45
Total revenue		**3,572.30**	**4,210.89**	**3,374.97**	**2,076.50**	**1,099.71**	**735.05**
Expenses							
Operating direct costs	**XVIII**	1,396.19	1,665.12	1,281.17	730.49	353.98	296.32
Employee benefits expense	**XIX**	431.04	552.57	448.18	333.00	198.32	151.14
Other expenses	**XX**	534.62	676.23	576.13	489.97	418.94	268.06
Total expenses		**2,361.85**	**2,893.92**	**2,305.48**	**1,553.46**	**971.24**	**715.52**
Restated earning before interest, tax, depreciation and amortisation		**1,210.45**	**1,316.97**	**1,069.49**	**523.04**	**128.47**	**19.53**
Depreciation and amortisation expense		569.20	654.67	536.15	389.61	254.17	197.22
Finance cost		157.03	198.50	151.91	113.03	43.86	64.08
Finance income	**XVII**	(36.65)	(34.19)	(30.86)	(66.29)	(11.26)	(4.17)
Restated profit / (loss) before tax		**520.87**	**497.99**	**412.29**	**86.69**	**(158.30)**	**(237.60)**
Tax expense / (credit)							
Current tax		181.31	99.57	58.38	19.36	0.03	0.01
MAT credit entitlement		-	(0.88)	(25.38)	-	0.00	-
Deferred tax charge / (credit)		(54.30)	(109.46)	(8.89)	4.57	(0.09)	0.14
Total tax expense / (credit)		**127.01**	**(10.77)**	**24.11**	**23.93**	**(0.06)**	**0.15**
Restated profit / (loss) after tax and before minority interest and share in profit/(loss) of associates		**393.86**	**508.76**	**388.18**	**62.76**	**(158.24)**	**(237.75)**
Share of profit / (loss) from associates (net)		**12.32**	**(7.81)**	**2.49**	**(1.24)**	**-**	**-**
Restated profit /(loss) after tax before minority interest		**406.18**	**500.95**	**390.67**	**61.52**	**(158.24)**	**(237.75)**
Attributable to :							
Equity share holder of the parent company		368.61	465.42	333.89	43.59	(96.60)	(237.76)
Minority Interest		37.57	35.53	56.78	17.93	(61.64)	0.01
Profit for the period / year		**406.18**	**500.95**	**390.67**	**61.52**	**(158.24)**	**(237.75)**

UFO Moviez India Limited
Restated consolidated Summary Statement of Cash Flows

Rs. in million

Particulars	Nine months period ended 31-Dec-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 (loss) before taxation for the period / year	520.87	497.99	412.29	86.69	(158.30)	(237.60)
Profit (loss) before taxation (as restated)	**520.87**	**497.99**	**412.29**	**86.69**	**(158.30)**	**(237.60)**
Non cash adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	569.20	654.67	536.15	389.61	254.17	197.22
Advance tax not recoverable	-	-	1.85	-	-	-
Unrealised foreign exchange (gain)/loss (net)	0.56	(21.15)	6.57	6.98	0.80	61.35
Loss on sale / discarding of fixed assets	3.56	12.58	3.71	3.27	10.22	6.68
Loss on sale of investment	-	-	1.71	-	-	-
Provision for doubtful debts and bad debt written off	25.35	21.68	36.19	18.84	84.58	13.56
Employee stock compensation expense	*	0.01	(0.08)	0.06	-	-
Provision for doubtful advances	9.92	15.27	12.08	-	-	-
Provision for obsolete inventories	-	-	-	-	8.57	-
Utilisation of provision for warranty	(2.63)	(3.44)	2.11	-	-	-
Provision for warranty	0.05	-	-	1.01	-	-
Provision for compensated absences	3.27	6.77	5.39	4.06	3.14	-
Provision for gratuity	6.85	6.18	4.94	5.20	2.43	-
Provision for diminution in value of fixed assets	2.61	2.99	6.56	-	-	-
Provision for diminution in value of Investment	-	-	-	-	8.60	-
Sundry credit balances written back	(8.52)	(1.17)	(5.44)	(2.45)	(7.76)	(0.06)
Profit on sale of current investments	-	-	-	(10.10)	-	-
Interest income	(31.94)	(29.51)	(26.67)	(52.79)	(11.26)	(4.17)
Dividend income	(4.71)	(4.68)	(4.19)	(3.39)	-	-
Interest and finance expense	154.64	185.46	141.14	87.25	38.94	49.81
Operating profit before working capital changes (as restated)	**1,249.08**	**1,343.65**	**1,134.31**	**534.23**	**234.13**	**86.79**
Movements in Working Capital						
(Increase)/decrease in trade receivables	(427.18)	(193.53)	(432.09)	(55.05)	(268.28)	(12.97)
(Increase)/decrease in trade receivables (Non - Current)	-	3.50	(0.22)	11.73	-	*
(Increase)/decrease in short-term loans and advances	(50.90)	(76.13)	(74.90)	18.79	35.51	(44.33)
(Increase)/decrease in long-term loans and advances	53.24	(46.56)	(104.73)	(184.00)	-	-
(Increase)/decrease in other current assets	(89.10)	(30.66)	(25.32)	(12.08)	(8.71)	(5.62)
Decrease / (increase) in other non-current assets	(0.01)	(0.29)	31.34	185.82	-	-
(Increase) / decrease in inventories	8.77	8.04	(3.12)	27.49	12.19	(7.99)
Increase/(decrease) in trade payables	54.95	171.20	168.27	(123.73)	(12.63)	6.24
Increase/(decrease) in other current liabilities	148.12	153.24	(171.37)	25.69	124.81	102.96
Increase / (decrease) in other non-current liabilities	(19.15)	37.95	405.87	332.40	45.62	(24.56)
Increase/(decrease) in long-term provisions	(0.75)	1.58	(0.10)	-	-	-
Increase/(decrease) in short-term provisions	(6.84)	(6.32)	(3.66)	(2.66)	(2.28)	1.17
Cash flow from operations	**920.23**	**1,365.67**	**924.28**	**758.63**	**160.36**	**101.69**
Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	(228.96)	(166.23)	(81.32)	(64.85)	(30.41)	(8.03)
Net cash generated from operating activities (A)	**691.27**	**1,199.44**	**842.96**	**693.78**	**129.95**	**93.66**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(311.34)	(1,342.68)	(1,126.56)	(1,326.43)	(385.38)	(370.88)
Purchase of shares in subsidiary (from minority)	(164.92)	(117.39)	(90.27)	(352.58)	-	-
Investment in associates	-	(27.51)	-	(4.77)	-	-

Share application money for investment in Associates	-	-	(15.50)	-	-	-
Refund of advances paid for purchase of investments	20.00	-	-	-	-	-
Advance paid for purchase of investments	-	(20.00)	-	-	-	-
Advance for investment in subsidiaries	-	-	-	-	(201.00)	-
Loan given to Associates	-	-	-	(8.29)	-	-
Loan received back from associate	-	8.76	-	-	-	-
Loans given to subsidiary/related party	(39.61)	-	-	-	-	-
Purchase of current investments	(345.71)	(488.85)	(103.71)	(562.92)	(195.46)	-
Proceeds from redemption of current investment	302.96	552.98	-	560.46	-	-
Proceeds from sale of fixed assets	21.19	12.93	15.99	95.72	14.75	7.22
Interest received	24.74	26.79	27.46	51.62	11.61	17.02
Dividend received	12.04	4.20	4.19	3.39	-	-
Investments in bank deposits (having original maturity of more than three months)	(74.57)	(39.38)	(23.59)	(370.90)	(0.19)	(1.99)
Redemption from bank deposits (having original maturity of more than 3 months)	-	1.56	216.70	73.44	32.58	-
Net cash used in investing activities (B)	**(555.23)**	**(1,428.59)**	**(1,095.29)**	**(1,841.26)**	**(723.09)**	**(348.63)**
C. CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from issuance of equity share capital including securities premium	-	-	-	0.05	250.00	-
Share application money pending allotment	-	-	-	-	-	250.00
Proceeds from issuance of preference share capital including securities premium	-	-	-	1,143.00	-	-
Proceeds from long-term borrowings	192.57	1,261.75	771.69	384.90	143.40	310.94
Repayment of long-term borrowings	(505.79)	(745.08)	(376.38)	(299.15)	(99.85)	(114.81)
Proceeds/(repayment) of short-term borrowings	281.15	(107.49)	158.95	(25.07)	-	(189.97)
Share issue expenses	-	-	-	-	(31.66)	-
Proceeds of share application money	-	-	-	-	440.00	-
Interest and finance cost	(153.75)	(178.63)	(135.55)	(87.13)	(37.95)	(46.82)
Net cash generated from / (used in) financing activities (C)	**(185.82)**	**230.55**	**418.70**	**1,116.61**	**663.94**	**209.34**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(49.78)**	**1.40**	**166.37**	**(30.87)**	**70.80**	**(45.63)**
Cash and cash equivalents at the beginning of the period/year	**337.03**	**303.13**	**146.47**	**170.89**	**100.40**	**145.51**
Cash and cash equivalents acquired from subsidiaries	**0.75**	**7.76**	**-**	**9.10**	-	-
Unrealised Gain/(Loss) on Foreign Currency Cash and Cash equivalents	27.54	24.75	(9.71)	(2.65)	(0.31)	0.52
Total Cash and cash equivalents at the end of the period/year	**315.54**	**337.03**	**303.13**	**146.47**	**170.89**	**100.40**

Components of Cash and Cash Equivalents	**Nine months period ended 31-Dec-14**	**For the year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Cash on hand	1.50	1.47	1.06	0.71	0.24	0.25
Balance with scheduled banks :						
Current account	313.75	319.43	270.73	119.77	135.93	21.19
Fixed deposit account with original maturity of less than 3 months	0.29	16.13	31.34	25.98	34.72	78.96
	315.54	**337.03**	**303.13**	**146.47**	**170.89**	**100.40**

UFO Moviez India Limited

Restated unconsolidated Summary Statement of Assets and Liabilities

Rs. in million

	Particulars	Annexures	As at 31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	**Equity and Liabilities**							
	Shareholder's Funds							
	Equity share capital		258.98	258.98	258.98	258.98	201.50	186.59
	Reserves and surplus	V	3,652.14	3,449.81	3,100.38	2,848.58	1,238.71	1,089.01
	Total of Shareholder's Funds		**3,911.12**	**3,708.79**	**3,359.36**	**3,107.56**	**1,440.21**	**1,275.60**
B	Share Application money		-	-	-	-	440.00	-
C	**Non-current liabilities**							
	Long-term borrowings	VI	512.07	715.47	655.22	471.33	330.17	350.50
	Other long-term liabilities	VII	551.54	459.90	472.37	241.96	102.03	195.95
	Total of Non-Current liabilities		**1,063.61**	**1,175.37**	**1,127.59**	**713.29**	**432.20**	**546.45**
D	**Current liabilities**							
	Short-term borrowings	VIII	242.44	8.59	168.07	-	-	-
	Non-current Trade payables	IX	208.06	164.20	117.97	102.93	142.96	62.87
	Other current liabilities	IX	995.79	903.23	975.62	791.90	486.10	332.22
	Short-term provisions	IX	24.82	23.37	19.94	14.41	10.08	6.80
	Total of Current liabilities		**1,471.11**	**1,099.39**	**1,281.60**	**909.24**	**639.14**	**401.89**
	Total A + B + C+ D		**6,445.84**	**5,983.55**	**5,768.55**	**4,730.09**	**2,951.55**	**2,223.94**
	Assets							
E	**Non-current assets**							
	Fixed assets							
	Tangible assets		2,424.62	2,659.17	2,366.30	1,618.71	1,142.58	1,095.84
	Intangible assets		2.14	2.59	3.49	10.55	15.63	20.22
	Capital work-in-progress		120.82	106.62	294.94	496.09	63.68	72.97
			2,547.58	**2,768.38**	**2,664.73**	**2,125.35**	**1,221.89**	**1,189.03**
	Non-current investments	X	2,106.39	1,713.47	1,758.47	1,550.81	694.48	17.21
	Deferred tax assets (net)		140.81	104.62	-	-	-	-
	Long-term loans and advances	XI	256.50	260.83	192.46	130.55	286.07	531.62
	Non- current Trade receivables	XII	-	22.15	75.80	-	-	-
	Other non-current assets	XI	0.68	0.01	56.58	0.47	8.44	0.42
	Total of Non-current assets		**5,051.96**	**4,869.46**	**4,748.04**	**3,807.18**	**2,210.88**	**1,738.28**
F	**Current assets**							
	Current investments	XIII	-	35.43	97.69	-	-	-
	Inventories		50.15	62.45	59.43	65.14	29.97	31.51
	Trade receivables	XIV	740.89	557.69	438.93	319.32	381.49	137.07
	Cash and bank balances		279.49	344.17	262.22	377.66	170.03	150.88
	Short-term loans and advances	XV	199.96	69.63	146.47	152.60	126.14	133.62
	Other current assets	XV	123.39	44.72	15.77	8.19	33.04	32.58
	Total of Current assets		**1,393.88**	**1,114.09**	**1,020.51**	**922.91**	**740.67**	**485.66**
	Total E + F		**6,445.84**	**5,983.55**	**5,768.55**	**4,730.09**	**2,951.55**	**2,223.94**

UFO Moviez India Limited

Restated unconsolidated Summary Statement of Profits and Losses

Rs. in million

Particulars	Annexures	Nine month period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Income from operations							
Revenue from operations	**XVI**	2,253.69	2,690.58	2,131.74	1,460.02	1,084.69	720.84
Other income	**XVII**	3.85	8.57	14.68	8.78	11.69	3.08
Total revenue		**2,257.54**	**2,699.15**	**2,146.42**	**1,468.80**	**1,096.38**	**723.92**
Expenses							
Operating direct cost	**XVIII**	706.21	801.67	515.55	406.30	356.92	293.27
Employee benefits expense	**XIX**	333.09	416.26	349.71	256.85	197.43	150.32
Other expenses	**XX**	383.13	493.27	451.85	361.76	318.76	259.90
Total expenses		**1,422.43**	**1,711.20**	**1,317.11**	**1,024.91**	**873.10**	**703.49**
Restated Earnings before interest, tax, depreciation and amortisation		**835.11**	**987.95**	**829.31**	**443.89**	**223.27**	**20.43**
Depreciation and amortisation expense		437.73	546.43	466.51	341.81	248.99	191.54
Finance costs		117.35	154.24	133.72	79.48	51.03	62.90
Finance income	**XVII**	(31.80)	(23.31)	(22.73)	(61.68)	(23.01)	(38.58)
Restated profit/(loss) before tax		**311.83**	**310.59**	**251.81**	**84.28**	**(53.74)**	**(195.43)**
Tax expense/(credit)							
Current tax		142.71	66.65	25.38	-	-	-
MAT credit entitlement		-	(0.88)	(25.38)	-	-	-
Net Current Tax		**142.71**	**65.77**	**-**	**-**	**-**	**-**
Deferred tax (credit)		(35.18)	(104.62)	-	-	-	-
Total tax expense/(credit)		**107.53**	**(38.85)**	**-**	**-**	**-**	**-**
Restated profit/(loss) for the period / year		**204.30**	**349.44**	**251.81**	**84.28**	**(53.74)**	**(195.43)**

UFO Moviez India Limited

Restated unconsolidated Summary Statement of Cash Flows

Rs. in million

Particulars	Nine month period ended 31-Dec-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 /(loss) before taxation (as restated)	**311.83**	**310.59**	**251.81**	**84.28**	**(53.74)**	**(195.43)**
Adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expenses	437.73	546.43	466.51	341.81	248.99	191.55
Foreign exchange loss (net)	0.05	0.01	1.12	7.00	0.82	61.38
Loss on sale and write off of fixed assets	4.02	9.84	4.22	1.32	9.17	5.32
Bad debts written-off	3.38	1.39	1.78	8.33	8.59	6.44
Provision for doubtful debts	11.21	3.64	16.64	1.99	2.21	6.63
Provision for compensated absences	1.21	5.58	5.13	3.70	3.14	-
Provision for gratuity	3.82	3.82	3.71	3.49	2.43	-
Provision for diminution in value of fixed assets	1.44	1.93	6.56	-	-	-
Provision for diminution in value of investment		5.00	-	-	8.60	-
Sundry credit balances written back	(2.10)	(1.02)	(5.44)	(2.45)	(7.76)	(0.01)
Profit on sale of current investments	-	-	-	(10.11)	-	-
Dividend income	(1.04)	(2.76)	(3.17)	(2.96)	-	-
Interest Income	(30.76)	(20.55)	(19.56)	(48.62)	(23.01)	(38.58)
Interest expense	116.18	143.25	128.96	60.64	39.20	48.10
Operating profit before working capital changes (as restated)	**856.97**	**1,007.15**	**858.27**	**448.42**	**238.64**	**85.40**
Movements in Working Capital						
Decrease / (increase) in trade payables	43.86	102.65	56.67	(40.13)	(16.60)	4.22
Increase / (decrease) in short-term provisions	(3.57)	(5.97)	(3.31)	(2.85)	(2.28)	1.17
Increase / (decrease) in other current liabilities	56.14	21.10	(279.15)	(3.27)	124.32	105.20
Increase / (decrease) in other long-term current liabilities	(8.36)	(12.46)	345.16	139.92	45.62	(24.56)
Decrease / (increase) in trade receivables	(175.68)	(70.14)	(211.00)	49.02	(255.21)	(12.67)
(Increase) / decrease in inventories	12.31	(3.02)	5.71	(35.17)	1.54	(13.79)
Decrease / (increase) in short-term loans and advances	(55.84)	75.97	(22.08)	10.30	23.14	(16.63)
Decrease / (increase) in other current assets	(74.27)	(27.81)	(8.85)	(6.89)	(8.46)	(6.24)
Decrease / (increase) in long-term loans and advances	0.01	(46.34)	31.34	185.78	-	-
Cash flow from operations	**651.57**	**1,041.13**	**772.76**	**745.13**	**150.71**	**122.10**
Direct tax paid (including fringe benefit tax) (net of refunds)	(164.18)	(75.78)	(57.45)	(35.29)	(30.41)	(519.39)
Net cash generated from/ (used in) operating activities (A)	**487.39**	**965.35**	**715.31**	**709.84**	**120.30**	**(397.29)**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of fixed assets including intangible, capital work-in progress and capital advances	(290.27)	(825.48)	(1,090.29)	(1,007.54)	(385.38)	(368.31)
Investment in subsidiary	-	(117.39)	-	(578.36)	(1.50)	(2.24)
Purchase of shares of subsidiary	(164.92)	-	(90.27)	(277.97)	-	-
Loans given to subsidiary	(74.50)	-		-	-	-
Redemption of preference share in subsidiary	-	40.00	-	-	-	-
Loan repaid by subsidiary	-	-	-	-	-	490.49
Purchase of current investment including dividend reinvestment	(222.04)	(352.73)	(198.26)	(550.00)	(195.46)	-
Proceeds from sale of current investment	257.48	415.00	100.57	560.11	-	-
Advance for purchase of investment	20.00		-	-	-	-
Refund of advance paid for purchase of Investment	-	(20.00)	-	-	-	-
Advance for investment in subsidiaries	-	-	-	-	(201.00)	-
Proceeds from sale of fixed assets	13.53	8.64	11.97	13.95	14.75	7.22
Interest received	26.37	19.40	20.83	47.47	11.34	16.94
Dividend received	1.04	2.76	3.17	2.96	-	-
(Placement)/Maturity of bank deposits having original maturity of more than 3 months (net)	(34.98)	(21.03)	196.15	(349.59)	35.38	0.31
Net cash generated from/ (used in) investing activities (B)	**(468.29)**	**(850.83)**	**(1,046.13)**	**(2,138.97)**	**(721.87)**	**144.41**

C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES						
Proceeds from long-term borrowings	192.57	919.76	769.44	326.67	143.40	310.94
Repayment of long-term borrowings	(426.15)	(728.39)	(346.48)	(107.29)	(99.85)	(114.81)
Proceeds/(repayment) of short-term borrowings (net)	233.85	(159.47)	168.07	-	-	(189.97)
Proceeds from issuance of equity shares	-	-	-	0.05	250.00	250.00
Share issue expenses	-	-	-	-	(31.66)	-
Share application money	-	-	-	-	440.00	-
Interest paid	(118.39)	(142.06)	(123.36)	(59.23)	(37.73)	(46.48)
Proceeds from issuance of preference share capital	-	-	-	1,143.00	-	-
Net cash generated from/(used in) financing activities (C)	**(118.12)**	**(110.16)**	**467.67**	**1,303.20**	**664.16**	**209.68**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(99.02)**	**4.36**	**136.85**	**(125.93)**	**62.59**	**(43.20)**
Cash and cash equivalents at the beginning of the period/year	**170.84**	**166.48**	**29.64**	**155.57**	**92.98**	**136.18**
Total Cash and cash equivalents at the end of the period/year	**71.82**	**170.84**	**166.48**	**29.64**	**155.57**	**92.98**

Components of Cash and Cash Equivalents	Nine month period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Cash on hand	0.23	0.29	0.16	0.15	0.27	0.23
Balance with scheduled banks :						
Current account	71.59	157.92	145.76	28.65	120.58	13.79
Fixed deposit account with original maturity of less than 3 months	-	12.63	20.56	0.84	34.72	78.96
	71.82	**170.84**	**166.48**	**29.64**	**155.57**	**92.98**

THE OFFER

Offer for Sale aggregating to ₹ 6,000 million[(1)]	9,600,000 Equity Shares
Of which	
QIB Category [(2)(3)]	4,800,000 Equity Shares
of which	
- Available for allocation to Mutual Funds only	240,000 Equity Shares
- Balance for all QIBs including Mutual Funds	4,560,000 Equity Shares
Non-Institutional Category[(3)]	Not less than 1,440,000 Equity Shares available for allocation on proportionate basis.
Retail Category[(3)]	Not less than 3,360,000 Equity Shares available for allocation in accordance with the ICDR Regulations.
Equity Shares outstanding prior to the Offer (on an undiluted basis)	25,897,669 Equity Shares
Equity Shares outstanding after the Offer (on an undiluted basis)	25,897,669 Equity Shares
Use of proceeds from the Offer	Since the Offer is made through an offer for sale by the Selling Shareholders, our Company will not receive any proceeds from the Offer. For further details, see "*Objects of the Offer*" on page 138 of this Prospectus.

(1) *The Selling Shareholders are offering 9,600,000 Equity Shares aggregating to ₹6,000 million.*

The board of directors of 3i Research (Mauritius) Limited and P5 Asia Holding Investments (Mauritius) Limited have authorised their respective components of the Offer pursuant to resolutions both dated November 19, 2014.

The board of directors of two of our corporate Promoters, Valuable Media Limited and Valuable Technologies Limited have authorised their respective components of the Offer pursuant to resolutions dated August 7, 2014 and December 8, 2014, respectively.

Our individual Promoters, Mr. Narendra Hete and Mr. Sanjay Gaikwad have consented to the inclusion of their respective components of the Offer pursuant to their letters both dated December 8, 2014.

Mr. Uday Gaikwad and Mr. Raaja Kanwar, members of our Promoter Group, have consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated December 13, 2014 (executed on his behalf by his power of attorney holder) and December 12, 2014, respectively.

Mr. Rakesh Gupta and Mr. Prafulla Vaidya have consented to the inclusion of their respective components of the Offer pursuant to the letters both dated December 13, 2014 executed on their behalf by their power of attorney holder.

Each of Amit K. Mehta, Amit S. Shelar, Ashish Sadanand Malushte, Daniyal Appa Parab, Deepak Ranjan, Dheerendra Singh Muchhal, K. Suvarna, Kapil Kumar Agarwal, Ketan Natwarlal Pithadia, Mitalee V. Patel, Mukesh Shanker Sherigar, Nitin Lionel Monteiro, Nitin Nohani, Prashant S. Keluskar, Pravin Ramdas Vaje, Rajendra Laxman Gaikwad, Rajesh B. Mishra, Ravi Sukhadeo Nakhale, Samir Shantaram Surve, Sanjay Pardeshi Chavan, Sudalaimani Konar, Sudhir Vittal Shetty, Swapnil C. Borkar, Vikram Machaiah and Vishnu Vithalbhai Patel, the Employee Selling

Shareholders, have consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated on or about November 3, 2014.

Our Board has, by way of resolution dated October 22, 2014 approved the Offer. Further, our Board has by way of resolution dated November 20, 2014 approved the Offer size of up to ₹7,500 million and taken on record the offer of 400,230 Equity Shares being offered for sale by the Employee Selling Shareholders, Mr. Uday Gaikwad, Mr. Rakesh Gupta and Mr. Prafulla Vaidya. Further, the Board has approved the Offer size aggregating to ₹ 6,000 million pursuant to its resolution dated April 16, 2015.

Further, the Finance Committee has approved this Prospectus pursuant to its resolution dated May 11, 2015.

Each of the Selling Shareholders confirms that their respective Equity Shares being offered in the Offer have been held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the ICDR Regulations.

(2) Our Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers, have allocated 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. *For further details, see "Offer Procedure" on page 581 of this Prospectus.*

(3) Subject to valid Bids received at or above the Offer Price, in the event of under-subscription in the Retail Category or the Non-Institutional Category in the Offer, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories at the sole discretion of the Company, in consultation with the Managers and the Designated Stock Exchange.

GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the name of 'Valuable Media Private Limited' under the Companies Act, 1956, and received a certificate of incorporation dated June 14, 2004 from the Registrar of Companies, Maharashtra at Mumbai. Thereafter, pursuant to a resolution of the shareholders passed at the extraordinary general meeting on August 17, 2006, the name of our Company was changed to 'UFO India Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra at Mumbai on August 31, 2006. Pursuant to a resolution of the shareholders passed at the extra-ordinary general meeting held on October 11, 2006, our Company was converted into a public company and its name was changed to "UFO India Limited" and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the Registrar of Companies, Maharashtra at Mumbai on November 10, 2006. Further, pursuant to a scheme of amalgamation approved by the Delhi High Court through its order dated May 19, 2008, our erstwhile holding company, UFO Moviez Limited, was amalgamated with and into UFO India Limited. Subsequently, pursuant to a resolution of the shareholders passed at the extraordinary general meeting held on June 5, 2008, the name of our Company was changed to UFO Moviez India Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on June 12, 2008.

For details of the scheme of amalgamation, see "*History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited*" on page 213 of this Prospectus.

Registered Office of our Company

Office No. 12, 3rd Floor
312 Surya Kiran Building
19 Kasturba Gandhi Marg
New Delhi 110 001
Telephone: +91 (11) 4370 4300/11
Facsimile: +91 (11) 4370 4322
Website: www.ufomoviez.com
Corporate Identity No:U22120DL2004PLC164728
Registration Number: 164728

Corporate Office of our Company

Valuable Techno Park
Plot No. 53/1, Road No. 7
MIDC, Marol
Andheri East
Mumbai - 400093
Telephone: +91 (22) 4030 5060
Facsimile: +91 (22) 4030 5110

For details relating to changes in our Registered Office, see "*History and Certain Corporate Matters - Changes in registered office of our Company*" on page 206 of this Prospectus.

Address of the Registrar of Companies

Our Company is registered at the office of:

The Registrar of Companies, NCT of Delhi & Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110 019

Board of Directors
The following table sets out the details regarding our Board as on the date of filing of this Prospectus:

Name, Designation and Occupation	Age	DIN	Address
Mr. Sanjay Shankar Gaikwad *Designation*: Managing Director (Executive Director)	49	01001173	2101/ 2102, Lake Superior Ekta Supreme Housing, Building No. 3, Phase-5 Off Adishankaracharya Marg Near Gopal Sharma School,

Name, Designation and Occupation	Age	DIN	Address
Occupation: Business			Powai Mumbai - 400076 India.
Mr. Kapil Kumar Agarwal *Designation*: Joint Managing Director (Executive Director) *Occupation*: Service	54	00024378	Flat no. 601, 6th Floor, Pacific Heights Sherly Rajan Road, Off Carter Road Bandra (West), Mumbai – 400 050 Maharashtra India.
Mr. Raaja Kanwar *Designation*: Nominee Director (Non-Executive Director) *Occupation*: Entrepreneur	45	00024402	1/30, Shanti Niketan, Near Moti Baugh, New Delhi – 110 021 Delhi India.
Mr. Biswajit Anna Subramanian *Designation*: Nominee Director (Non-Executive Director) *Occupation*: Service	49	00905348	2, Shivaji Marg, Westend Green Rangpuri New Delhi – 110 037 Delhi India.
Mr. Ameya Narendra Hete *Designation*: Nominee Director (Non-Executive Director) *Occupation*: Business	39	01645102	201, Aashray, N. S. Road No. 5, Near Cooper Hospital JVPD Scheme Vile Parle (West) Mumbai – 400 056 Maharashtra India.
Mr. Varun Laul *Designation*: Nominee Director (Non-Executive Director) *Occupation*: Service	36	03489931	1542, ATS Greens Sector 93A Noida – 201 304 Uttar Pradesh India.
Mr. Sanjeev Aga *Designation:* Chairman and Independent Director Occupation: Business advisor	63	00022065	901, Nav Sonarbala Annexe, Turner Road Bandra (West) Mumbai – 400 050 Maharashtra India.
Ms. Lynn Antionette De Souza *Designation:* Independent Director Occupation: Professional	54	01419138	501, Valentine, 15th road, Khar (West) Mumbai – 400 052 Maharashtra India.

Name, Designation and Occupation	Age	DIN	Address
Mr. S Madhavan *Designation:* Independent Director Occupation: Professional	58	06451889	1101, 11th Floor, International Trade Tower, Nehru Place, New Delhi – 110 019 Delhi India.

For further details and profile of our Directors, see "*Our Management*" on page 237 of this Prospectus.

Company Secretary and Compliance Officer

Mr. Sameer Chavan
Valuable Techno Park
Plot No. 53/1, Road No. 7
MIDC, Marol
Andheri East
Mumbai – 400 093
Telephone: +91 (22) 4030 5060
Facsimile: +91 (22) 4030 5124
E-mail: investors@ufomoviez.com

Chief Financial Officer

Mr. Ashish Malushte
Valuable Techno Park
Plot No. 53/1, Road No. 7
MIDC, Marol
Andheri East
Mumbai – 400 093
Telephone: +91 (22) 4030 5060
Facsimile: +91 (22) 4030 5124
Email: ashish.malushte@ufomoviez.com

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

All grievances relating to the non-ASBA process must be addressed to the Registrar to the Offer quoting the full details such as the name and address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, amount paid on application, name and address of the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre where the Bid cum Application Form was submitted and cheque or draft number and issuing bank thereof.

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 member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker at any Broker Centre, as the case may be, giving full details such as name and address of the sole or First Bidder, Bid cum Application Form number, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number, Bidders' DP ID, Client ID, PAN and name and address of the Designated Branch of the SCSB or the collection centre of the SCSB or the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre 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.

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.

Global Coordinators and 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 **Telephone**: + 91 (22) 4325 2183 **Facsimile** : +91 (22) 4325 3000 **Email**: ufoipo@axiscap.in **Website**: www.axiscapital.co.in **Investor Grievance ID**: complaints@axiscap.in **Contact Person**: Ms. Simran Gadh **SEBI Registration Number**: INM000012029	***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 **Telephone**: + 91 (22) 6175 9999 **Facsimile**: + 91 (22) 6175 9961 **Email**: ufo.ipo@citi.com **Website**: http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Investor Grievance ID**: investors.cgmib@citi.com **Contact Person**: Mr. Aashray Tandon **SEBI Registration No.**: INM000010718

Legal Counsel to our Company as to Indian law	Legal Counsel to the Managers as to Indian law
AZB & Partners 24th Floor, Express Towers Nariman Point Mumbai 400 021 India **Telephone**: +91 (22) 6639 6880 **Facsimile**: +91 (22) 6639 6888	***S&R Associates*** 64, Okhla Industrial Estate Phase – III New Delhi – 110 020 India **Telephone**: +91 (11) 4069 8000 **Facsimile**: +91 (11) 4069 8001

Legal Counsel to the Managers as to international law
Latham & Watkins LLP 9 Raffles Place #42-02 Republic Plaza Singapore 048619 **Telephone**: (+ 65) 6536 1161 **Facsimile**: (+ 65) 6536 1171

Registrar to the Offer
Karvy Computershare Private Limited Karvy Selenium Tower B Plot 31-32, Financial District Nanakramguda, Gachibowli Hyderabad – 500 032 **Telephone**: +91 (40) 6716 2222 **Facsimile**: + 91 (40) 2300 1153 **Toll Free No.**: 1800-345-4001 **Email**: ufo.ipo@karvy.com **Website**: https:\\karisma.karvy.com **Contact Person**: Mr. M. Murali Krishna **SEBI Registration Number**: INR000000221

Escrow Collection Banks		
Axis Bank Limited Jeevan Prakash Building	**HDFC Bank Limited** FIG – OPS Department, Lodha I	**ICICI Bank Limited** Capital Markets Division

Ground Floor, Sir P.M. Road, Fort Mumbai 400 001 **Telephone**: + 91 (22) 4086 7371 / 7464 **Facsimile**: + 91 (22) 4086 7327 **E-mail**: Linford.D'Abreo@axisbank.com **Website**: www.axisbank.com **Contact person**: Mr. Linford D'Abreo **SEBI registration number**: INBI00000017	Think Techno Campus O-3 Level Next to Kanjurmarg Railway Station Kanjurmarg (East) Mumbai 400 042 **Telephone**: + 91 (22) 3075 2928 **Facsimile**: +91 (22) 2579 9801 **E-mail**: uday.dixit@hdfcbank.com **Webiste**: www.hdfcbank.com **Contact person**: Mr. Uday Dixit **SEBI registration number**: INBI00000063	1st Floor, 122, Mistry Bhavan, Dinshaw Vaccha Road Backbay Reclamation Churchgate Mumbai 400 020 **Telephone**: +91 (22) 2285 9932 **Facsimile**: +91 (22) 2261 1138 **E-mail**: rishav.bagrecha@icicibank.com **Website**: www.icicibank.com **Contact person**: Mr. Rishav Bagrecha **SEBI registration number**: INBI00000004

Refund Bank
Axis Bank Limited Jeevan Prakash Building Ground Floor, Sir P.M. Road, Fort Mumbai 400 001 **Telephone**: + 91 (22) 4086 7371 / 7464 **Facsimile**: + 91 (22) 4086 7327 **E-mail**: Linford.D'Abreo@axisbank.com **Website**: www.axisbank.com **Contact person**: Mr. Linford D'Abreo **SEBI registration number**: INBI00000017

Public Offer Account Bank
Axis Bank Limited Jeevan Prakash Building Ground Floor, Sir P.M. Road, Fort Mumbai 400 001 **Telephone**: + 91 (22) 4086 7371 / 7464 **Facsimile**: + 91 (22) 4086 7327 **E-mail**: Linford.D'Abreo@axisbank.com **Website**: www.axisbank.com **Contact person**: Mr. Linford D'Abreo **SEBI registration number**: INBI00000017

Statutory Auditor to our Company
S.R. Batliboi & Associates LLP Chartered Accountants 12th Floor, The Ruby 29, Senapati Bapat Marg, Dadar (West), Mumbai 400 028 **Telephone**: + 91 (22) 6192 0000 **Facsimile**: +91 (22) 6192 1000 **Email**: SRBA@in.ey.com **Registration Number**: 101049W

Bankers to our Company	
Axis Bank	**HDFC Bank Limited**

Corporate Client Coverage Group Central Office, Axis House 7th Floor, D Wing, Wadia International Centre, Worli Mumbai 400 025 **Telephone**: +91 (22) 2425 4747 **Facsimile**: +91 (22) 2425 4700 **Email**: vinay.agarwal@axisbank.com **Website**: www.axisbank.com	4th Floor, Peninsula Business Park, Tower "B" Senapati Bapat Marg, Lower Parel (W) Mumbai 400 013 **Telephone**: +91 (22) 3395 8056 **Facsimile**: +91 (22) 2496 0773 **Email**: priyanka.lakhupota@hdfcbank.com **Website**: www.hdfcbank.com

Self Certified Syndicate Banks

The list of banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the ICDR Regulations, is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time, or at such other website as may be prescribed by SEBI 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 SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries and updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer to Registered Brokers at the Broker Centres. The list of Registered Brokers is available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. For further details, see "*Offer Procedure*" on page 581 of this Prospectus.

Statement of Responsibilities of the Managers

The responsibilities and co-ordination by the Managers for various activities in the Offer are as follows:

Activity	Responsibility	Co-ordination
Capital structuring with the relative components and formalities such as type of instruments, etc.	Axis and Citi	Axis
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 Joint Global Coordinators and Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of the Prospectus and filing with the RoC.	Axis and Citi	Axis
Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.	Axis and Citi	Citi
Appointment of Registrar to the Offer and Bankers to the Offer	Axis and Citi	Citi
Appointment of Printers and Advertising Agency	Axis and Citi	Axis

Activity	Responsibility	Co-ordination
International Institutional Marketing of the Offer which will cover, inter alia: – Formulating international institutional marketing strategy; – Finalising road show marketing presentation and FAQ; and – Finalising the list and division of investors for one-on-one meetings, institutional allocation	Axis and Citi	Citi
Domestic institutional marketing of the Offer which will cover, inter alia, • Finalizing the list and division of investors for one to one meetings; and • Finalizing road show schedule and investor meeting schedules	Axis and Citi	Axis
Retail / Non-Institutional marketing strategy which will cover, inter alia: – Formulating marketing strategies, preparation of publicity budget; – Finalising media, marketing and public relations strategy; – Finalising centers for holding conferences for brokers, etc.; – Finalising collection centers Follow-up on distribution of publicity and Offer material including form, Prospectus and deciding on the quantum of the Offer material	Axis and Citi	Axis
Coordination with stock exchanges for Book Building software	Axis and Citi	Citi
Finalizing of Pricing and Allocation in consultation with the Company and the Selling Shareholders	Axis and Citi	Citi
Post bidding activities including management of Escrow Accounts, coordinate non-institutional and institutional allocation, coordination with Registrar and Banks, intimation of allocation and dispatch of refund to Bidders, etc. The post Offer activities of the Offer will involve essential follow up steps, which include finalization of basis of allotment, 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 Joint Global Coordinators and Book Running Lead Managers and the Book Running Lead Managers 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 and Citi	Citi
Payment of the applicable Securities Transaction Tax on sale of unlisted equity shares by the Selling Shareholders included in the Offer to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.	Axis and Citi	Citi

Monitoring Agency

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

Experts

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

Our Company has received written consent from its 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 Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditor on the Restated Unconsolidated Summary Statements and on the Restated Consolidated Summary Statements, each dated March 4, 2015 and the statement of tax benefits dated April 13, 2015 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Project Appraisal

As the Offer is an offer for sale of the Equity Shares, the objects of the Offer have not been appraised.

Credit Rating

As this is an offer of equity shares, credit rating is not required.

Trustees

As this is an offer of equity shares, the appointment of trustees is not required.

Book Building Process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Offer Price was determined by our Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers, after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

(1) our Company;
(2) the Selling Shareholders;
(3) the Managers;
(4) Registrar to the Offer;
(5) Escrow Collection Banks, Refund Bank and Public Offer Account Bank;
(6) SCSBs; and
(7) Registered Brokers.

In terms of Rule 19(2)(b)(i) of the SCRR, this is an Offer for at least 25% of the post-Offer capital. The Offer is made through the Book Building Process, wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Our Company, 3i Research, P5 and the Promoter Selling Shareholders have, in consultation with the Managers, allocated 60% of the QIB Category to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which at least one-third was reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further details, see "*Offer Procedure*" on page 581 of this Prospectus. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹ 100 million. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Category.

Such number of Equity Shares representing 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Category shall be available for allocation on a proportionate basis to QIBs, 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 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 ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription in the Retail Category or the Non-Institutional Category, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Managers and the Designated Stock Exchange.

In accordance with the ICDR Regulations, QIBs Bidding in the Net 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 and Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until finalisation of the Basis of Allotment. Further, allocation to QIBs in the Net QIB Category will be on a proportionate basis and allocation to the Anchor Investors will be on a discretionary basis. For further details, see "*Offer Structure*" and "*Offer Procedure*" on pages 576 and 581 of this Prospectus respectively.

Our Company and the Selling Shareholders will comply with the ICDR Regulations and any other ancillary directions issued by the SEBI for the Offer. Our Company and the Selling Shareholders have appointed the Managers to manage the Offer and procure subscriptions to the Offer.

The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, see "*Offer Procedure*" on page 581 of this Prospectus.

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;

- Except for bids on behalf of the Central or State Governments and the officials appointed by the courts and by investors residing in the State of Sikkim, for Bids of all values ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum Application Form (see "*Offer Procedure*" on page 581 of this Prospectus). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;

- Ensure the correctness of your demographic details such as the address, the bank account details for printing on refund orders and occupation ("**Demographic Details**"), given in the Bid cum Application Form, with the details recorded with your Depository Participant;

- Ensure the correctness of your PAN, DP ID and Client ID given in the Bid cum Application Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder's name, bank account number etc.

- Bids by ASBA Bidders will have to be submitted to the Designated Branches or the Syndicate in 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 their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that 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;

- Bids by non-ASBA Bidder, will have to be submitted to the Syndicate (or their authorised agents) at the Syndicate Locations or the Registered Brokers at the Broker Centres; and

- Bids by QIBs, including Anchor Investors but excluding ASBA Bidders, will have to be submitted to the Managers.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration 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, assuming a price band of ₹ 20 to ₹ 24 per share, an offer 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 as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (₹)	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 offer the desired number of shares is the price at which the book cuts off, i.e. ₹ 22 in the above example. The issuer and the selling shareholders, in consultation with book running lead managers, will finalise the offer price at or below such cut-off, i.e. at or below ₹ 22. All bids at or above the offer price and cut-off price are valid bids and are considered for allocation in the respective categories.

Allotment to Retail Individual Investors and Minimum Bid Lots

In the event, the Bids received from Retail Individual Investors exceeds 3,360,000 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 titled "*Offer Procedure*" on page 581 of this Prospectus.

Underwriting Agreement

After the determination of the Offer Price and allocation of the Equity Shares, but prior to filing of this Prospectus with the RoC, our Company and the Selling Shareholders have entered into the Underwriting Agreement with the Underwriters for the Equity Shares offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated May 10, 2015. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Details of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (In ₹ million)
Axis Capital Limited	4,800,000	3,000
Citigroup Global Markets India Private Limited	4,800,000	3,000
Total	9,600,000	6,000

The above mentioned amount is indicative and will be finalised after finalisation of the 'Basis of Allotment'.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the tock Exchanges. The Finance Committee has passed a resolution by circulation dated May 10, 2015, wherein it has accepted and approved entering into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

The underwriting arrangements mentioned above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate, or to Bids submitted to the Registered Brokers.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Prospectus, before and after the Offer, is set forth below:

(In ₹)

		Aggregate nominal value	Aggregate value at Offer Price
A)	**AUTHORISED SHARE CAPITAL**[a]		
	45,000,000 Equity Shares	450,000,000	
	1,385,000 Preference Shares	1,385,000,000	
	Total	**1,835,000,000**	
B)	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE OFFER**		
	25,897,669 Equity Shares	258,976,690	
C)	**PRESENT OFFER IN TERMS OF THE RED HERRING PROSPECTUS**		
	Offer for Sale aggregating to ₹ 6,000 million[b]		
	9,600,000 Equity Shares	96,000,000	6,000,000,000
	Of which		
	QIB Category of 4,800,000 Equity Shares[c]	48,000,000	3,000,000,000
	Of which		
	- Available for allocation to Mutual Funds only	2,400,000	150,000,000
	- Balance for all QIBs including Mutual Funds	45,600,000	2,850,000,000
	Non Institutional Category of not less than 1,440,000 Equity Shares	14,400,000	900,000,000
	Retail Category of not less than 3,360,000 Equity Shares	33,600,000	2,100,000,000
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	25,897,669 Equity Shares	258,976,690	
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	3,440,350,871	
	After the Offer	3,440,350,871	

(a) Provided below are details of changes in our authorised share capital since incorporation:

S No.	Date of AGM/ EGM resolution	Change in authorised share capital
1.	February 14, 2005**	The authorised share capital of ₹ 100,000 divided into 10,000 Equity Shares was increased to ₹ 2,500,000 divided into 250,000 Equity Shares.
2.	June 28, 2005**	The authorised share capital of ₹ 2,500,000 divided into 250,000 Equity Shares was increased to ₹ 25,000,000 divided into 2,500,000 Equity Shares.
3.	June 5, 2008*	Pursuant to the scheme of amalgamation sanctioned by the High Court of Delhi through an order dated May 19, 2008, the authorised share capital of ₹ 25,000,000 divided into 2,500,000 Equity Shares was increased to ₹ 735,000,000 divided into 3,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹ 100 each and 5,500,000 cumulative convertible preference shares of ₹ 100 each.
4.	June 5, 2008	The authorised share capital of ₹ 735,000,000 divided into 3,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹ 100 each and 5,500,000 cumulative convertible preference shares of ₹ 100 each was reclassified to ₹ 735,000,000 divided into 43,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹ 100 each and 1,500,000 cumulative convertible preference shares of ₹ 100 each.
5.	March 21, 2011	The authorised share capital of ₹ 735,000,000 divided into 43,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹ 100 each and 1,500,000 cumulative convertible preference shares of ₹ 100 each was increased and reclassified to ₹ 1,835,000,000 divided into 23,500,000 Equity Shares and 1,600,000 0.0001% compulsorily convertible preference shares of ₹ 1,000 each.
6.	March 27, 2012	The authorised share capital of ₹ 1,835,000,000 divided into 23,500,000 Equity

S No.	Date of AGM/ EGM resolution	Change in authorised share capital
		Shares and 1,600,000 0.0001% compulsorily convertible preference shares of ₹ 1,000 each was reclassified into ₹ 1,835,000,000 divided into 45,000,000 Equity Shares and 1,385,000 preference shares of ₹ 1,000 each.

* *For details of the scheme of amalgamation, see "History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited" on page 213 of this Prospectus.*

** *The form filings made by our Company with the Registrar of Companies, Maharashtra at Mumbai in relation to these increases in the authorised capital of our Company are not available with our Company. For risks associated with the non-availability of regulatory filings, see "Risk Factors – Certain of our corporate records relating to forms filed with the Registrar of Companies in India are not traceable" on page 45 of this Prospectus.*

(b) The board of directors of 3i Research (Mauritius) Limited and P5 Asia Holding Investments (Mauritius) Limited have authorised their respective components of the Offer pursuant to resolutions both dated November 19, 2014.

The board of directors of two of our corporate Promoters, Valuable Media Limited and Valuable Technologies Limited have authorised their respective components of the Offer pursuant to resolutions dated August 7, 2014 and December 8, 2014, respectively.

Our individual Promoters, Mr. Narendra Hete and Mr. Sanjay Gaikwad have consented to the inclusion of their respective components of the Offer pursuant to their letters both dated December 8, 2014.

Mr. Uday Gaikwad and Mr. Raaja Kanwar, members of our Promoter Group, have consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated December 13, 2014 (executed on his behalf by his power of attorney holder) and December 12, 2014, respectively.

Mr. Rakesh Gupta and Mr. Prafulla Vaidya have consented to the inclusion of their respectively components of the Offer pursuant to the letters both dated December 13, 2014 executed on their behalf by their power of attorney holder.

Each of the Employee Selling Shareholders has consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated on or about November 3, 2014.

Each Selling Shareholder confirms that the Equity Shares being offered in the Offer by it have been held by such Selling Shareholder for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the ICDR Regulations.

Our Board has, by way of resolution dated October 22, 2014 approved the Offer. Further, our Board has by way of resolution dated November 20, 2014 approved the Offer size of up to ₹ 7,500 million and taken on record the offer of 400,230 Equity Shares being offered for sale by the Employee Selling Shareholders, Mr. Uday Gaikwad, Mr. Rakesh Gupta and Mr. Prafulla Vaidya pursuant to the Offer. Further, the Board has approved the Offer size aggregating to ₹ 6,000 million pursuant to its resolution dated April 16, 2015.

Further, the Finance Committee has approved this Prospectus pursuant to its resolution dated May 11, 2015.

(c) Our Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers, have allocated 60% of the QIB Category, consisting of 2,880,000 Equity Shares, to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations. One third of the Anchor Investor Portion was 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 Net QIB Category. For more information, see "*Offer Procedure*" on page 581 of this Prospectus.

Notes to the Capital Structure

1. **Share Capital History**

(a) History of share capital of our Company

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reasons for allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
September 1, 2004	10,000	10	10	Cash	Subscription to the Memorandum of Association(1)	10,000	100,000
July 9, 2005	1,225,570	10	10	Cash	Preferential allotment(2)	1,235,570	12,355,700
July 15, 2005	150,000	10	10	Cash	Preferential allotment(3)	1,385,570	13,855,700
July 18, 2005	804,120	10	90	Cash	Preferential allotment(4)	2,189,690	21,896,900
September 28, 2005	60,310	10	90	Cash	Preferential allotment(5)	2,250,000	22,500,000
February 13, 2006	225,000	10	200	Cash	Rights issue in the ratio of 10:1(6)	2,475,000	24,750,000
July 17, 2008	4,806,037	10	-	Other than Cash	Pursuant to scheme of amalgamation(7)	4,970,677	49,706,770
March 27, 2009	497,068	10	603.54	Cash	Preferential allotment(8)	5,467,745	54,677,450
November 18, 2009	439,418	10	503	Cash	Rights issue(9)	5,907,163	59,071,630
January 8, 2010	57,600	10	503	Cash	Rights issue(10)	5,964,763	59,647,630
March 10, 2010	255,009	10	549	Cash	Pursuant to conversion of preference shares(11)	6,219,772	62,197,720
March 16, 2010	12,439,544	10	Nil	Other than cash	Bonus issue in the ratio of 2:1(12)	18,659,316	186,593,160
August 4, 2010	106,899	10	503	Cash	Conversion of warrants(13)	18,766,215	187,662,150
August 4, 2010	213,798	10	Nil	Other than cash	Adjustment on conversion of warrants pursuant to bonus issue in the ratio of 2:1(14)	18,980,013	189,800,130
September 9, 2010	547,431	10	167.67	Cash	Preferential allotment(15)	19,527,444	195,274,440
October 21, 2010	207,642	10	503	Cash	Conversion of warrants(16)	19,735,086	197,350,860
October 21, 2010	415,284	10	Nil	Other than cash	Adjustment on conversion of warrants pursuant to bonus issue in the ratio of 2:1(17)	20,150,370	201,503,700

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reasons for allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
August 17, 2011	549	10	100.18	Cash	Exercise of options under ESOP 2006[18]	20,150,919	201,509,190
March 29, 2012	5,746,750	10	275.46	Cash	Conversion of preference shares[19]	25,897,669	258,976,690

[(1)] *Mr. Sanjay Shankar Gaikwad (3,500), Mr. Masood B. Zaidi (3,500) and Mr. Narendra Hete (3,000).*

[(2)] *Mr. Sanjay Shankar Gaikwad (52,890), Mr. Narendra Hete (53,380), Mr. Kapil Kumar Agarwal (78,750), Mr. Kapil Kumar Agarwal (on behalf of M.B. Zaidi Memorial Charitable Trust – 33,750), Zefaan Media Private Limited (582,700), Omniscient Consultancy Services Private Limited (13,330), Clemet Ventures Private Limited (169,520), Glance Finance Limited (12,810), Coxswain Technologies Limited (26,250), Mr. K.L. Ganju (101,560), Mr. N Jayamurugan (25,940), Mr. G. Moorthy (25,940), Mr. Ramu Annamalai Ramasamy (13,125), Mr. R.M. Palaniyapan (13,125), Mr. Rajesh Mishra (8,100), Mr. Vishnu Patel (3,600), Mr. Sanjay Chavan (3,600), Mr. K. Suvarna (3,150), Mr. Prafulla Vaidya (3,150) and Mr. Chintan Dave (900).*

[(3)] *Mr. Raaja Kanwar.*

[(4)] *Zefaan Media Private Limited (450,350), Clemet Ventures Private Limited (47,830), Glance Finance Limited (9,690), Mr. K.L. Ganju (10,940), Mr. N Jayamurugan (41,560), Mr. Ramu Annamalai Ramasamy (9,375), Mr. R.M. Palaniyapan (9,375) and Mr. S. Martin (225,000).*

[(5)] *Coxswain Technologies Limited (18,750) and Mr. G. Moorthy (41,560).*

[(6)] *Zefaan Media Private Limited.*

[(7)] *Pursuant to a scheme of amalgamation sanctioned by the High Court of Delhi through its order dated May 19, 2008, UFO Moviez Limited was merged with and into the Company. In furtherance of the scheme of amalgamation, an aggregate of 4,806,037 Equity Shares were allotted to the existing equity shareholders of UFO Moviez Limited in the ratio of 915 Equity Shares for every 100 equity shares of UFO Moviez Limited and 2,310,360 Equity Shares of the Company held by UFO Moviez Limited were cancelled. The allottees were Mr. Sanjay Shankar Gaikwad (227,066), Mr. Narendra Hete (115,601), Mr. Raaja Kanwar (172,294), Mr. Kapil Kumar Agarwal (119,773), Mr. Rajesh Mishra (9,964), Mr. Vishnu Patel (7,576), Mr. Sanjay Chavan (7,576), Mr. K. Suvarna (4,227), Mr. Prafulla Vaidya (2,626), Mr. Chintan Dave (750), Apollo International Limited (932,385), Mr. Usman Fayaz (152,530), Mr. Rakesh Gupta (on behalf of the Zefaan Media ESOP Trust – 777), DG2L Technologies Pte. Limited (313,341), 3i Digital Media (Mauritius) Ltd. (2,007,253), Valuable Technologies Limited (709,619), Mr. Anup Sethi (915), Mr. Rakesh Gupta (915), Mr. P.S.S. Prasad (915), Mr. Pramendra Tomar (549), Mr. Sanjeev Agarwal (366), Mr. Dinesh Agarwal (366), Mr. Sidharth Dasgupta (549), Mr. Amit Agarwal (366), Mr. Rajat Garg (183), Mr. Kawal Sharma (183), Ms. Anu Kohli (183), Mr. Anil Mhatre (274), Mr. Amit Mehta (274), Mr. Swapnil Borkar (137), Mr. Nitin Lionel Monteiro (137), Mr. P. Vinayaga Moorthy (366), Mr. Sudalaimani Konar (137), Mr. Abhijit Patil (137), Mr. Bhagyesh Patel (183), Mr. Rahul Pawar (91), Mr. Sameer S. Naik (91), Mr. Alkesh Banavali (228), Mr. Kapil Arora (91), Mr. Nitin Sharma (91), Mr. Krishna Pal (411), Mr. Jayaprakash P. (91), Mrs. Aneetha Satish (274), Mr. Aftaab Jabalpurwala (274), Mr. Sugatha Ghosh (411), Mr. Shiva Kumar (183), Mr. Vikram Machaiah (411), Mrs. Seema Ramgadiya (549), Mr. Mukesh Sherigar (549), Mr. Prashant Keluskar (183), Mr. Dheerendra Muchhal (183), Mr. Sayed A. Raza (183), Mr. S.Kumar (91), Mr. Prashant Vaje (91), Mr. Shravan Kanekar (91), Mr. Rajendra Gaikwad (183), Mr. Shailendra Singh (183), Mr. Ajay Kumar Gaddu (183), Mr. Bipin Varghese (183), Mr. Rajesh Jain (183), Mr. Ganesh Iyer (274), Mr. Samir Shantaram Surve (183), Mr. Ketan Pithadia (183), Mr. A.C. Lokesh (183), Mr. Sudhir Shetty (457), Mr. Ravi Nakhale (366), Mr. Pravin Vaje (366), Mr. Nitin Nohani (915), Mr. Aditya Shastri (594), Mr. Deepak Ranjan (457), Mrs. Mitalee Patel (1,830), Mr. Ashish Malushte (2,516), Mr. Charuhas Satam (549), Mr. Uday Gaikwad (457), Mr. P.N. Wahal (366) and Mr. Harish Bahadur (366). For details of Equity Shares issued pursuant to the scheme of amalgamation, see "– Notes to the Capital Structure – Details of Equity Shares and preference shares allotted pursuant to the scheme of amalgamation" below. For further details of the scheme of amalgamation, see "History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited" on page 213 of this Prospectus.*

[(8)] *Valuable Media Private Limited.*

(9) 3i Digital Media (Mauritius) Limited (182,477), Apollo International Limited (84,762), Mr. Raaja Kanwar (15,663), Mr. P.S.S. Prasad (83), Mr. Nitin Nohani (83), Mr. Shiva Kumar (16), Mr. Nitin Sharma (8), Mr. Uday Gaikwad (41), Mr. Pravin Vaje (33), Mr. Aditya Shastri (54), Mr. Harish Bahadur (33), Mr. Rakesh Gupta (83), Mr. Pramendra Tomar (49), Mr. Dinesh Agarwal (33), Mr. P.N. Wahal (33), Mr. Sudhir Shetty (41), Valuable Media Limited (155,926 consisting of 45,188 Equity Shares as its rights entitlement and 110,738 Equity Shares in pursuance of its underwriting obligations, in terms of the underwriting agreement entered into between our Company and Valuable Media Limited dated September 4, 2009).

(10) Valuable Media Limited, in pursuance of its underwriting obligations, in terms of the underwriting agreement entered into between our Company and Valuable Media Limited dated September 4, 2009.

(11) Apollo International Limited.

(12) Pursuant to the approval of the shareholders granted at its extraordinary general meeting held on March 9, 2010, 12,439,544 Equity Shares were allotted as fully paid-up to the existing shareholders of the Company in the ratio of two Equity Shares for every one Equity Share held on March 12, 2010. The bonus Equity Shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company~~.~~ to Apollo International Limited (2,544,312), Mr. Raaja Kanwar (375,914), Mr. Kapil Kumar Agarwal (179,746), Mr. Sanjay Shankar Gaikwad (342,668), Mr. Narendra Hete (231,202), Mr. Usman Fayaz (305,060), DG2L Technologies Pte. Ltd. (626,682), 3i Digital Media (Mauritius) Limited (4,379,460), Valuable Technologies Private Limited (1,419,238), Valuable Media Limited (1,421,188), Late Mr. Masood B. Zaidi (7,000), Omniscient Consultancy Private Limited (26,660), Mr. Kanhaiyalal Ganju (112,500), Coxswain Technologies Limited (45,000), Mr. Ramu Annamalai Ramasamy (22,500), Mr. R.M. Palaniyappan (22,500), Glance Finance Limited (25,620), Mr. Kapil Kumar Agarwal (on behalf of M.B. Zaidi Memorial Charitable Trust – 67,500), Mr. Rakesh Gupta (on behalf of UFO Moviez India Limited Employees Stock Option Trust – 822), Mr. Rajesh Mishra (19,928), Mr. Vishnu Patel (15,152), Mr. Sanjay Chavan (15,152), Mr. Kamalaksha Suvarna (8,454), Mr. Prafulla Vaidya (5,252), Mr. Chintan Dave (1,500), Mr. Anup Kumar Sethi (1,830), Mr. Rakesh Gupta (1,996), Mr. P.S.S. Prasad (1,996), Mr. Pramendra Tomar (1,196), Mr. Sanjeev Agarwal (732), Mr. Dinesh Agarwal (798), Mr. Sidharth Dasgupta (1,098), Mr. Amit Agarwal (732), Mr. Rajat Garg (366), Mr. Kawal Sharma (366), Ms. Anu Kohli (366), Mr. Anil Ashok Mhatre (548), Mr. Amit K. Mehta (548), Mr. Swapnil Chandrashekhar Borkar (274), Mr. Nitin Lionel Monteiro (274), Mr. P. Vinayaga Moorthy (732), Mr. Sudalaimani Konar (274), Mr. Abhijit Patil (274), Mr. Bhagyesh Patel (366), Mr. Rahul Pawar (182), Mr. Sameer Naik (182), Mr. Alkesh Banavali (456), Mr. Kapil Arora (182), Mr. Nitin Sharma (198), Mr. Krishna Pal (822), Mr. Jayaprakash P. (182), Ms. Aneetha Satish (548), Mr. Aftaab Jabalpurwala (548), Mr. Sugata Ghosh (822), Mr. Shiva Kumar (398), Mr. Vikram Machaiah (822), Ms. Seema Ramgadiya (1,098), Mr. Mukesh Sherigar (1,098), Mr. Prashant Keluskar (366), Mr. Dheerendra Mucchal (366), Mr. Sayed A. Raza (366), Mr. S. Kumar (182), Mr. Prashant Vaje (182), Mr. Shravan Kanekar (182), Mr. Rajendra Gaikwad (366), Mr. Shailendra Singh (366), Mr. Ajay Kumar Gaddu (366), Mr. Bipin Varghese (366), Mr. Rajesh Jain (366), Mr. Ganesh Iyer (548), Mr. Samir Shantaram Surve (366), Mr. Ketan Pithadia (366), Mr. A.C. Lokesh (366), Mr. Amit Shelar (366), Mr. Deepak Parab (366), Mr. Sudhir Shetty (996), Mr. Ravi Nahkale (732), Mr. Pravin Vaje (798), Mr. Nitin Nohani (1,996), Mr. Aditya Shastri (1,296), Mr. Deepak Ranjan (914), Mrs. Mitalee Patel (3,660), Mr. Ashish Sadanand Malushte (5,032), Mr. Charuhas Satam (1,098), Mr. Uday Gaikwad (996), Mr. P.N. Wahal (798), Mr. Harish Bahadur (798), Kristen Buildcon Private Limited (30,600), Aeren R Enterprisese Private Limited (29,200) and Advent Fiscal Private Limited (111,464).

(13) Mr. P.S.S. Prasad (41), Mr. Shiva Kumar (8), Mr. Nitin Sharma (4), Mr. Uday Gaikwad (20), Mr. Aditya Shastri (27), Mr. Dinesh Agarwal (16), Mr. Sudhir Shetty (20) and Valuable Technologies Limited (106,763).

(14) In furtherance of the issue of bonus Equity Shares pursuant to the approval of the shareholders in the extraordinary general meeting held on March 9, 2010, 213,798 Equity Shares were allotted as fully paid-up to the existing warrant holders of the Company at the time of conversion of the warrants towards adjustment. The bonus Equity Shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company. Mr. P.S.S. Prasad (82), Mr. Shiva Kumar (16), Mr. Nitin Sharma (8), Mr. Uday Gaikwad (40), Mr. Aditya Shastri (54), Mr. Dinesh Agarwal (32), Mr. Sudhir Shetty (40), Valuable Technologies Limited (213,526).

(15) 3i Digital Media (Mauritius) Limited.

(16) Mr. P.S.S. Prasad (42), Mr. Shiva Kumar (8), Mr. Uday Gaikwad (21), Mr. Dinesh Agarwal (17), Mr. Sudhir Shetty (21) and Valuable Technologies Limited (207,533).

(17) In furtherance of the issue of bonus Equity Shares pursuant to the approval of the shareholders in the extraordinary general meeting held on March 9, 2010, 415,284 Equity Shares were allotted as fully paid-up to the existing warrant holders of the Company at the time of conversion of the warrants towards adjustment. The bonus Equity Shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company~~.~~ to Mr. P.S.S. Prasad

(84), Mr. Shiva Kumar (16), Mr. Uday Gaikwad (42), Mr. Dinesh Agarwal (34), Mr. Sudhir Shetty (42) and Valuable Technologies Limited (415,066).

(18) Mr. Pradeep Vishwakarma.

(19) P5 Asia Holding Investments (Mauritius) Limited.

The following table sets forth the history of the preference capital of our Company:

Date of allotment	Number of preference shares	Face value (₹)	Issue price per preference share (₹)	Nature of consideration	Reasons for allotment	Cumulative number of preference shares	Cumulative paid-up preference share capital (₹)
July 17, 2008	1,400,000	100	Nil	Other than cash	Pursuant to scheme of amalgamation(1)	1,400,000	140,000,000
April 8, 2011	1,583,000	1,000	1,000	Cash	Preferential allotment (2)	1,583,000	1,583,000,000

(1) Pursuant to a scheme of amalgamation sanctioned by the High Court of Delhi through its order dated May 19, 2008, UFO Moviez Limited was merged with and into the Company. In furtherance of the scheme of amalgamation, 1,400,000 11% cumulative redeemable preference shares of ₹ 100 each of the Company were allotted to Apollo International FZC Sharjah, a preference shareholder of UFO Moviez Limited, in the ratio of 1:1. Subsequently, the preference shares were transferred to Apollo International Limited on October 29, 2008 and were thereafter reclassified as compulsorily convertible preference shares. The preference shares were converted into 255,009 Equity Shares at the conversion price of ₹549 per Preference Share on March 10, 2010. For further details of the scheme of amalgamation, see "- Details of Equity Shares and preference shares issued pursuant to the scheme of amalgamation" and "History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited" on pages 101 and 213 of this Prospectus.

(2) In terms of the share subscription agreement dated March 21, 2011 and the amendment agreement dated April 8, 2011 entered into between the Company and P5 Asia Holding Investments (Mauritius) Limited, 1,583,000 number of 0.0001% compulsorily convertible preference shares of face value of ₹1,000 each of our Company were allotted to P5 Asia Holding Investments (Mauritius) Limited. For further details of the share subscription agreement dated March 21, 2011, see "History and Certain Corporate Matters – Material Agreements – Agreements in relation to our Company" on page 214 of this Prospectus. The preference shares have been converted into 5,746,750 Equity Shares at the conversion price of ₹ 275.46 per preference share on March 29, 2012.

As on the date of this Prospectus, our Company does not have any outstanding preference shares.

(b) Shares issued for consideration other than cash

Details of Equity Shares issued for consideration other than cash are as follows:

Date of allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Allottees	Benefit accrued to the Company
July 17, 2008	4,806,037	10	Nil	Pursuant to scheme of amalgamation(1)	Existing equity shareholders of UFO Moviez Limited.	Amalgamation of UFO Moviez Limited with and into our Company.
March 16, 2010	12,439,544	10	Nil	Bonus issue in the ratio of 2:1(2)	Existing shareholders of the Company	-
August 4, 2010	213,798	10	Nil	Adjustment on conversion of warrants pursuant to bonus issue in the ratio of 2:1(3)	To the existing warrant holders of the Company	-
October	415,284	10	Nil	Adjustment on	To the existing warrant	-

Date of allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Allottees	Benefit accrued to the Company
21, 2010				conversion of warrants pursuant to bonus issue in the ratio of 2:1[(4)]	holders of the Company	

[(1)] *Pursuant to a scheme of amalgamation sanctioned by the High Court of Delhi through its order dated May 19, 2008, UFO Moviez Limited was merged with and into the Company. In furtherance of the scheme of amalgamation, an aggregate of 4,806,037 Equity Shares were allotted to the existing shareholders of UFO Moviez Limited in the ratio of 915 Equity Shares for every 1,000 equity shares of UFO Moviez Limited and 2,310,360 Equity Shares of the Company held by UFO Moviez Limited were cancelled. For details of Equity Shares allotted pursuant to the scheme of amalgamation, see "– Notes to the Capital Structure – Details of Equity Shares and preference shares issued pursuant to the scheme of amalgamation" below. For further details of the scheme of amalgamation, see "- Details of Equity Shares and preference shares issued pursuant to the scheme of amalgamation" and "History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited" on pages 101 and 213 of this Prospectus.*

[(2)] *Pursuant to the approval of the shareholders granted at its extraordinary general meeting held on March 9, 2010, 12,439,544 Equity Shares were allotted as fully paid-up to the existing shareholders of the Company in the ratio of two Equity Shares for every one Equity Share held on March 12, 2010. The bonus Equity Shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company.*

[(3)] *In furtherance of the issue of bonus Equity Shares pursuant to the approval of the shareholders in the extraordinary general meeting held on March 9, 2010, 213,798 Equity Shares were allotted as fully paid-up to the existing warrant holders of the Company at the time of conversion of the warrants towards adjustment. The bonus Equity Shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company.*

[(4)] *In furtherance of the issue of bonus Equity Shares pursuant to the approval of the shareholders in the extraordinary general meeting held on March 9, 2010, 415,284 Equity Shares were allotted as fully paid-up to the existing warrant holders of the Company at the time of conversion of the warrants towards adjustment. The bonus Equity Shares were issued by capitalisation of the reserves lying to the credit of the securities premium account of the Company.*

2. **Details of further issue of Equity Shares and warrants by way of rights issue**

Pursuant to a resolution dated September 4, 2009, the Board approved the issue of up to 497,024 Equity Shares together with warrants, at a premium of ₹ 493 per Equity Share on a rights basis (with record date of September 7, 2009) in the ratio of 909 Equity Shares for every 10,000 Equity Shares held and the issue of one detachable warrant per Equity Share, convertible into one Equity Share. Valuable Media Limited was the underwriter to the issue pursuant to the underwriting agreement dated September 4, 2009 with an obligation to underwrite the issue aggregating to ₹ 250 million.

Pursuant to a resolution dated November 18, 2009, passed by the share allotment committee of our Board, our Company allotted 439,418 Equity Shares together with 439,418 detachable warrants, including allotment of 110,738 Equity Shares together with 110,738 detachable warrants to Valuable Media Limited to fulfill its underwriting obligation, in the following manner. In addition, 57,600 Equity Shares together with 57,600 detachable warrants were allotted to Valuable Media Limited on January 8, 2010 to fulfill the remainder of its underwriting obligation. The aggregate amount raised by way of the rights issue was ₹ 250.00 million.

S. No.	Name of Shareholder	Number of Equity Shares applied and allotted	Number of warrants allotted
1.	3i Digital Media (Mauritius) Limited*	182,477	182,477
2.	Apollo International Limited	84,762	84,762
3.	Raaja Kanwar	15,663	15,663
4.	P.S.S Prasad	83	83
5.	Nitin Nohani	83	83
6.	Shiva Kumar	16	16
7.	Nitin Sharma	8	8

S. No.	Name of Shareholder	Number of Equity Shares applied and allotted	Number of warrants allotted
8.	Uday Gaikwad	41	41
9.	Pravin Vaje	33	33
10.	Aditya Shastri	54	54
11.	Harish Bahadur	33	33
12.	Rakesh Gupta	83	83
13.	Pramendra Tomar	49	49
14.	Dinesh Agarwal	33	33
15.	P.N. Wahal	33	33
16.	Sudhir Shetty	41	41
17.	Valuable Media Limited	45,188	45,188
18.	Valuable Media Limited**	168,338	168,338
	Total	**497,018**	**497,018*** **

* *Pursuant to a resolution dated May 18, 2010, the Board cancelled 182,477 warrants issued to 3i Digital Media (Mauritius) Limited due to a change in the applicable foreign investment regulations prohibiting the issue of warrants to persons resident outside India.*

** *These 168,338 Equity Shares were allotted to Valuable Media Limited in pursuance of its underwriting obligations, in terms of the underwriting agreement entered into between our Company and Valuable Media Limited dated September 4, 2009.*

*** *106,899 warrants were converted into 106,899 Equity Shares on August 4, 2010 and 207,642 warrants were converted into 207,642 Equity Shares on October 21, 2010.*

Valuable Media Limited renounced its right to subscribe to the unexercised warrants in favor of Valuable Technologies Limited on July 28, 2010.

Further, on August 4, 2010 and October 21, 2010, all the outstanding warrants were converted in to Equity Shares. For details of conversion of the warrants into Equity Shares see "– *Notes to the Capital Structure – Share Capital History – History of share capital of our Company*" above. As on the date of this Prospectus, our Company does not have any outstanding warrants.

3. **Details of Equity Shares and preference shares issued pursuant to the scheme of amalgamation**

In terms of the scheme of amalgamation sanctioned by the High Court of Delhi through its order dated May 19, 2008 for merger of UFO Moviez Limited with and into our Company, on July 17, 2008, our Company allotted an aggregate of 4,806,037 Equity Shares to the existing equity shareholders of UFO Moviez Limited and 1,400,000 number of 11% cumulative redeemable preference shares of face value of ₹ 100 each to Apollo International FZC Sharjah, a preference shareholder of UFO Moviez Limited, as follows:

S. No.	Name of shareholder	Number of Equity Shares allotted	Number of preference shares allotted	Number of equity shares held in UFO Moviez Limited
1.	Sanjay Gaikwad	227,066	-	24,816
2.	Narendra Hete	115,601	-	12,634
3.	Raaja Kanwar	172,294	-	18,830
4.	Kapil Kumar Agarwal	119,773	-	13,090
5.	Rajesh Mishra	9,964	-	1,089
6.	Vishnu Patel	7,576	-	828
7.	Sanjay Chavan	7,576	-	828
8.	K. Suvarna	4,227	-	462
9.	Prafulla Vaidya	2,626	-	287
10.	Chintan Dave	750	-	82
11.	Apollo International Limited	932,385	-	101,900
12.	Usman Fayaz	152,530	-	16,670

S. No.	Name of shareholder	Number of Equity Shares allotted	Number of preference shares allotted	Number of equity shares held in UFO Moviez Limited
13.	Rakesh Gupta (on behalf of the Zefaan Media ESOP Trust)	777	-	85
14.	DG2L Technologies Pte. Limited	313,341	-	34,245
15.	3i Digital Media (Mauritius) Ltd.	2,007,253	-	219,372
16.	Valuable Technologies Limited	709,619	-	77,554
17.	Anup Sethi	915	-	100
18.	Rakesh Gupta	915	-	100
19.	P.S.S. Prasad	915	-	100
20.	Pramendra Tomar	549	-	60
21.	Sanjeev Agarwal	366	-	40
22.	Dinesh Agarwal	366	-	40
23.	Sidharth Dasgupta	549	-	60
24.	Amit Agarwal	366	-	40
25.	Rajat Garg	183	-	20
26.	Kawal Sharma	183	-	20
27.	Anu Kohli	183	-	20
28.	Anil Mhatre	274	-	30
29.	Amit Mehta	274	-	30
30.	Swapnil Borkar	137	-	15
31.	Nitin Lionel Monteiro	137	-	15
32.	P. Vinayaga Moorthy	366	-	40
33.	Sudalaimani Konar	137	-	15
34.	Abhijit Patil	137	-	15
35.	Bhagyesh Patel	183	-	20
36.	Rahul Pawar	91	-	10
37.	Sameer S. Naik	91	-	10
38.	Alkesh Banavali	228	-	25
39.	Kapil Arora	91	-	10
40.	Nitin Sharma	91	-	10
41.	Krishna Pal	411	-	45
42.	Jayaprakash P.	91	-	10
43.	Aneetha Satish	274	-	30
44.	Aftaab Jabalpurwala	274	-	30
45.	Sugatha Ghosh	411	-	45
46.	Shiva Kumar	183	-	20
47.	Vikram Machaiah	411	-	45
48.	Seema Ramgadiya	549	-	60
49.	Mukesh Sherigar	549	-	60
50.	Prashant Keluskar	183	-	20
51.	Dheerendra Muchhal	183	-	20
52.	Sayed A. Raza	183	-	20
53.	S.Kumar	91	-	10
54.	Prashant Vaje	91	-	10
55.	Shravan Kanekar	91	-	10
56.	Rajendra Gaikwad	183	-	20
57.	Shailendra Singh	183	-	20
58.	Ajay Kumar Gaddu	183	-	20
59.	Bipin Varghese	183	-	20
60.	Rajesh Jain	183	-	20
61.	Ganesh Iyer	274	-	30

S. No.	Name of shareholder	Number of Equity Shares allotted	Number of preference shares allotted	Number of equity shares held in UFO Moviez Limited
62.	Samir Shantaram Surve	183	-	20
63.	Ketan Pithadia	183	-	20
64.	A.C. Lokesh	183	-	20
65.	Sudhir Shetty	457	-	50
66.	Ravi Nakhale	366	-	40
67.	Pravin Vaje	366	-	40
68.	Nitin Nohani	915	-	100
69.	Aditya Shastri	594	-	65
70.	Deepak Ranjan	457	-	50
71.	Mitalee Patel	1,830	-	200
72.	Ashish Malushte	2,516	-	275
73.	Charuhas Satam	549	-	60
74.	Uday Gaikwad	457	-	50
75.	P.N. Wahal	366	-	40
76.	Harish Bahadur	366	-	40
77.	Apollo International FZC	-	1,400,000	-

For further details of the scheme of amalgamation, see "*History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited*" on page 213 of this Prospectus.

4. **History of build-up, contribution, shareholding details of Selling Shareholders and lock-in of Promoters' shareholding**

a) Build up of Promoters' shareholding in our Company

Details of the build up of the equity shareholding of our Promoters in our Company are as follows:

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares*	Face value (₹)	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer Capital	% of post-Offer Capital@	Nature of consideration	Nature of Transaction	Lock-in period	Source of funds
Sanjay Gaikwad	September 1, 2004	3,500	10	10	0.01	0.01	Cash	Allotment to subscribers to Memorandum of Association	-	Personal funds
	July 9, 2005	52,890	10	10	0.2	0.2	Cash	Preferential allotment	-	Personal funds
	November 28, 2005	(3,500)	10	10	0.01	0.01	Cash	Transfer to Zefaan Media Private Limited	-	-
	November 28, 2005	(52,890)	10	10	0.2	0.2	Cash		-	-

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares*	Face value (₹)	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer Capital	% of post-Offer Capital@	Nature of consideration	Nature of Transaction	Lock-in period	Source of funds
	July 17, 2008	227,066	10	1.09*	0.88	0.88	Other than cash	Pursuant to scheme of amalgamation**	-	Income from business
	September 14, 2009	(55,732)	10	603.54	0.22	0.22	Cash	Transfer to Advent Fiscal Private Limited	-	-
	March 16, 2010	342,668	10	Nil	1.32	1.32	Other than cash	Bonus issue in the ratio of 2:1	-	-
	May 5, 2011	(184,229)	10	322.57	0.71	0.71	Cash	Transfer to P5 Asia Holding Investments (Mauritius) Limited	-	-
Total		**329,773**			**1.27**	**1.27**				
Narendra Hete	September 1, 2004	3,000	10	10	0.01	0.01	Cash	Allotment to subscribers to Memorandum of Association	-	Personal funds
	July 9, 2005	53,380	10	10	0.21	0.21	Cash	Preferential allotment	-	Personal funds
	November 28, 2005	(3,000)	10	10	0.01	0.01	Cash	Transfer to Zefaan Media Private Limited	-	-
	November 28, 2005	(53,380)	10	10	0.21	0.21	Cash		-	-
	July 17, 2008	115,601	10	1.09	0.45	0.45	Other than cash	Pursuant to scheme of amalgamation**	-	Income from business
	March 16, 2010	231,202	10	Nil	0.89	0.89	Other than cash	Bonus issue in the ratio of 2:1	-	-

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares*	Face value (₹)	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer Capital	% of post-Offer Capital@	Nature of consideration	Nature of Transaction	Lock-in period	Source of funds
	May 18, 2010	(27,850)	10	603.5	0.11	0.11	Cash	Transfer to Advent Fiscal Private Limited	-	-
	May 6, 2011	(184,229)	10	322.57	0.71	0.71	Cash	Transfer to P5 Asia Holding Investments (Mauritius) Limited	-	-
Total		**134,724**			**0.52**	**0.52**				
Valuable Media Limited	March 27, 2009	497,068	10	603.54	1.92	1.92	Cash	Preferential allotment	-	Capital
	November 18, 2009	155,926##	10	503	0.6	0.6	Cash	Rights issue	15,364 Equity Shares for three years and 113 Equity Shares post OFS for one year	Capital
	January 8, 2010	57,600##	10	503	0.22	0.22	Cash	Rights issue	Three years	Capital
	March 16, 2010	1,421,188	10	Nil	5.49	5.49	Other than cash	Bonus issue in the ratio of 2:1	Three years	-
Total		**2,131,782**			**8.23**	**8.23**				
Valuable Technologies Limited	July 17, 2008	709,619	10	493.22	2.74	2.74	Other than cash	Pursuant to scheme of amalgamation**	-	Internal accruals and capital
	March 16, 2010	1,419,238	10	Nil	5.48	5.48	Other than cash	Bonus issue in the ratio of 2:1	1,300,427 Equity Shares for three years and 342 Equity Shares post OFS for one year	-
	August 4, 2010	106,763	10	503	0.41	0.41	Cash	Pursuant to conversion of warrants	Three years	Internal accruals and capital

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares*	Face value (₹)	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer Capital	% of post-Offer Capital@	Nature of consideration	Nature of Transaction	Lock-in period	Source of funds
	August 4, 2010	213,526	10	Nil	0.82	0.82	Other than cash	Bonus issue in the ratio of 2:1	Three years	-
	October 21, 2010	207,533	10	503	0.8	0.8	Cash	Pursuant to conversion of warrants	Three years	Internal accruals and capital
	October 21, 2010	415,066	10	Nil	1.6	1.6	Other than cash	Bonus issue in the ratio of 2:1	Three years	-
Total		**3,071,745**			**11.86**	**11.86**				
Apollo International Limited	July 17, 2008	932,385	10	52.57^	3.6	3.6	Other than cash	Pursuant to scheme of amalgamation^^	-	Internal accruals^
	November 18, 2009	84,762	10	503	0.33	0.33	Cash	Rights issue	-	Internal accruals
	March 10, 2010	255,009	10	549	0.98	0.98	Cash	Pursuant to conversion of preference shares#	-	Internal accruals
	March 16, 2010	2,544,312	10	Nil	9.82	9.82	Other than cash	Bonus issue in the ratio of 2:1	1,784,975 Equity Shares for three years and 481,442 Equity Shares for one year	-
	April 8, 2011	(1,550,051)	10	60.70+	5.99	5.99	Cash	Transfer to P5 Asia Holding Investments (Mauritius) Limited	-	-
Total		**2,266,417**			**8.75**	**8.75**				

@ *Without considering the Equity Shares sold by the Promoters in the Offer, as applicable*

* *An amount of ₹126,340 and ₹248,160 was the carrying cost which is the amount paid by Mr. Narendra Hete and Mr. Sanjay Gaikwad for acquisition of their shares in Zefaan Media Private Limited at a price of ₹1.09 per share. Zefaan Media Private Limited changed its name to UFO Moviez Private Limited. Post conversion into a public company, UFO Moviez Limited was merged with and into our Company in terms of the scheme of amalgamation sanctioned by the High Court of Delhi through its order dated May 19, 2008. For details of the scheme of amalgamation, see "History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited" on page 213 of this Prospectus.*

** *For details of the scheme of amalgamation, see "History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited" on page 213 of this Prospectus.*

\# *Apollo International Limited acquired 1,400,000 number of 11 % cumulative redeemable preference shares of ₹ 100 each at par in October 2008 and as per the terms and conditions of the said Preference Shares, these preference shares were converted into 255,009 Equity Shares.*

\## *168,338 Equity Shares were allotted to Valuable Media Limited in pursuance of its underwriting obligations, in terms of the underwriting agreement entered into between our Company and Valuable Media Limited dated September 4, 2009.*

^ *The amount of ₹ 49.02 million is the carrying cost which is the amount paid by Apollo International Limited for acquisition of their shares in Zefaan Media Private Limited at a price of ₹52.57 per Equity Share.*

^^ *Pursuant to a scheme of amalgamation sanctioned by the High Court of Delhi through its order dated May 19, 2008, UFO Moviez Limited was merged with and into the UFO Moviez India Limited. In furtherance of the scheme of amalgamation, an aggregate of 932,385 Equity Shares were allotted to Apollo International Limited being the existing equity shareholder of UFO Moviez Limited in the ratio of 915 Equity Shares for every 100 equity shares of UFO Moviez Limited and 101,900 Equity Shares of UFO Moviez Limited held by Apollo International Limited were cancelled. For details of the scheme of amalgamation, see "History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited" on page 213 of this Prospectus.*

\+ *1,550,051 Equity Shares were transferred for a total consideration of ₹500 million, which results into sale price of ₹322.57 per Equity Share.*

Note: None of the Equity Shares held by the Promoters are pledged or otherwise encumbered.

For details relating to the cost of acquisition of Equity Shares by the above shareholders, see "*Risk Factors – Prominent Notes*" on page 57 of this Prospectus.

b) Shareholding of our Promoters, directors of our Promoters and Promoter Group

Details of the Equity Shares held by our Promoters, directors of our corporate Promoters and members of the Promoter Group are as follows:

S No.	Name of shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	%	Number of Equity Shares	%
Promoters					
1.	Sanjay Gaikwad	329,773	1.27	-	-
2.	Narendra Hete	134,724	0.52	-	-
3.	Valuable Media Limited	2,131,782	8.23	1,494,265	5.77
4.	Valuable Technologies Limited	3,071,745	11.86	2,243,657	8.66
5.	Apollo International Limited	2,266,417	8.75	2,266,417	8.75
Directors of Promoters					
6.	Prafulla Vaidya	8,976	0.03	1,098	Negligible
Promoter Group					
7.	Advent Fiscal Private Limited	737,182	2.85	737,182	2.85
8.	Nifty Portfolio Services Private Limited	542,136	2.09	542,136	2.09

S No.	Name of shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	%	Number of Equity Shares	%
9.	Raaja Kanwar	566,214	2.19	200,369	0.77
10.	Uday Gaikwad	1,617	0.01	-	-

c) ***The details of the shareholding of the Selling Shareholders are as follows:***

S No.	Name of shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	%	Number of Equity Shares	%
1.	3i Research (Mauritius) Limited	5,566,570	21.49	2,664,879	10.29
2.	P5 Asia Holding Investments (Mauritius) Limited	9,253,740	35.73	5,251,608	20.28
3.	Valuable Media Limited	2,131,782	8.23	1,494,265	5.77
4.	Valuable Technologies Limited	3,071,745	11.86	2,243,657	8.66
5.	Sanjay Gaikwad	329,773	1.27	-	-
6.	Narendra Hete	134,724	0.52	-	-
7.	Uday Gaikwad	1,617	0.01	-	-
8.	Raaja Kanwar	566,214	2.19	200,369	0.77
9.	Prafulla Vaidya	8,976	0.03	1,098	Negligible
10.	Rakesh Gupta	2,994	0.01	-	-
Employee Selling Shareholders					
11.	Amit K. Mehta	822	Negligible	-	-
12.	Amit S. Shelar	549	Negligible	-	-
13.	Ashish Sadanand Malushte	7,548	0.03	-	-
14.	Daniyal Appa Parab	549	Negligible	-	-
15.	Deepak Ranjan	1,371	0.01	-	-
16.	Dheerendra Singh Muchhal	549	Negligible	-	-
17.	K. Suvarna	12,681	0.05	-	-
18.	Kapil Kumar Agarwal	269,619	1.04	-	-
19.	Ketan Natwarlal Pithadia	549	Negligible	-	-
20.	Mitalee V. Patel	5,490	0.02	-	-
21.	Mukesh Shanker Sherigar	1,647	0.01	-	-
22.	Nitin Lionel Monteiro	411	Negligible	-	-
23.	Nitin Nohani	2,994	0.01	-	-
24.	Prashant S. Keluskar	549	Negligible	-	-
25.	Pravin Ramdas Vaje	1,197	Negligible	-	-
26.	Rajendra Laxman Gaikwad	549	Negligible	-	-
27.	Rajesh B. Mishra	29,892	0.12	-	-
28.	Ravi Sukhadeo Nakhale	1,098	Negligible	-	-
29.	Samir Shantaram Surve	549	Negligible	-	-
30.	Sanjay Pardeshi Chavan	22,728	0.09	-	-
31.	Sudalaimani Konar	411	Negligible	-	-
32.	Sudhir Vittal Shetty	1,617	0.01	-	-
33.	Swapnil C. Borkar	411	Negligible	-	-
34.	Vikram Machaiah	1,233	Negligible	-	-
35.	Vishnu Vithalbhai Patel	22,728	0.09	-	-

d) ***Build-up of shareholding of Selling Shareholders in our Company***

i. The build-up of shareholding of 3i Digital Media (Mauritius) Limited in the Company is as follows:

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
1.	July 17, 2008	2,007,253	Nil	7.75	Other than cash	Pursuant to scheme of amalgamation
2.	November 18, 2009	182,477	503	0.70	Cash	Rights issue
3.	March 16, 2010	4,379,460	Nil	16.91	Other than cash	Bonus issue in the ratio of 2:1
4.	September 9, 2010	547,431	167.67	2.11	Cash	Preferential allotment
5.	April 8, 2011	(1,550,051)	322.57	5.99	Cash	Transfer to P5 Asia Holding Investments (Mauritius) Limited
6.	November 15, 2012	(5,566,570)	US$ 3.86*	21.49	Cash	Transfer to 3i Research (Mauritius) Limited

* *The closing rate as on November 15, 2012 on www.rbi.org.in was ₹54.96 per US$ 1.*

Consequently, the shareholding of 3i Research (Mauritius) Limited as on the date of this Prospectus was 5,566,570 Equity Shares representing 21.49% of the paid-up share capital of the Company.

ii. The build-up of shareholding of P5 Asia Holding Investments (Mauritius) Limited in the Company is as follows:

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
1.	April 8, 2011	1,550,051	322.57	5.99	Cash	Transfer from 3i Digital Media (Mauritius) Limited
2.	April 8, 2011	1,550,051	322.57	5.99	Cash	Transfer from Apollo International Limited
3.	May 5, 2011	184,229	322.57	0.71	Cash	Transfer from Mr. Sanjay Shankar Gaikwad
4.	May 6, 2011	184,229	322.57	0.71	Cash	Transfer from Mr. Narendra Hete
5.	May 10, 2011	38,430	322.57	0.15	Cash	Transfer from Glance Finance Limited
6.	March 29, 2012	5,746,750	275.46	22.19	Cash	Conversion of preference

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
						shares
	Total	**9,253,740**		**35.73**		

iii. The build-up of shareholding of Mr. Raaja Kanwar in the Company is as follows:

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
7.	July 15, 2005	150,000	10	0.58	Cash	Preferential allotment
8.	August 24, 2005	(116,250)	10	0.45	Cash	Transfer to Zefaan Media Private Limited
9.	November 28, 2005	(33,750)	10	0.13	Cash	Transfer to Zefaan Media Private Limited
10.	July 17, 2008	172,294	Nil	0.67	Other than cash	Pursuant to scheme of amalgamation
11.	November 18, 2009	15,663	503	0.06	Cash	Rights issue
12.	March 16, 2010	375,914	Nil	1.45	Other than cash	Bonus issue in the ratio of 2:1
13.	November 1, 2012	1,098	120	Negligible	Cash	Transferred from Pramendra Tomar
14.	November 1, 2012	49	120	Negligible	Cash	Transferred from Pramendra Tomar
15.	November 1, 2012	98	120	Negligible	Cash	Transferred from Pramendra Tomar
16.	November 1, 2012	549	120	Negligible	Cash	Transferred from Pramendra Tomar
17.	December 18, 2013	183	120	Negligible	Cash	Transferred from Anu Kohli
18.	December 18, 2013	366	120	Negligible	Cash	Transferred from Anu Kohli
	Total	**566,214**		**2.19**		

iv. The build-up of shareholding of Mr. Prafulla Vaidya in the Company is as follows:

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of Pre-Offer equity capital	Nature of consideration	Nature of transaction

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of Pre-Offer equity capital	Nature of consideration	Nature of transaction
1.	July 9, 2005	3,150	10	0.01	Cash	Preferential allotment
2.	November 28, 2005	(3,150)	10	0.01	Cash	Transfer to Zefaan Media Private Limited
3.	July 17, 2008	2,626	Nil	0.01	Other than cash	Pursuant to scheme of amalgamation
4.	March 16, 2010	5,252	Nil	0.02	Other than cash	Bonus issue in the ratio of 2:1
5.	December 9, 2014	1,098	330	Negligible	Cash	Transfer from Seema Ramgadiya
	Total	**8,976**		**0.03**		

v. The build-up of shareholding of Mr. Uday Gaikwad in the Company is as follows:

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
1.	July 17, 2008	457	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	November 18, 2009	41	503	Negligible	Cash	Rights issue
3.	March 16, 2010	996	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
4.	August 4, 2010	20	503	Negligible	Cash	Conversion of warrants
5.	August 4, 2010	40	Nil	Negligible	Other than cash	Adjustment on conversion of warrants pursuant to bonus issue in the ratio of 2:1
6.	October 21, 2010	21	503	Negligible	Cash	Conversion of warrants
7.	October 21, 2010	42	Nil	Negligible	Other than cash	Adjustment on conversion of warrants pursuant to bonus issue in the ratio of 2:1
	Total	**1,617**		**0.01**		

vi. The build-up of shareholding of Mr. Rakesh Gupta in the Company is as follows:

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
1.	July 17, 2008	915	Nil	Negligible	Other than cash	Pursuant to scheme of

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
						amalgamation
2.	November 18, 2009	83	503	Negligible	Cash	Rights issue
3.	March 16, 2010	1,996	Nil	0.01	Other than cash	Bonus issue in the ratio of 2:1
	Total	**2,994**		**0.01**		

vii. The build-up of shareholding of the Employee Selling Shareholders in the Company is as follows:

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
			Amit K. Mehta			
1.	July 17, 2008	274	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	548	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**822**		**Negligible**		
			Amit S. Shelar			
1.	December 1, 2008	183	10	Negligible	Cash	Transfer from Rakesh Gupta on behalf of Zefaan Media Employee Stock Option Trust
2.	March 16, 2010	366	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**549**		**Negligible**		
			Ashish Sadanand Malushte			
1.	July 17, 2008	2,516	Nil	0.01	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	5,032	Nil	0.02	Other than cash	Bonus issue in the ratio of 2:1
	Total	**7,548**		**0.03**		
			Daniyal Appa Parab			
1.	December 1, 2008	183	10	Negligible	Cash	Transfer from Rakesh Gupta on behalf of Zefaan Media Employee Stock Option Trust
2.	March 16, 2010	366	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**549**		**Negligible**		
			Deepak Ranjan			
1.	July 17, 2008	457	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
2.	March 16, 2010	914	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**1,371**		**0.01**		
			Dheerendra Singh Muchhal			
1.	July 17, 2008	183	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	366	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	549		**Negligible**		
			K. Suvarna			
1.	July 9, 2005	3,150	10	0.01	Cash	Preferential allotment
2.	November 28, 2005	(3,150)	10	0.01	Cash	Transfer to Zefaan Media Private Limited
3.	July 17, 2008	4,227	Nil	0.02	Other than cash	Pursuant to scheme of amalgamation
4.	March 16, 2010	8,454	Nil	0.03	Other than cash	Bonus issue in the ratio of 2:1
	Total	**12,681**		**0.05**		
			Kapil Kumar Agarwal			
1.	July 9, 2005	78,750	10	0.30	Cash	Preferential allotment
2.	November 28, 2005	(33,750)	10	0.13	Cash	Transfer to Zefaan Media Private Limited
3.	November 28, 2005	(45,000)	10	0.17	Cash	Transfer to Zefaan Media Private Limited
4.	July 17, 2008	119,773	Nil	0.46	Other than cash	Pursuant to scheme of amalgamation
5.	March 4, 2009	(2,300)	650	0.01	Cash	Transfer to Infotrade Resources India Private Limited
6.	March 27, 2009	(27,600)	650	0.11	Cash	Transfer to Aeren R Enterprises Private Limited
7.	March 16, 2010	179,746	Nil	0.69	Other than cash	Bonus issue in the ratio of 2:1
	Total	**269,619**		**1.04**		
			Ketan Natwarlal Pithadia			
1.	July 17, 2008	183	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	366	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**549**		**Negligible**		
			Mitalee V. Patel			

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
1.	July 17, 2008	1,830	Nil	0.01	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	3,660	Nil	0.01	Other than cash	Bonus issue in the ratio of 2:1
	Total	**5,490**		**0.02**		
			Mukesh Shanker Sherigar			
1.	July 17, 2008	549	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	1,098	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**1,647**		**0.01**		
			Nitin Lionel Monteiro			
1.	July 17, 2008	137	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	274	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**411**		**Negligible**		
			Nitin Nohani			
1.	July 17, 2008	915	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	November 18, 2009	83	503	Negligible	Cash	Rights issue
3.	March 16, 2010	1,996	Nil	0.01	Other than cash	Bonus issue in the ratio of 2:1
	Total	**2,994**		**0.01**		
			Prashant S. Keluskar			
1.	July 17, 2008	183	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	366	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**549**		**Negligible**		
			Pravin Ramdas Vaje			
1.	July 17, 2008	366	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	November 18, 2009	33	503	Negligible	Cash	Rights issue
3.	March 16, 2010	798	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**1,197**		**Negligible**		
			Rajendra Laxman Gaikwad			
1.	July 17, 2008	183	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	366	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
	Total	**549**		**Negligible**		
			Rajesh B. Mishra			
1.	July 9, 2005	8,100	10	0.03	Cash	Preferential allotment

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
2.	November 28, 2005	(8,100)	10	0.03	Cash	Transfer to Zefaan Media Private Limited
3.	July 17, 2008	9,964	Nil	0.04	Other than cash	Pursuant to scheme of amalgamation
4.	March 16, 2010	19,928	Nil	0.08	Other than cash	Bonus issue in the ratio of 2:1
Total		**29,892**		**0.12**		
			Ravi Sukhadeo Nakhale			
1.	July 17, 2008	366	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	732	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
Total		**1,098**		**Negligible**		
			Samir Shantaram Surve			
1.	July 17, 2008	183	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	366	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
Total		**549**		**Negligible**		
			Sanjay Pardeshi Chavan			
1.	July 9, 2005	3,600	10	0.01	Cash	Preferential allotment
2.	November 28, 2005	(3,600)	10	0.01	Cash	Transfer to Zefaan Media Private Limited
3.	July 17, 2008	7,576	Nil	0.03	Other than cash	Pursuant to scheme of amalgamation
4.	March 16, 2010	15,152	Nil	0.06	Other than cash	Bonus issue in the ratio of 2:1
Total		**22,728**		**0.09**		
			Sudalaimani Konar			
1.	July 17, 2008	137	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	274	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
Total		**411**		**Negligible**		
			Sudhir Vittal Shetty			
1.	July 17, 2008	457	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	November 18, 2009	41	503	Negligible	Cash	Rights issue
3.	March 16, 2010	996	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
4.	August 4, 2010	20	503	Negligible	Cash	Pursuant to conversion of warrants
5.	August 4, 2010	40	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1

S. No.	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Offer equity capital	Nature of consideration	Nature of transaction
6.	October 21, 2010	21	503	Negligible	Cash	Pursuant to conversion of warrants
7.	October 21, 2010	42	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
Total		**1,617**		**0.01**		
Swapnil C. Borkar						
1.	July 17, 2008	137	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	274	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
Total		**411**		**Negligible**		
Vikram Machaiah						
1.	July 17, 2008	411	Nil	Negligible	Other than cash	Pursuant to scheme of amalgamation
2.	March 16, 2010	822	Nil	Negligible	Other than cash	Bonus issue in the ratio of 2:1
Total		**1,233**		**Negligible**		
Vishnu Vithalbhai Patel						
1.	July 9, 2005	3,600	10	0.01	Cash	Preferential allotment
2.	November 28, 2005	(3,600)	10	0.01	Cash	Transfer to Zefaan Media Private Limited
3.	July 17, 2008	7,576	Nil	0.03	Other than cash	Pursuant to scheme of amalgamation
4.	March 16, 2010	15,152	Nil	0.06	Other than cash	Bonus issue in the ratio of 2:1
Total		**22,728**		**0.09**		

For details of the build-up of VML, VTL, Sanjay Gaikwad and Narendra Hete, please refer to "- *History of build-up, contribution, shareholding details of Selling Shareholders and lock-in of Promoters' shareholding – Build up of Promoters' shareholding in our Company*" above.

e) Details of Promoters' contribution locked-in for three years

Pursuant to Regulation 36(a) of the ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer capital of our Company held by our Promoters shall be considered as the minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Promoters' Contribution**"). For the purpose of computation of the Promoters' Contribution, in accordance with Explanation I under Regulation 32 of the ICDR Regulations, the post-Offer expanded capital, assuming the exercise of all vested options under the employee stock options outstanding in terms of the proviso (b) to Regulation 26(5), has been taken into consideration.

The lock-in of the Promoters' Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

Our Promoters, Valuable Technologies Limited, Valuable Media Limited and Apollo International Limited have consented to the inclusion of such number of Equity Shares held by them, in aggregate, as may constitute

20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of filing of the Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under ICDR Regulations. Details of the Promoters' Contribution are as provided below:

Name of the Promoter	**Number of Equity Shares locked-in**	**Date of allotment/transfer#**	**Face value (₹)**	**Issue/ Acquisition price per Equity Shares (₹)**	**Nature of transaction**	**Source of funds**	**% of the fully diluted pre-Offer Capital**
Valuable Media Limited	15,364	November 18, 2009	10	503	Rights issue	Capital	0.06
	57,600	January 8, 2010	10	503	Rights issue	Capital	0.21
	1,421,188	March 16, 2010	10	Nil	Bonus issue in the ratio of 2:1	-	5.15
Sub-total (A)	**1,494,152**						**5.41**
Valuable Technologies Limited	1,300,427	March 16, 2010	10	Nil	Bonus issue in the ratio of 2:1	-	4.71
	106,763	August 4, 2010	10	503	Pursuant to conversion of warrants	Internal accruals and capital	0.39
	213,526	August 4, 2010	10	Nil	Bonus issue in the ratio of 2:1	-	0.77
	207,533	October 21, 2010	10	503	Pursuant to conversion of warrants	Internal accruals and capital	0.75
	415,066	October 21, 2010	10	Nil	Bonus issue in the ratio of 2:1	-	1.50
Sub-total (B)	**2,243,315**						**8.12**
Apollo International Limited	1,784,975	March 16, 2010	10	-	Bonus issue in the ratio of 2:1	-	6.46
Sub-total (C)	**1,784,975**						**6.46**
Total (A+B+C)	**5,522,442**						**20.00**

Equity Shares were fully paid up on the date of allotment.

The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as promoters, as required under the ICDR Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 33 of the ICDR Regulations. In this computation, as per Regulation 33 of the ICDR Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

(i) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets or bonus shares out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of Promoters' Contribution;

(ii) Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer; and

(iii) Equity Shares held by the Promoters that are subject to any pledge.

Further, our Company has not been formed by the conversion of a partnership firm into a company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

5. **Details of share capital locked-in for one year**

Except for (a) the Promoters' Contribution which shall be locked in as above; (b) the Equity Shares which will be transferred as part of the Offer, (c) Equity Shares held by the employees of the Company (who are not Promoters or members of the Promoter Group and will continue to be employees of the Company as on the date of Allotment) which were allotted to such employees, under ESOP 2006, (d) any Equity Shares that will be issued upon exercise of employee stock options under ESOP 2006, ESOP 2010 and ESOP 2014, and (e) Equity Shares held by P5 Asia Holding Investments (Mauritius) Limited, under the FVCI route, the entire pre-Offer capital of the Company shall be locked in for a period of one year from the date of Allotment.

6. **Other requirements in respect of lock-in**

In terms of Regulation 40 of the ICDR Regulations, Equity Shares held by the Promoters may be transferred to and among the Promoters and or members of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations. The Equity Shares held by persons other than the Promoters prior to the Offer, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of the transferee and compliance with the provisions of the Takeover Regulations.

The Equity Shares which are subject to lock-in shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories. The details of lock-in shall also be provided to the Stock Exchanges, where the shares are to be listed, before the listing of the Equity Shares.

7. **Lock-in of Equity Shares allotted to Anchor Investors**

Further, 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.

8. **Our shareholding pattern**

The table below represents the equity shareholding pattern of our Company as on the date of this Prospectus and as adjusted for the Offer:

Category of shareholder	Pre-Offer					Post-Offer			
	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	Shares Pledged or otherwise encumbered	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	Shares Pledged or otherwise encumbered

				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares			As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares
Shareholding of Promoters and Promoter Group													
Indian													
Individuals/ Hindu Undivided Family	4	1,032,328	1,032,328	3.99	3.99	-	-	200,369	200,369	0.77	0.77	-	-
Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-
Bodies Corporate	5	8,749,262	8,749,262	33.78	33.78	-	-	7,283,657	7,283,657	28.12	28.12	-	-
Financial Institutions/ banks	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub- Total (A)(1)	9	9,781,590	9,781,590	37.77	37.77	-	-	7,484,026	7,484,026	28.90	28.90	-	-
Foreign													
Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters and Promoter Group (A)= (A)(1)+(A)(2)	9	9,781,590	9,781,590	37.77	37.77	-	-	7,484,026	7,484,026	28.90	28.90	-	-
Public shareholding													
Institutions													

Category of shareholder	Pre-Offer							Post-Offer					
	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares			As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares
Mutual Funds/ UTI	-	-	-	-	-	-	-	18,413,643	17,520,873	71.10	71.10	-	-
Financial Institutions/ Banks	-	-	-	-	-	-	-						
Central Government/ State Government(s)	-	-	-	-	-	-	-						
Foreign Portfolio Investors	-	-	-	-	-	-	-						
Foreign Venture Capital Investors	1	9,253,740*	9,253,740	35.73	35.73	NA	NA						
Venture Capital Fund	-	-	-	-	-	-	-						
Insurance Companies	-	-	-	-	-	-	-						
Any other	-	-	-	-	-	-	-						
Sub-Total (B)(1)	1	9,253,740	9,253,740	35.73	35.73	NA	NA						
Non-institutions													
Bodies Corporate	-	-	-	-	-	-	-						
Individuals -													
i. Individual shareholders holding nominal share capital up to ₹ 100,000	63	85,857	45,351	0.33	0.33	NA	NA						
ii. Individual shareholders holding nominal share capital in excess of ₹ 100,000	12	895,338	357,648	3.46	3.46	NA	NA						
Qualified Foreign Investor	-	-	-	-	-	-	-						
Any other (Trusts)	1	1,233	-	0.00	0.00	NA	NA						
Foreign bodies corporate	2	5,879,911	5,566,570	22.70	22.70	NA	NA						
Sub-Total	78	6,862,339	5,969,569	26.50	26.50	NA	NA						

Category of shareholder	Pre-Offer							Post-Offer					
	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares			As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares
(B)(2)													
Total public shareholding (B)= (B)(1)+(B)(2)	79	16,116,079	15,223,309	62.23	62.23	NA	NA						
TOTAL (A)+(B)	88	25,897,669	25,004,899	100.00	100.00	-	-						
Shares held by Custodians and against which Depository Receipts have been issued (C)	-	-	-	-	-	-	-						
GRAND TOTAL (A)+(B)+(C)	88	25,897,669	25,004,899	100.00	100.00	-	-	25,897,669	25,004,899	100.00	100.00	-	-

** Of these, 3,506,990 Equity Shares are held by P5 Asia Holding Investments (Mauritius) Limited under the FDI route.*

Our Company will file the shareholding pattern, in the form prescribed under clause 35 of the Listing Agreements, one day prior to the listing of the Equity Shares. The shareholding pattern will be provided to the Stock Exchanges for uploading on the website of Stock Exchanges before the commencement of trading of the Equity Shares.

9. Details of members of the public holding more than 1% of the pre-Offer equity share capital of our Company as on the date of this Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of Equity Shares held pre-Offer	% of total pre-Offer capital	Number of Equity Shares held post-Offer	% of total post-Offer capital
1.	P5 Asia Holding Investments (Mauritius) Limited	9,253,740	35.73	5,251,608	20.28
2.	3i Research (Mauritius) Limited	5,566,570	21.49	2,664,879	10.29
3.	Excelway International Limited	313,341	1.21	313,341	1.21
4.	Kapil Agarwal	269,619	1.04	-	-
TOTAL		**15,403,270**	**59.48**	**8,229,828**	**31.78**

10. **Shareholding of our Directors and Key Managerial Personnel**

Except as set forth below, none of our Directors or Key Managerial Personnel holds any Equity Shares as on the date of this Prospectus:

S. No.	Name of shareholder	Number of Equity Shares held pre-Offer*	Pre Offer %	Number of Equity Shares held post Offer	Post Offer %

S. No.	Name of shareholder	Number of Equity Shares held pre-Offer*	Pre Offer %	Number of Equity Shares held post Offer	Post Offer %
1.	Sanjay Gaikwad	329,773	1.27	-	-
2.	Kapil Agarwal	269,619	1.04	-	-
3.	Raaja Kanwar	566,214	2.19	200,369	0.77
5.	Rajesh Mishra	29,892	0.12	-	-
6.	Ashish Malushte	7,548	0.03	-	-
7.	Vishnu Patel	22,728	0.09	-	-
8.	Sanjay Chavan	22,728	0.09	-	-
9.	Deepak Ranjan	1,371	0.01	-	-
	Total	1,249,873	4.83	200,369	0.77

* *Does not include any Equity Shares that our Directors or Key Managerial Personnel would be entitled to upon conversion of any options under the ESOP 2006, ESOP 2010 and ESOP 2014, held by them.*

11. As on the date of this Prospectus, our Company has 88 shareholders.

12. **Top ten shareholders**

(a) Our top ten Equity Shareholders and the number of Equity Shares held by them, as on the date of this Prospectus are as follows:

S. No.	Shareholder	Number of Equity Shares*	Percentage of pre-Offer capital (%)
1.	P5 Asia Holding Investments (Mauritius) Limited	9,253,740	35.73
2.	3i Research (Mauritius) Limited	5,566,570	21.49
3.	Valuable Technologies Limited	3,071,745	11.86
4.	Apollo International Limited	2,266,417	8.75
5.	Valuable Media Limited	2,131,782	8.23
6.	Advent Fiscal Private Limited	737,182	2.85
7.	Raaja Kanwar	566,214	2.19
8.	Nifty Portfolio Services Private Limited	542,136	2.09
9.	Sanjay Gaikwad	329,773	1.27
10.	Excelway International Limited	313,341	1.21
	Total	**24,778,900**	**95.68**

* *Does not include any Equity Shares that the shareholders would be entitled to upon conversion of any options under the ESOP 2006, ESOP 2010 and ESOP 2014, held by them.*

(b) Our top ten Equity Shareholders and the number of Equity Shares held by them ten days prior to filing of this Prospectus were as follows:

S. No.	Shareholder	Number of Equity Shares*	Percentage of pre-Offer capital (%)
1.	P5 Asia Holding Investments (Mauritius) Limited	9,253,740	35.73
2.	3i Research (Mauritius) Limited	5,566,570	21.49
3.	Valuable Technologies Limited	3,071,745	11.86
4.	Apollo International Limited	2,266,417	8.75
5.	Valuable Media Limited	2,131,782	8.23
6.	Advent Fiscal Private Limited	737,182	2.85
7.	Raaja Kanwar	566,214	2.19
8.	Nifty Portfolio Services Private Limited	542,136	2.09
9.	Kapil Agarwal**	370,869	1.43

S. No.	Shareholder	Number of Equity Shares*	Percentage of pre-Offer capital (%)
10.	Sanjay Gaikwad	329,773	1.27
	Total	**24,836,428**	**95.89**

* *Does not include any Equity Shares that the shareholders would be entitled to upon conversion of options under the ESOP 2006, ESOP 2010 and ESOP 2014, held by them.*

** *This includes 101,250 Equity Shares held by Mr. Kapil Agarwal on behalf of the M.B. Zaidi Memorial Charitable Trust.*

(c) Our top ten Equity Shareholders two years prior to the date of filing of this Prospectus were as follows:

S. No.	Shareholder	No. of Equity Shares Held*	Percentage of pre-Offer capital (%)
1.	P5 Asia Holding Investments (Mauritius) Limited	9,253,740	35.73
2.	3i Research (Mauritius) Limited	5,566,570	21.49
3.	Valuable Technologies Limited	3,071,745	11.86
4.	Apollo International Limited	2,266,417	8.75
5.	Valuable Media Limited	2,131,782	8.23
6.	Advent Fiscal Private Limited	737,182	2.85
7.	Raaja Kanwar	565,665	2.18
8.	Nifty Portfolio Services Private Limited	542,136	2.09
9.	Kapil Agarwal**	370,869	1.43
10.	Sanjay Gaikwad	329,773	1.27
	Total	**24,835,879**	**95.89**

* *Does not include any Equity Shares that the shareholders would be entitled to upon conversion of any options under the ESOP 2006 and ESOP 2010, held by them.*

** *This includes 101,250 Equity Shares held by Mr. Kapil Agarwal on behalf of the M.B. Zaidi Memorial Charitable Trust.*

13. There has been no sale, purchase or subscription of our Company's securities by our Promoters, Promoter Group and our Directors within three years immediately preceding the date of this Prospectus, which in aggregate is equal to or greater than 1% of the pre-Offer equity share capital.

14. **Employee stock option plans**

Our Company has the following employee stock option plans:

ESOP 2006

Our Company, being an unlisted company, is not required to be compliant with the SEBI ESOP Regulations. ESOP 2006 is compliant with the SEBI ESOP Regulations, except to the extent of:

i. Formation of the compensation committee comprising of three or more non-executive directors, out of which not less than one half shall be independent directors for administration of ESOP 2006 in accordance with Regulation 5 (2) of the SEBI ESOP Regulations has not been complied with.

ii. Regulation 7 (1) of the SEBI ESOP Regulations prohibits any variation in the scheme which is detrimental to the interests of the employees. This is not covered specifically in ESOP 2006.

iii. No registered merchant banker was appointed for implementation of ESOP 2006 according to Regulation 12 (6) of the SEBI ESOP Regulations.

iv. As per Regulation 13 of the SEBI ESOP Regulations, the Company is required to obtain a certificate annually from the auditors stating that the scheme is compliant with the SEBI ESOP Regulations and the shareholders' resolution passed and place this certificate before the shareholders in the annual general meeting. This has not been complied with.

v. Under the erstwhile SEBI ESOP Guidelines, (i) disclosures under Schedule IV of the SEBI ESOP Guidelines were required to be made to the option grantees at the time of grant in accordance with Clause 5.1 of the SEBI ESOP Guidelines and (ii) disclosures under Clause 12 of the SEBI ESOP Guidelines were required to be made in the Directors' Report. Under the SEBI ESOP Regulations, no disclosure requirements corresponding to Schedule IV and Clause 12 of the SEBI ESOP Guidelines have been notified. The disclosures which were required to be made under Schedule IV and in the Directors' Report under Clause 12 of the SEBI ESOP Guidelines were not made.

Pursuant to a resolution of the board of directors dated December 22, 2006, and shareholders' resolution dated December 22, 2006, UFO Moviez Limited had instituted the ESOP 2006, which was implemented with effect from December 22, 2006 and was effective until terminated by its board of directors or all options available under the ESOP 2006 had been issued and exercised.

Our Company adopted the ESOP 2006 pursuant to a resolution dated January 10, 2007 of the Compensation Committee and a Board resolution dated February 15, 2007.

Thereafter, pursuant to the scheme of amalgamation sanctioned by the High Court of Delhi through its order dated May 19, 2008, UFO Moviez Limited merged with and into our Company and certain adjustments were made to the terms of ESOP 2006, including adjustment of the number of options granted to eligible employees. For details of the scheme of amalgamation, see "*History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited*" on page 213 of this Prospectus.

Details of grants, exercise and lapsing of options as at December 31, 2014 on a cumulative basis are as follows:

Options granted	220,372
Options forfeited/ lapsed/ cancelled	8,772
Options exercised	549
Total number of Equity Shares arising as a result of exercise of options	549
Options vested (excluding options that have been exercised)	211,051
Total number of options in force	211,051

Pursuant to resolution of the Board dated October 15, 2010, the ESOP 2006 has been terminated and other than the 220,372 options already granted no further options are to be granted under the ESOP 2006. Further, options under ESOP 2006 that have lapsed are not available for fresh grant.

Details of ESOP 2006 are as follows:

Particulars	**Details for the financial year ended March 31,**			**During the period April 1, 2014 to December 31, 2014**
	2012	**2013**	**2014**	
Options granted	Nil	Nil	Nil	Nil
Pricing formula	Fair market value as on the date of grant			
Vesting period	4 years			
Options vested (excluding options that have been exercised)	212,968	211,597	211,324	211,051

Particulars	**Details for the financial year ended March 31,**			**During the period April 1, 2014 to December 31, 2014**
	2012	**2013**	**2014**	
Options exercised	549	Nil	Nil	Nil
Total number of Equity Shares arising as a result of exercise of options	549	Nil	Nil	Nil
Options forfeited/ lapsed/ cancelled	3,291	1,371	273	273
Variation of terms of options	None	None	None	None
Money realised by exercise of options (in ₹)	54,999	Nil	Nil	Nil
Total number of options in force	212,968	211,597	211,324	211,051
Fully diluted EPS pursuant to the issue of Equity Shares upon exercise of options in accordance with relevant accounting standards based on unconsolidated financial statements	2.01	8.30	12.21	6.44
Difference, if any, between employee compensation cost calculated using the intrinsic value of the stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on:				
profits of the Company (₹)	(345,165)	Nil	Nil	Nil
basic EPS (₹)	(0.02)	Nil	Nil	Nil
diluted EPS (₹)	(0.01)	Nil	Nil	Nil
Weighted average exercise price of options as at the date of grant whose:				
Exercise price equals market price of stock	100.18	100.18	100.18	100.18
Exercise price exceeds market price of stock	Nil	Nil	Nil	Nil
Exercise price is less than market price of stock	Nil	Nil	Nil	Nil
Weighted average fair values of options as on the date of grant whose:				
Exercise price equals market price of stock	25	25	25	25
Exercise price exceeds market price of stock	Nil	Nil	Nil	Nil
Exercise price is less than market price of stock	Nil	Nil	Nil	Nil
A description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted average information, namely,	No grants made during the year.			No grants made.
Risk free interest rate	NA	NA	NA	NA
Expected life	NA	NA	NA	NA
Expected volatility	NA	NA	NA	NA
Expected dividends	NA	NA	NA	NA
Price of underlying share in the market at the time of grant of option (₹)	NA	NA	NA	NA
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares				77,920

Particulars	Details for the financial year ended March 31,			During the period April 1, 2014 to December 31, 2014
	2012	2013	2014	
allotted on exercise of options granted under ESOP 2006, within three months after the date of listing of the Equity Shares pursuant to the Offer.				

The details of the impact for the previous three years on profits and earnings per share on account of accounting policies, had the Company followed Fair Value accounting method, specified in the SEBI ESOP Regulations are as follows:

	For the financial year ended March 31,		
	2012	2013	2014
Impact on profits of the Company (₹)	(345,165)	Nil	Nil
Impact on basic EPS (₹)	(0.02)	Nil	Nil
Impact on diluted EPS (₹)	(0.01)	Nil	Nil

No Directors have been granted stock options under ESOP 2006. The details of options granted to our senior management personnel and the intention of our Directors and senior management personnel to sell Equity Shares amounting to more than 1% of the post-Offer capital of the Company, arising out of or allotted under ESOP 2006 within three months from the date of listing of the Equity Shares through the Offer, are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options	Number of Equity Shares proposed to be sold
			Granted	Exercised	Outstanding		
Senior management personnel							
1.	Ashish Malushte	CFO	13,725	Nil	13,725	Nil	Nil
2.	Deepak Ranjan	Chief Advertisement Sales	37,056	Nil	37,056	Nil	Nil
3.	K. Suvarna	Chief – Purchase & Logistics	13,725	Nil	13,725	Nil	13,725
4.	Mitalee Patel	Chief - Content	4,116	Nil	4,116	Nil	4,116
5.	Pankaj Jaysinh	Chief Operating Officer	27,450	Nil	27,450	Nil	27,450
6.	Rajesh Mishra	CEO – Indian Operations	27,450	Nil	27,450	Nil	Nil
7.	Sanjay Chavan	Chief Technology Officer	27,450	Nil	27,450	Nil	Nil
8.	Vishnu Patel	CEO – Special Projects	27,450	Nil	27,450	Nil	Nil
Total			**178,422**	**Nil**	**178,422**	**Nil**	**45,291**

The details of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to
			Granted	Exercised	Outstanding	

						exercise of options
1.	Ashish Malushte	CFO	13,725	Nil	13,725	Nil
2.	Deepak Ranjan	Chief Advertisement Sales	37,056	Nil	37,056	Nil
3.	K Suvarna	Chief – Purchase & Logistics	13,725	Nil	13,725	Nil
4.	Pankaj Jaysinh	Chief Operating Officer	27,450	Nil	27,450	Nil
5.	Rajesh Mishra	CEO – Indian Operations	27,450	Nil	27,450	Nil
6.	Sanjay Chavan	Chief Technology Officer	27,450	Nil	27,450	Nil
7.	Vishnu Patel	CEO – Special Projects	27,450	Nil	27,450	Nil
	Total		**174,306**	**Nil**	**174,306**	**Nil**

Details of Directors or employees who 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 are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options
			Granted	Exercised	Outstanding	
1.	Deepak Ranjan	Chief Advertisement Sales	37,056	Nil	37,056	Nil
2.	Pankaj Jaysinh	Chief Operating Officer	27,450	Nil	27,450	Nil
3.	Rajesh Mishra	CEO – India Operations	27,450	Nil	27,450	Nil
4.	Sanjay Chavan	Chief Technology Officer	27,450	Nil	27,450	Nil
5.	Vishnu Patel	CEO – Special Projects	27,450	Nil	27,450	Nil
	Total		**146,856**	**Nil**	**146,856**	**Nil**

The details of the Equity Shares issued under ESOP 2006 aggregated on a quarterly basis is as follows:

Sl. No.	Quarter/ period ended	Number of Equity Shares issued	Price range (in ₹)
1.	August 2011	549	100.18

ESOP 2010

Our Company, being an unlisted company, is not required to be compliant with the SEBI ESOP Regulations. ESOP 2010 is compliant with the SEBI ESOP Regulations, except to the extent of:

i. Clause 2 (x) (iv) of ESOP 2010 includes a consultant rendering full time services to the Company as an employee. The SEBI ESOP Regulations define an employee to include a person who is a permanent employee or director, whether a whole time director or not but excluding an independent director, of the Company or its subsidiary or its holding company. Regulation 4 of the SEBI ESOP Regulations state that only employees (as defined in the SEBI ESOP Regulations) are eligible to participate in an employee stock option scheme. Inclusion of consultants in ESOP 2010 is not compliant with the SEBI ESOP Regulations.

ii. Regulation 2 (1) (f) of the SEBI ESOP Regulations which defines an employee specifically excludes promoters, persons belonging to the promoter group and directors holding more than 10% of the outstanding equity shares of the company directly or indirectly. ESOP 2010 does not specifically exclude promoters, persons belonging to the promoter group and directors holding more than 10% of the outstanding equity shares, which is not compliant with the SEBI ESOP Regulations.

There are grants made to Promoters, which are non-compliant with the SEBI ESOP Regulations.

iii. Formation of the compensation committee comprising of three or more non-executive directors, out of which not less than one half shall be independent directors for administration of ESOP 2010 in accordance with Regulation 5 (2) of the SEBI ESOP Regulations has not been complied with.

iv. Regulation 7 (1) of the SEBI ESOP Regulations prohibits any variation in the scheme which is detrimental to the interests of the employees. This is not covered specifically in ESOP 2010.

v. Regulation 9 (6) of the SEBI ESOP Regulations allows an employee who has resigned to retain all vested options. Clause 8 (b) of ESOP 2010, in the 'Prior to Listing' table covers a scenario where all vested options which were not exercised as on the date of submission of resignation or date of termination shall stand cancelled. This is non-compliant with the SEBI ESOP Regulations.

A minimum period of one year of vesting is required under Regulation 18 (1) of the SEBI ESOP Regulations. Clause 8 (d) of ESOP 2010 allows for earlier vesting of options in case the existing shareholders intend to sell more than 50% of their equity shares held in the Company, prior to listing of the equity shares of the Company on a recognized stock exchange.

vi. No registered merchant banker was appointed for implementation of ESOP 2010 according to Regulation 12 (6) of the SEBI ESOP Regulations.

vii. As per Regulation 13 of the SEBI ESOP Regulations, the Company is required to obtain a certificate annually from the auditors stating that the scheme is compliant with the SEBI ESOP Regulations and the shareholders' resolution passed and place this certificate before the shareholders in the annual general meeting. This has not been complied with.

viii. Under the erstwhile SEBI ESOP Guidelines, (i) disclosures under Schedule IV of the SEBI ESOP Guidelines were required to be made to the option grantees at the time of grant in accordance with Clause 5.1 of the SEBI ESOP Guidelines and (ii) disclosures under Clause 12 of the SEBI ESOP Guidelines were required to be made in the Directors' Report. Under the SEBI ESOP Regulations, no disclosure requirements corresponding to Schedule IV and Clause 12 of the SEBI ESOP Guidelines have been notified. The disclosures which were required to be made under Schedule IV and in the Directors' Report under Clause 12 of the SEBI ESOP Guidelines were not made.

Pursuant to a resolution of the Compensation Committee dated November 22, 2010, and shareholders' resolution dated November 22, 2010, our Company had instituted the ESOP Scheme 2010 ("**ESOP 2010**"), which was implemented with effect from November 22, 2010 and was effective until terminated by the Board or all options available under the ESOP 2010 had been issued and exercised. The aggregate number of options to be granted under the ESOP 2010 was such that the number of stock options exercisable into Equity Shares did not exceed 10% of the paid-up equity share capital at any point of time. Each option granted under the ESOP 2010 is convertible into one Equity Share. Further, pursuant to a resolution of the Board dated October 22, 2014, ESOP 2010 has been terminated without cancellation of the valid stock options granted under ESOP 2010.

Details of grants, exercise and lapsing of options as at December 31, 2014 on a cumulative basis are as follows:

Options granted	1,587,646
Options forfeited/ lapsed/ cancelled	84,157

Options exercised	Nil
Total number of Equity Shares arising as a result of exercise of options	Nil
Options vested (excluding options that have been exercised)	1,327,332*
Total number of options in force	1,503,489

Other than 1,503,489 options already granted and which are in force no further options are to be granted under the ESOP 2010. Further, options under ESOP 2010 that have lapsed are not available for fresh grant.

Details of ESOP 2010 are as follows:

Particulars	**Details for the financial year ended March 31,**			**During the period April 1, 2014 to December 31, 2014**
	2012	**2013**	**2014**	
Options granted	Nil	Nil	174,157	Nil
Pricing formula	Fair market value as on the date of grant			
Vesting period	4 years			
Options vested (excluding options that have been exercised)	348,920	681,933	1,004,722	1,327,332*
Options exercised	Nil	Nil	Nil	Nil
Total number of Equity Shares arising as a result of exercise of options	Nil	Nil	Nil	Nil
Options forfeited/ lapsed/ cancelled	17,818	31,814	32,533	2,000
Variation of terms of options	None	None	None	ESOP 2010 has been amended in October 2014 to accelerate vesting of the unvested options. The exercise period has been amended for all vested options, which were granted under ESOP 2010 and are not exercised, to be from October 25, 2014 until expiry of one (1) year from the date of listing of the equity shares of the Company.
Money realised by exercise of options (in ₹)	Nil	Nil	Nil	Nil
Total number of options in force	1,395,679	1,363,865	1,505,489	1,503,489
Fully diluted EPS pursuant to the issue of Equity Shares upon exercise of options in accordance with relevant accounting standards based on unconsolidated financial statements	2.01	8.30	12.21	6.44

Particulars	Details for the financial year ended March 31,			During the period April 1, 2014 to December 31, 2014
	2012	2013	2014	
Difference, if any, between employee compensation cost calculated using the intrinsic value of the stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on:				
profits of the Company (₹)	(32,882,437)	(17,230,476)	(9,140,251)	(6,086,724)
basic EPS (₹)	(1.63)	(0.66)	(0.36)	(0.24)
diluted EPS (₹)	(1.24)	(0.65)	(0.35)	(0.23)
Weighted average exercise price of options as on the date of grant whose:				
Exercise price equals market price of stock	Nil	Nil	178.18	Nil
Exercise price exceeds market price of stock	Nil	Nil	Nil	Nil
Exercise price is less than market price of stock	Nil	Nil	161.87	Nil
Weighted average fair values of options as on the date of grant whose:				
Exercise price equals market price of stock	Nil	Nil	43.22	Nil
Exercise price exceeds market price of stock	Nil	Nil	Nil	Nil
Exercise price is less than market price of stock	Nil	Nil	53.80	Nil
A description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted average information, namely,	No grants made during the year.			No grants made.
Risk free interest rate	NA	NA	8.75%	NA
Expected life	NA	NA	1 year	NA
Expected volatility	NA	NA	25%	NA
Expected dividends	NA	NA	Nil	NA
Price of underlying share in the market at the time of grant of option (₹)	NA	NA	178.17	NA
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options granted under ESOP 2010, within three months after the date of listing of the Equity Shares pursuant to the Offer.				478,805

** As of April 10, 2015, 174,157 additional outstanding options have also vested.*

The details of the impact for the previous three years on profits and earnings per share on account of accounting policies, had the Company followed Fair Value accounting method, specified in the SEBI ESOP Regulations are as follows:

	For the financial year ended March 31,		
	2012	2013	2014
Impact on profits of the Company (₹)	(32,882,437)	(17,230,476)	(9,140,251)
Impact on basic EPS (₹)	(1.63)	(0.66)	(0.36)

Impact on diluted EPS (₹)	(1.24)	(0.65)	(0.35)

The details of options granted to our Directors and senior management personnel and the intention of our Directors and senior management personnel to sell Equity Shares amounting to more than 1% of the post-Offer capital of the Company, arising out of or allotted under ESOP 2010 within three months from the date of listing of the Equity Shares through the Offer, are as follows:

Sl. No	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options	Number of Equity Shares proposed to be sold
			Granted	Exercised	Outstanding		
Directors							
1.	Kapil Agarwal	Joint Managing Director	372,694	Nil	372,694	Nil	Nil
2.	Sanjay Gaikwad	Managing Director	263,797	Nil	263,797	Nil	Nil
3.	Ameya Hete	Director	217,797	Nil	217,797	Nil	Nil
Senior Management Personnel							
4.	Ashish Malushte	CFO	29,699	Nil	29,699	Nil	Nil
5.	Avadhoot Gaitonde	VP – Group HR	19,800	Nil	19,800	Nil	19,800
6.	Deepak Ranjan	Chief Advertisement Sales	29,699	Nil	29,699	Nil	Nil
7.	K. Suvarna	Chief – Purchase & Logistics	19,800	Nil	19,800	Nil	19,800
8.	Mitalee Patel	Chief - Content	19,800	Nil	19,800	Nil	19,800
9.	Pankaj Jaysinh	Chief Operating Officer	29,699	Nil	29,699	Nil	29,699
10.	Pradeep Shetty	Chief Operating Officer - Scrabble	8,157	Nil	8,157	Nil	8,157
11.	Rajesh Mishra	CEO – India Operations	29,699	Nil	29,699	Nil	Nil
12.	Sanjay Chavan	Chief Technology Officer	29,699	Nil	29,699	Nil	Nil
13.	Siddharth Bharadwaj	Chief Marketing Officer - Head Enterprise Sales	12,000	Nil	12,000	Nil	Nil
14.	Sushil Agrawal	Chief – Corporate Affairs	19,800	Nil	19,800	Nil	Nil
15.	Vishnu Patel	CEO – Special Projects	19,800	Nil	19,800	Nil	Nil
Total			**1,121,940**	**Nil**	**1,121,940**	**Nil**	**97,256**

The details of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options
			Granted	Exercised	Outstanding	
1.	Ameya Hete	Director	217,797	Nil	217,797	Nil
2.	Kapil Agarwal	Joint Managing Director	372,694	Nil	372,694	Nil
3.	Sanjay Gaikwad	Managing Director	263,797	Nil	263,797	Nil
4.	Siddharth Bhardwaj	Chief Marketing Officer - Head Enterprise Sales	12,000	Nil	12,000	Nil
Total			**866,288**	**Nil**	**866,288**	**Nil**

Details of Directors or employees who 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 are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options
			Granted	Exercised	Outstanding	
1.	Ameya Hete	Director	217,797	Nil	217,797	Nil
2.	Kapil Agarwal	Joint Managing Director	326,694	Nil	326,694	Nil
3.	Sanjay Gaikwad	Managing Director	217,797	Nil	217,797	Nil
	Total		**762,288**	**Nil**	**762,288**	**Nil**

As on the date of this Prospectus, no Equity Shares have been issued under ESOP 2010.

ESOP 2014

ESOP 2014 is compliant with the SEBI ESOP Regulations.

Pursuant to a resolution of the Board dated November 11, 2014, and shareholders' resolution dated November 20, 2014, our Company has instituted the ESOP Scheme 2014 ("**ESOP 2014**"), which is effective from December 12, 2014 till terminated by the Board or all options available under the ESOP 2014 have been issued and exercised. The aggregate number of options to be granted under the ESOP 2014 is such number of stock options exercisable into 1,150,000 Equity Shares. Each option granted under the ESOP 2014 is convertible into one Equity Share.

Details of grants, exercise and lapsing of options as at December 31, 2014 on a cumulative basis are as follows:

Options granted	932,500
Options lapsed/expired	2,750*
Options exercised	Nil
Options outstanding	929,750*

**As of April 10, 2015, 4,000 additional options were cancelled due to resignation of an employee. The total options cancelled as of April 10, 2015 is 6,750 options and the total options outstanding as of such date were 925,750.*

Details of ESOP 2014 are as follows:

Particulars	Details
	April 1, 2014 to December 31, 2014
Options granted	932,500
Pricing formula	Greater than the fair market value as on the date of grant
Vesting period	Four years
Options vested (includes options exercised)	Nil
Options exercised	Nil
Total number of Equity Shares arising as a result of exercise of options	Nil
Options forfeited/ lapsed/ cancelled	2,750*
Variations in terms of options	None
Money realised by exercise of options (in ₹)	Nil
Total number of option in force	929,750*
Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting	6.44

Particulars	Details
	April 1, 2014 to December 31, 2014
standard based on unconsolidated financial statements	
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and employee compensation cost calculated on the basis of fair value of stock options and impact on:	
profits of the Company (₹)	(8,383,824)
basic EPS (₹)	(0.32)
diluted EPS (₹)	(0.31)
Weighted average exercise price options whose:	
Exercise price equals market price of stock	Nil
Exercise price exceeds market price of stock	600
Exercise price is less than market price of stock	Nil
Weighted average fair values of options whose:	
Exercise price equals market price of stock	Nil
Exercise price exceeds market price of stock	Nil
Exercise price is less than market price of stock	Nil
A 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	8.13%
Expected life	3.5 years
Expected volatility	0%
Expected dividends	Nil
Price of underlying shares in market at the time of grant of option (₹)	378.71
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options granted under ESOP 2014 within three months after the date of listing of the Equity Shares pursuant to the Offer	Nil

**As of April 10, 2015, 4,000 additional options were cancelled due to resignation of an employee. The total options cancelled as of April 10, 2015 is 6,750 options and the total options outstanding as of such date were 925,750.*

The details of the impact for the previous three years on profits and earnings per share on account of accounting policies had the Company followed Fair Value accounting method specified in the SEBI ESOP Regulations are as follows:

	For the financial year ended March 31,		
	2012	2013	2014
Impact on profits of the Company (₹)	-	-	-
Impact on basic EPS (₹)	-	-	-
Impact on diluted EPS (₹)	-	-	-

The details of options granted to our Directors and senior management personnel and the intention of our Directors and senior management personnel to sell Equity Shares amounting to more than 1% of the post-Offer capital of the Company, arising out of or allotted under ESOP 2014 within three months from the date of listing of the Equity Shares through the Offer, are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options	Number of Equity Shares proposed to be sold
			Granted	Exercised	Outstanding		
Directors							
1.	Kapil Agarwal	Joint Managing Director	212,500	Nil	212,500	Nil	Nil
Senior management personnel							
1.	Rajesh Mishra	CEO - Indian Operations	45,000	Nil	45,000	Nil	Nil
2.	Vishnu Patel	CEO – Special Projects	20,000	Nil	20,000	Nil	Nil
3.	Sanjay Chavan	Chief Technology Operations	27,500	Nil	27,500	Nil	Nil
4.	Pradeep Shetty	Chief Operating Officer – Scrabble	12,000	Nil	12,000	Nil	Nil
5.	Ashish Malushte	CFO	37,500	Nil	37,500	Nil	Nil
6.	K Suvarna	Chief – Purchase & Logistics	12,500	Nil	12,500	Nil	Nil
7.	Deepak Ranjan	Chief Advertisement Sales	15,000	Nil	15,000	Nil	Nil
8.	Mitalee Patel	Chief - Content	15,000	Nil	15,000	Nil	Nil
9.	Pankaj Jaysinh	Chief Operating Officer	20,000	Nil	20,000	Nil	Nil
10.	Sushil Agrawal	Chief – Corporate Affairs	32,500	Nil	32,500	Nil	Nil
11.	Siddharth Bhardwaj	Chief Marketing Officer - Head Enterprise Sales	30,000	Nil	30,000	Nil	Nil
12.	Pruthu Shah	Chief Operating Officer – Scrabble JLT	20,000	Nil	20,000	Nil	Nil
Total			**499,500**	**Nil**	**499,500**	**Nil**	**Nil**

The details of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year are as follows:

Sl. No.	Name	Designation	Number of options			Number of Equity Shares allotted pursuant to exercise of options
			Granted	Exercised	Outstanding	
1.	Kapil Agarwal	Joint Managing Director	212,500	Nil	212,500	Nil
Total			**212,500**	**Nil**	**212,500**	**Nil**

There are no Directors or employees who 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.

As on the date of this Prospectus, no Equity Shares have been issued under ESOP 2014.

15. In the last two years preceding the date of filing of this Prospectus, our Company has not issued any Equity Shares.

16. Our Company, our Directors and the Managers have not entered into any buy-back and/or standby and/or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

17. Over-subscription to the extent of 10% of the Offer can be retained for the purpose of rounding off while finalising the Basis of Allotment.

18. The Managers or their associates (determined as per the definition of 'associate company' under section 2(6) of the Companies Act, 2013) do not hold any Equity Shares as on the date of filing of this Prospectus.

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

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

21. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Prospectus.

22. Except for options granted pursuant to ESOP 2006, ESOP 2010 and ESOP 2014, as on the date of this Prospectus, there no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares.

23. Except for any issue of Equity Shares pursuant to exercise of employee stock options granted under ESOP 2006 or ESOP 2010, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

24. Except for the acquisition of 1,098 Equity Shares by Prafulla Vaidya, a director on the board of our corporate Promoter, Valuable Media Limited, from Seema Ramgadiya, an existing shareholder of our Company on December 9, 2014 at a price of ₹ 330 per Equity Share, none of our Promoters, the directors of our corporate Promoters, the members of our Promoter Group, our Directors, or their immediate relatives have purchased or sold any securities of our Company, during a period of six months preceding the date of filing the Draft Red Herring Prospectus with SEBI. Further, except as stated below and other than pursuant to the Offer, none of our Promoters, members of the Promoter Group and directors of our corporate Promoter and our Directors, or their immediate relatives, have purchased or sold securities of our Company during the six months preceding the date of filing of this Prospectus:

Name of transferor	Name of transferee	Number of Equity Shares transferred	Date of transfer	Price per Equity Share (in ₹)
Seema Ramgadiya	Prafulla Vaidya	1,098	December 9, 2014	330
Kristen Buildcon Private Limited	Benu Agarwal	35,900	March 26, 2015	150
Kristen Buildcon Private Limited	Benu Agarwal	53,800	April 9, 2015	150
Omniscient Consultancy Services Private Limited	Farhat Zaidi	39,990	April 10, 2015	149.66
Kapil Kumar Agarwal (on behalf of M.B. Zaidi Memorial	Lata Bhanshali	101,250	May 6, 2015	615

Charitable Trust)				

25. None of our Promoters, the directors of our corporate Promoters, the members of our Promoter Group, our Directors, or their immediate relatives have purchased or sold any securities of the Subsidiaries, during a period of six months preceding the date of filing this Prospectus with SEBI.

26. During the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoters, directors of our corporate Promoters, our Promoter Group, our Directors and their relatives may have financed the purchase of Equity Shares by any other person.

27. Except to the extent of the Equity Shares offered by them for sale in the Offer, our Promoters, members of our Promoter Group and Group Entities did not participate in the Offer.

28. In terms of Rule 19(2)(b)(i) of the SCRR read with Regulation 41 of the ICDR Regulations, this is an offer for at least 25% of the post-Offer capital and is made through the Book Building Process, wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Provided that our Company, 3i Research, P5 and the Promoter Selling Shareholders in consultation with the Managers, have allocated 60% of the QIB Category to Anchor Investors on a discretionary basis out of which one third was reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, 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, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Offer Price.

29. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of Bidder. For further details see "*Offer Procedure*" on page 581 of this Prospectus.

30. Except to the extent of any employee stock options under ESOP 2006, ESOP 2010 and/or ESOP 2014 that may be exercised, our Company presently does not intend or propose to alter the capital structure from the date of filing of this Prospectus, for a period of six months from the Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

31. Except as disclosed in this Prospectus, as on date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act 1956.

32. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category and Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Managers and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories.

33. The Equity Shares Allotted pursuant to the Offer shall be fully paid-up at the time of Allotment.

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

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

36. Our Company has ensured that transactions in the Equity Shares by the Promoters 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 were reported to the Stock Exchanges within 24 hours of the transactions.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the sale of Equity Shares by the Selling Shareholders. Further, our Company expects that listing of the Equity Shares will enhance its visibility and brand image and provide liquidity to its existing shareholders. Our Company will not receive any proceeds of the Offer and all the proceeds of the Offer will go to the Selling Shareholders.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ 419.11 million. The expenses of the Offer include, among others, listing fees, underwriting and management fees, printing and distribution expenses, advertisement expenses and legal fees, as applicable. The estimated Offer expenses are as follows:

(₹ in million)

Activity	Estimated expenses	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the Managers	202.25	48.26	3.37
Advertising and marketing expenses	66.11	15.77	1.10
Fees payable to the Registrar to the Offer	3.00	0.72	0.05
Underwriting commission, fees payable to the Bankers to the Offer, brokerage and selling commission, as applicable	10.28	2.45	0.17
Brokerage and selling commission payable to Registered Brokers*	0.25	0.06	0.00
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs**	0.79	0.19	0.01
Others (listing fees, legal fees, *etc.*)	136.43	32.55	2.27
Total estimated Offer expenses	**419.11**	**100.00**	**6.99**

* *₹10 per applications (net of service tax) on every valid application Bid for Retail Category and Non-Institutional Category.*

** *The SCSBs would be entitled to a processing fees of ₹15 per Bid cum Application Form(net of Service Tax), for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs.*

Upon completion of the Offer, all expenses with respect to the Offer will be shared among the Selling Shareholders, in proportion to the Equity Shares being offered by each of them in the Offer. Any payments by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale in the Offer.

Monitoring of Utilization of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers on the basis of assessment of market demand for the Equity Shares 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 61.5 times the face value at the lower end of the Price Band and 62.5 times the face value at the higher end of the Price Band.

Qualitative Factors

Some of the qualitative factors which form the basis for the Offer Price are:

- leading player in the digital cinema space in India;
- business model focused on creating value for all stakeholders in the cinema industry;
- market leader in reach in the fast growing in-cinema advertising market in India;
- advanced end-to-end technology platform with high uptime levels;
- experienced management team with established track record; and
- strong profitability with diversified and visible revenue streams.

For further details, please see "*Business*" and "*Risk Factors*" beginning on pages 184 and 23 of this Prospectus, respectively.

Quantitative factors

Information presented in this section is derived from the Restated Summary Statements prepared in accordance with Companies Act and the ICDR Regulations. Some of the quantitative factors, which form the basis for computing the Offer Price, are as follows:

1. *Basic Earnings Per Share (EPS) & Diluted Earnings Per Share (EPS)*

a. *As per our Restated Consolidated Summary Statements*

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight Standalone
Financial Year 2014	16.77	16.66	3
Financial Year 2013	11.70	11.39	2
Financial Year 2012	0.62	0.47	1
Weighted average	**12.39**	**12.21**	
Nine month period ended December 31, 2014*	13.04	12.55	

**Not annualized*

b. *As per our Restated Unconsolidated Summary Statements*

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight Standalone
Financial Year 2014	12.30	12.21	3
Financial Year 2013	8.53	8.30	2
Financial Year 2012	2.64	2.01	1
Weighted average	**9.43**	**9.21**	
Nine month period ended December 31, 2014*	6.69	6.44	

**Not annualized*

Notes:

i. *The figures disclosed above are based on the Restated Summary Statements of the Company.*

ii. *The face value of each Equity Share is ₹10.*

iii. *Earnings Per Share has been calculated in accordance with Accounting Standard 20 - Earnings Per Share issued by the Institute of Chartered Accountants of India.*

2. *Price Earning (P/E) Ratio in relation to the Price Band of ₹615 to 625 per Equity Share of ₹10 each*

S. No.	Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
1.	Based on basic EPS as per the Restated Consolidated Summary Statements for Financial Year 2014	36.66	37.26
2.	Based on basic EPS as per the Restated Unconsolidated Summary Statements for Financial Year 2014	50.00	50.81
3.	Based on diluted EPS as per the Restated Consolidated Summary Statements for Financial Year 2014	36.92	37.52
4.	Based on diluted EPS as per the Restated Unconsolidated Summary Statements for Financial Year 2014	50.37	51.19

3. *Industry P/E ratio**

Particulars	P/E
Highest	270.7
Lowest	3.3
Average	27.5

** Source: Capital Market (Magazine), Vol. XXX/04: April 13, 2015 – April 26,2015. Industry considered is "Entertainment / Electronic Media Software*

4. *Average Return on Net Worth (RONW)**

a. *As per the Restated Consolidated Summary Statements*

Financial Period	Consolidated (%)	Weight Standalone
Financial Year 2014	10.94	3
Financial Year 2013	8.82	2
Financial Year 2012	0.41	1
Weighted average	**8.48**	
Nine month period ended December 31, 2014**	7.69	

** Net Profit after tax (after preference dividend and related tax) as restated / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend*
*** Not annualized*

b. *As per the Restated Unconsolidated Summary Statements*

Financial Period	Unconsolidated (%)	Weight Standalone
Financial Year 2014	8.66	3
Financial Year 2013	6.63	2
Financial Year 2012	1.73	1
Weighted average	**6.83**	
Nine month period ended December 31, 2014**	4.47	

** Net Profit after tax (after preference dividend and related tax) as restated / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend*
*** Not annualized*

There is no change in the net worth post-Offer as the Offer is by way of offer for sale by the Selling Shareholders.

5. *Net Asset Value per Equity Share*

Period	Restated unconsolidated (₹)	Restated Consolidated (₹)
Financial Year 2014	142.01	153.33

Period	Restated unconsolidated (₹)	Restated Consolidated (₹)
Financial Year 2013	128.52	132.61
Financial Year 2012	118.80	118.40
NAV after the Offer#	-	-
Offer Price	625	

There is no change in the net worth post-Offer as the Offer is by way of offer for sale by the Selling Shareholders.

Net Asset Value per Equity Share = Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend / Total number of equity shares outstanding at the end of the period/year

6. Comparison with listed industry peers

Name of Company	Standalone / Consolidated	Face Value (Rs. Per share)	EPS (₹)		NAV (₹ per share)	P/E(8)	RONW (%)
			Basic	Diluted			
UFO Moviez India Limited	Unconsolidated (1)	10.00	12.30	12.21	142.01	N.A.	8.66%
	Consolidated (2)	10.00	16.77	16.66	153.33		10.94%
Peer Group							
Entertainment Network (India) Limited (3)	Consolidated	10.00	17.54	17.54	111.72	21.11	15.70%
Inox Leisure Limited (4)	Consolidated	10.00	4.85	4.85	46.23	23.57	8.31%
TV18 Broadcast Limited (5)	Consolidated	2.00	0.61	0.61	17.92	41.72	3.38%
PVR Limited (6)	Consolidated	10.00	13.72	13.69	87.14	34.11	15.65%
Zee Entertainment Enterprises Limited (7)	Consolidated	1.00	9.19	9.19	27.33	29.56	33.99%

(1) *For the year ended March 31, 2014, based on Restated Unconsolidated Summary Statements.*
(2) *For the year ended March 31, 2014, based on Restated Consolidated Summary Statements.*
(3) *Source: Annual Report for Entertainment Network (India) Limited, 2014*
(4) *Source: Annual Report for Inox Leisure Limited, 2014*
(5) *Source: Annual Report for TV18 Broadcast Limited, 2014*
(6) *Source: Annual Report for PVR Limited, 2014*
(7) *Source: Annual Report for Zee Entertainment Enterprises Limited, 2014*
(8) *P/E ratio based on closing market price as on March 31, 2014 available on www.bseindia.com and using Basic EPS*

The Offer Price of ₹ 625 has been determined by our Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company and the Managers believe that the Offer Price of ₹ 625 is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with the sections titled "*Risk Factors*", "*Business*" and "*Financial Statements*" beginning on pages 23, 184 and 336 of this Prospectus respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "*Risk Factors*" and you may lose all or part of your investments.

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

April 13, 2015

To
The Board of Directors
UFO Moviez India Limited
Valuable Techno Park,
53/1, Road No. 7
MIDC, Andheri East
Mumbai - 400093

Dear Sirs,

We hereby confirm that the enclosed annexure, prepared by UFO Moviez India Limited ('the Company') states the possible tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act'), 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 Act. 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 Bill 2015 have been incorporated to the extent relevant in the enclosed annexure. It may be noted that the same is subject to enactment through the Finance Act.

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 and 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 Govind Ahuja
Partner
Membership No.: 48966
Mumbai

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO UFO MOVIEZ INDIA 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 nine months period ended December 31,2014Since the tax benefit statement has been issued subsequent to the Finance Bill 2015, the proposals under the same have also been provided.

A. Benefits to the Company under the Act

1. 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 shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act 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 any other capital assets, 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 asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.

- Finance Act, 2014 has amended section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short – term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short– term capital assets. This amendment is applicable on and after 10th July, 2014.

- 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 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. However, Finance Act, 2014 has amended the provisions of section 112 allowing the concessional rate of tax of ten per cent on long term capital gain to listed securities (other than unit) and zero coupon bonds. This amendment is applicable on and after 10th July, 2014.

- 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% where the taxable income of a domestic company exceeds Rs 10,000,000 but not Rs. 100,000,000. The surcharge shall be payable at the rate of 10% where the taxable income of a domestic company exceeds Rs 100,000,000. 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 taxpayers. The Finance Bill, 2015 proposes that the tax rates mentioned above stands increased by surcharge, payable at the rate of 7% where the taxable income of a domestic company exceeds Rs 10,000,000 but not Rs. 100,000,000. The surcharge shall be payable at the rate of 12% where the taxable income of a domestic company exceeds Rs 100,000,000. 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 taxpayers. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 2015.

- 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 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 of 10% 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).The Finance Bill, 2015 has proposed to increase the rate of surcharge to 12%. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 2015.

- Further w.e.f 1st October 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 on or after 1 April 2003 is to be reduced by any amount of dividend as received by the company from its subsidiary or from foreign companies during the financial year , 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 1 June 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.

- 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.

B. <u>Benefits to the Resident members / shareholders of the Company under the Act</u>

(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 shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act 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 any other capital assets, 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 a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.

- Finance Act, 2014 has amended section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short – term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short– term capital assets. This amendment is applicable on and after 10th July, 2014.

- 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 intial 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% where the taxable income of a domestic company exceeds Rs 10,000,000.As per Finance Act 2013 surcharge shall be payable at the rate of 10% where the taxable income of a domestic company exceeds Rs 100,000,000. 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 taxpayers. As per Finance Bill 2015, surcharge shall be payable at the rate of 7% where the taxable income of a domestic company is within Rs. 10,000,000 to Rs. 100,000,000; and at the rate of 12% where the taxable income of a domestic company exceeds Rs 100,000,000. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 2015.

- As per the Finance Act 2015, surcharge shall be payable at the rate of 12% where the total taxable income of a taxpayer other than a domestic company 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.

- 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 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.

C. <u>Benefits to the Non-resident shareholders of the Company under the Act</u>

(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% 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. The Finance Bill proposes to increase the rate of surcharge to 12%. However, the same shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 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 shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act 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 any other capital assets, 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 a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.

- Finance Act, 2014 has amended section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short –

term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short– term capital assets. This amendment is applicable on and after 10th July, 2014.

- 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 following rates as per Finance Bill 2015 –

  - At the rate of 2% where the taxable income of a foreign company exceeds Rs 10,000,000 and at the rate of 5% when the taxable income of a foreign company exceeds Rs. 100,000,000.

  - 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. The Finance Bill proposes to change the rate of surcharge t0 12%. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 2015.

  - 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.

(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% is applicable in case income of the NRI exceeds Rs 10,000,000. As per the Finance Bill 2015, the surcharge rate shall be increased to 12% where income of the NRI exceeds Rs 10,000,000. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 2015.

- 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% is applicable in case income of the NRI exceeds Rs 10,000,000. As per the Finance Bill 2015, the surcharge rate shall be increased to

12% where income of the NRI exceeds Rs 10,000,000. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 2015.

- 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 income / 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.

D. <u>Benefits available to Foreign Institutional Investors ('FIIs') under the Act</u>

(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, 2014 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. The said provision was made applicable in case of interest payable at any time on or after 1 June 2013 but before 1 June 2015 to FIIs and QFIs on their investments in Government securities and rupee denominated corporate bonds provided that the rate of interest does not exceed the rate notified by the Central Government in this regard. Finance Act, 2015 has proposed to amend section 194LD to provide that the concessional rate of 5% withholding tax on interest payment under the section will now be available on interest payable up to 30 June 2017.

- 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 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 Finance Bill 2015 has proposed to amend the rate of surcharge to 12%. It may be noted that the proposed amendment shall be applicable during Financial year 2015-16 subject to enactment through the Finance Act, 2015.

- Further, vide Finance Act (No.2), 2014 it was provided that any securities held by a Foreign Institutional Investor which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be capital asset. Consequently, the income arising to a Foreign Institutional Investor from transactions in securities would always be in the nature of capital gains. It is, therefore, proposed to amend the provisions of section 115JB so as to provide that income from transactions in securities (other than short term capital gains arising on transactions on which securities transaction tax is not chargeable) arising to a Foreign Institutional Investor, shall be excluded from the chargeability of MAT and the profit corresponding to such income shall be reduced from the book profit. The expenditures, if any, debited to the profit loss account, corresponding to such income (which is being proposed to be excluded from the MAT liability) are also proposed to be added back to the book profit for the purpose of computation of MAT. In view of the above, a new clause (iic) is proposed to be inserted in Explanation 1 so as to provide that the amount of income from transactions in securities, (other than short term capital gains arising on transactions on which securities transaction tax is not chargeable), accruing or arising to an assessee being a Foreign Institutional Investor which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act,1992,if any such amount is credited to the profit and loss account, shall be reduced from the book profit for the purposes of calculation of income-tax payable under the section. Further by inserting a new clause (fb) in Explanation 1, it is proposed that the book profit shall be increased by the amount or amounts of expenditure relatable to the above income. These amendments will take effect from 1st April, 2016 and will, accordingly, apply in relation to the assessment year 2016-17 and subsequent assessment years, subject to enactment through the Act.

- 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 1 August 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.

E. <u>Benefits available to Mutual Funds under the Act</u>

(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.

F. <u>Wealth Tax Act, 1957</u>

- 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.

- The Finance Bill 2015 has proposed to abolish Wealth Tax Act, 1957 with effect from 1 April 2016 which shall then apply in relation to AY 2016-17 and subsequent assessment years subject to enactment through the Act.

G. 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.

INDUSTRY

The information in this section is derived from the "Study of the Media and Entertainment Sector in India, CRISIL Research, November 2014" and 'Update to CRISIL Report comprising Study of the Media and Entertainment Sector in India' dated January 19, 2015" (the "CRISIL Report"). We commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the CRISIL Report. CRISIL Research, a division of CRISIL Limited ("CRISIL"), has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CRISIL Report or the data therein. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the report. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division or CRISIL Risk and Infrastructure Solutions Limited ("CRIS"), which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL Research and not of CRISIL's Ratings Division or CRIS. Prospective investors are advised not to unduly rely on the CRISIL Report when making their investment decision.

Overview of the Indian Economy

India has been one of the fastest growing economies in the past decade. In the first decade of the 21st century, India set a robust pace of GDP growth (along with China), and emerged as a bulwark of the global economy. India's growth averaged over 9% from 2004-05 to 2007-08 (although China's growth was higher). India and China were joined later by other major developing economies such as Brazil, Russia, Indonesia and South Africa (BRICS), whose growth averaged over 5.6% during this period; by contrast, growth in the US and Europe averaged only 2.4% and Japan around 1.3%. Together, the share of developing economies of world GDP exceeded that of the developed economies for the first time ever, as did their cumulative share in global trade.

Trend of GDP growth of BRICS nations

Source: IMF and CRISIL Research

The global financial crisis of 2008-09 and the growth slump engulfed various parts of the world to varying degrees. India was not completely insulated from the slowdown and its growth dipped to 6.7% in 2008-09.

Although fiscal and monetary stimuli improved the economy in 2009-10 and 2010-11, the economy slipped again as the effects of these measures faded. Growth plummeted to a decade low of 4.5% in 2012- 13 and 4.9% in 2013-14 as demand slumped, paralysis engulfed policy-making and the investment cycle ground to a halt.

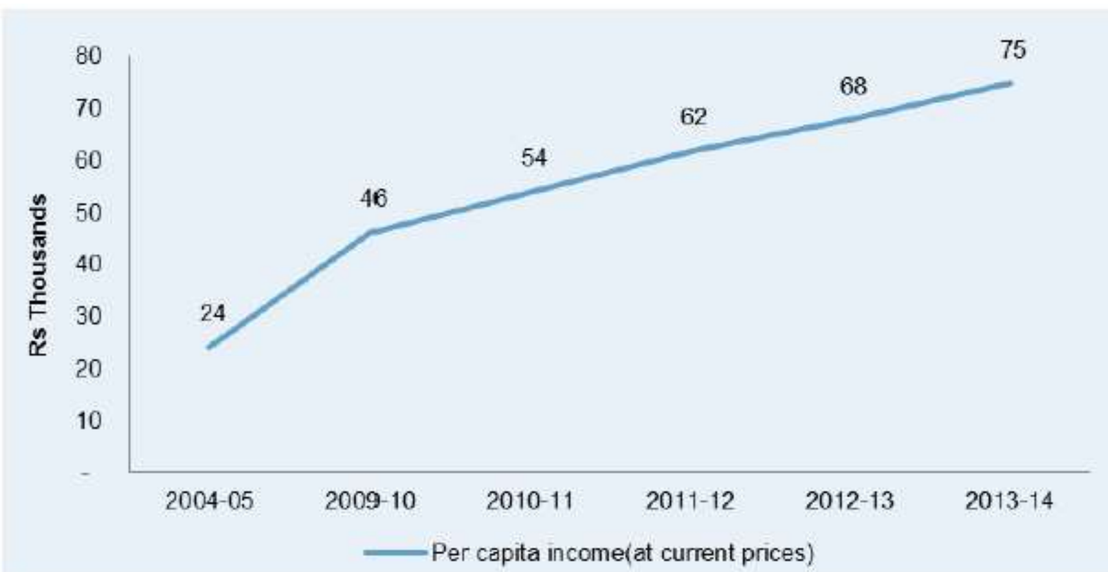
But going forward, the conditions are expected to improve with the GDP growing by 5.7% in the first quarter of 2014-15 as domestic demand picked up. CRISIL Research expects GDP to grow around 5.5% in FY 15 over FY 14.

Growth in GDP will Also Reflect in Per Capita Income Increase

Per capita income is calculated by dividing the national income by the country's population. Thus, an increase in a country's GDP will increase its per capita income as well.

India's per capita income rose by 10.4% from ₹66,281 in 2012-13 to ₹74,920 in 2013-14 (current prices). Rise in per capita incomes will translate in an increase in disposable income. This in turn will lead to an increase in private final consumption expenditure across categories including recreation and culture which includes media and entertainment.

Per capita income at current prices in ₹



Source: CRISIL Research

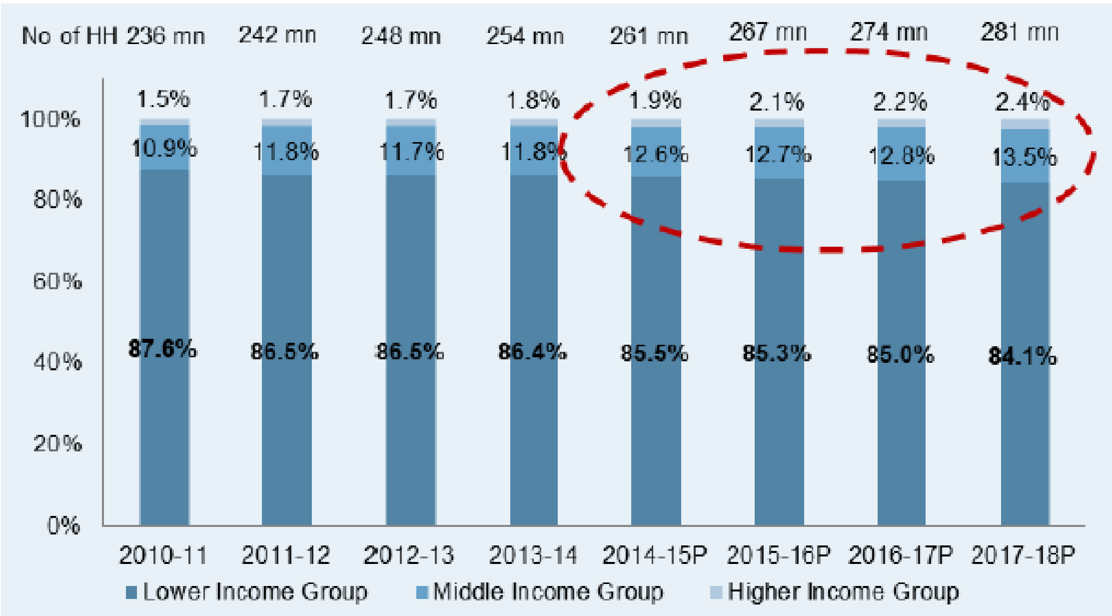
Growth of the Indian middle class

The Indian middle class is set to grow at a strong pace. As per a report by the National Council for Applied Economic Research's ("NCAER") Centre for Macro Consumer Research, an Indian family with an annual household income between ₹340,000 and ₹1,700,000 (at 2009-10 prices) falls in the middle income group ("MIG"). Accordingly, CRISIL Research has divided India's population into three groups according to their income levels— Lower Income Group ("LIG") (having annual household income less than ₹340,000), MIG (having annual household income between ₹340,000 and ₹1,700,000) and Higher Income Group ("HIG") (having annual household income more than ₹1,700,000). The income brackets so defined are for the year 2009-10 and adjusted for inflation the MIG bracket corresponds to ₹480,000 to ₹2,390,000 for the year 2013-14 and are projected to be ₹600,000 to ₹3,020,000 for the year 2017-18.

As GDP and the per-capita incomes increase, there has been a shift in the number of households from the LIG category to the MIG category and from the MIG category to the HIG category. Consequently, the number of LIG households has been declining slowly but steadily, while the number of MIG and HIG households has been on the uptick.

Going forward, the MIG category is set to increase even more as its proportion is expected to cross 13% of the total number of households in 2017-18 as compared to 11.8% at present (2013-14).

Breakup of proportion of number of Indian households into LIG, MIG and HIG categories



Source: CRISIL Research

Media and Entertainment Industry to Benefit from the Growth of MIG and HIG

Media and Entertainment is a segment which gets a majority of its revenue from HIG and MIG households as this is largely a discretionary spend item. As the number of households in these income groups increase, along with rising per capita incomes; spending on media and entertainment will also gain momentum. While the private final consumption expenditure ("PFCE") in real terms increased at a compounded annual growth rate ("CAGR") of 6.9% from 2009-10 to 2013-14, the PFCE on recreation and culture has increased at a CAGR of 8% during the same period. This highlights the increase in spend on recreation and culture which also includes media and entertainment industry.

Additionally, a significant proportion of India's population (i.e. people between the age of 15 and 45) are also the most vigorous consumers of media and entertainment. Around 46% of the Indian population in 2001 fell in this age bracket. This proportion has grown to 49% in 2011.

The growing MIG category, increasing spend on recreation and culture and the growing population in the age group of 15-45 years highlight the potential for the growth of media and entertainment industry in India.

Media and Entertainment Industry

The Indian media and entertainment industry is a vibrant and evolving space, exercising influence on a large populace. The various segments under the media and entertainment industry include:

- Television
- Newspapers

- Films
- Radio
- Digital (internet and mobile)
- Music
- Outdoor

Steady industry growth in the past driven by multiple segments

The media and entertainment industry in India has witnessed a steady growth trajectory over the last five years.

Revenues between 2009 and 2014 are estimated to have increased at a 10% CAGR, aided by continuous expansion in the reach of the various media segments, steady growth in the largest media segments, i.e. television and print, and emergence and rapid expansion of new segments such as digital.

While television and print (primarily newspapers) accounted for majority of the media industry's revenues, the share of segments such as films, radio and digital rose at a steady pace.

The digital segment (though starting off from a low base) is estimated to have the highest growth rate over the last five-year period at over 35%, aided by the rising acceptance of the medium from corporates and advertisers, a continuous increase in the quantum of data consumed and the rising penetration of smartphones. This would be followed by growth in radio as a medium (again from a low base), followed by the two largest media, i.e. television and newspapers.

Media and entertainment – industry revenues

(Rs billion)	2009	2010	2011	2012	2013	2014E	CAGR	Share of revenues - 2014
Television	282	320	352	383	423	474	11%	51%
Newspapers	141	159	169	183	198	220	9%	24%
Films	106	100	103	118	127	138	5%	15%
Radio	9	11	13	14	15	17	13%	2%
Digital	6	10	13	17	21	28	37%	3%
Others *	32	36	38	40	44	48	9%	5%
Total	**576**	**636**	**689**	**754**	**828**	**924**	**10%**	**100%**

E: Estimated

* Others includes revenues from outdoor advertising and magazines

Source: CRISIL Research

Move to digital media, and rising penetration to propel industry

Between 2014 and 2019, the industry's revenues are forecast to grow at a 13% CAGR to over ₹1.7 trillion. During the next five years, the digital segment is expected to record its sharpest growth rate of over a 26% CAGR, aided by rising acceptance of the medium from corporates and advertisers, continuous increase in the quantum of data consumed and rising penetration of smartphones.

Media and entertainment - industry revenues (estimated/projected)

(Rs billion)	2014E	2015P	2016P	2017P	2018P	2019P	CAGR
Television	474	542	622	712	824	953	15%
Newspapers	220	246	274	299	330	364	11%
Films	138	149	163	181	197	213	9%
Radio	17	20	23	27	31	35	15%
Digital	28	38	52	65	80	92	26%
Others*	48	51	57	61	65	70	8%
Total	**924**	**1,046**	**1,192**	**1,345**	**1,527**	**1,726**	**13%**

E: Estimated; P: Projected

* Others include revenues from outdoor advertising and magazinesNote: CAGR is from 2014 to 2019.

Source: CRISIL Research

Growth of aggregate advertising revenues

The total advertising revenues across various segments of media and entertainment have grown at an 11% CAGR over the last five years to an estimated ₹400 billion in 2014. Growth has been aided by a continuous rise in advertising spends in television (as more advertisers continue to use this as a preferred medium) as well as newspapers (aided by increasing circulation and reach, particularly in non-English newspapers).

Advertising revenue split across media

(Rs billion)	2009	2010	2011	2012	2013	2014E	CAGR
Television	98	114	126	137	149	167	11%
Newspapers	95	108	116	123	132	147	9%
Radio	9	11	13	14	15	17	13%
Digital	6	10	13	17	22	28	37%
Outdoor	13	16	17	16	17	20	9%
Others*	14	14	16	16	18	21	9%
Total	**234**	**274**	**301**	**322**	**354**	**401**	**11%**

E: Estimated

* Others include revenues from magazines and films

Source: CRISIL Research

Aggregate Advertising Revenues Expected to Cross ₹730 billion by 2019

At an industry level, total advertising spends are expected to grow by a 13% CAGR over the next five years, crossing ₹730 billion by 2019. Some structural factors that will propel growth owing to which advertising revenues are expected to remain unaffected over the long term are:

- Fragmentation and expanding reach of media will result in advertisers increasing outlays to reach target audience, as it would be necessary in order to make their presence felt.

- The emergence of newer sectors with heavy advertising (like e-commerce over the last 12-18 months).

A key development in 2013 was the mandate by the Telecom Regulatory Authority of India (TRAI) to restrict advertising breaks on television channels to a maximum of 12 minutes per clock hour (without any averaging of this limit through the day). While leading general entertainment channels (GECs) have already cut down their inventory time as per the limits stated, other genres like news and music are yet to implement it.

CRISIL Research believes that TRAI's mandate will affect news channels the most, owing to a drastic reduction in their advertising inventory (currently ranges from 20-25 minutes per hour), which may not necessarily correspond with a proportionate increase in advertising rates owing to their limited audience, as compared to GECs that have a wider audience.

While advertising volumes would decline if the mandate takes effect, the advertising rates are expected to go up as well. Several leading GECs (national and regional) had hiked their advertising rates by 20-50% owing to a fall in their advertising inventory as a result of the mandate. A fallout of the mandate (if implemented) could be the likely shutdown of channels that rely predominantly on advertising revenues. Certain advertising campaigns by small-and medium-sized companies could shift to less costly media like digital or radio.

While the News Broadcasters Association (NBA) has approached the judiciary seeking a stay on implementation of the cap, the information and broadcasting ministry is examining the possibility of postponing the implementation deadline for news channels and also not having any such cap for free-to-air channels. (The next hearing on the NBA case is scheduled for January 2015.)

Advertising rates could see a significant spike (in excess of 50% for news and a few other genres) in order to offset the possible fall in advertising inventory if the directive is implemented. Such increase though may not be possible for most genres, giving the steep quantum of hikes which may be involved, the limited viewership in most genres and the possibility of subscribers not paying subscription to view the channel.

Advertising revenue split across media (estimated/projected)

(Rs billion)	2014E	2015P	2016P	2017P	2018P	2019P	CAGR
Television	167	191	218	244	269	301	13%
Newspapers	147	166	187	204	228	253	11%
Radio	17	20	23	27	31	35	15%
Digital	28	38	52	65	80	92	26%
Outdoor	20	22	26	27	30	33	11%
Others*	21	23	24	24	24	24	2%
Total	**401**	**460**	**529**	**592**	**662**	**738**	**13%**

E: Estimated; P: Projected

* Others include revenues from magazines and films.

Source: CRISIL Research

A key trend that has been noticed is the increasing focus of advertisers on regional and / or local advertisements. With the rising focus on regional media and the comparatively lesser costs of advertising, a substantial number of regional and / or local advertisers (for example, advertising in gold jewellery) have increased their advertising volumes. What has also been noticeable is that even at times of slowdown, regional or local advertisers have aided in maintaining growth in advertising across media, while the national advertisers tended to curtail spending at such times. Such a trend is clearly attributable to the increasing clout of regional media, particularly beyond the large cities where there is an audience with a rising ability and willingness to consume such products advertised.

Overview of the Indian film industry

The Indian film industry is the second largest in the world in terms of film production. However, in terms of market size, it is estimated to be worth almost ₹135 billion in 2013, which is less compared to other developed countries in the world. Indian box office collections were estimated to be around ₹96 billion (around $1.8 billion at 2013 exchange rates) in 2013 whereas box office collections in the US/Canada region was around $10.9 billion in 2013 (as per media/industry reports). Key reasons for this are: Cheaper ticket prices and comparatively low occupancies at theatres.

The average ticket price ("ATP") (blended for single screens and multiplexes) is estimated to be ₹44 in 2013 in India while the average ticket prices in the US were in the range of $7-8 in 2013 (₹420-480 at the 2013-14 exchange rates). Also, India has a very low screen density of around 8 screens per million population as compared to 117 screens per million in the US and around 30 screens per million in China (as per interactions with market players).

The three main players in the film industry value chain are:

- Producer
- Distributor, and
- Exhibitor.

Producers

Producers decide to make a film and subsequently, arranges for the shooting, editing and dubbing of the film and finally, delivers the film to the audience. Producers get a 'minimum guarantee fee' from distributors before a film is released in return for the distributing rights of a film in a territory or several territories within the country. Producers sell the rights overseas as well. If a film does well and the distributor has recovered his investment, any additional inflows usually get divided between the two in accordance with pre-defined arrangements. Lately, many producers have entered into revenue-sharing arrangements with distributors.

Institutional lending to the film industry

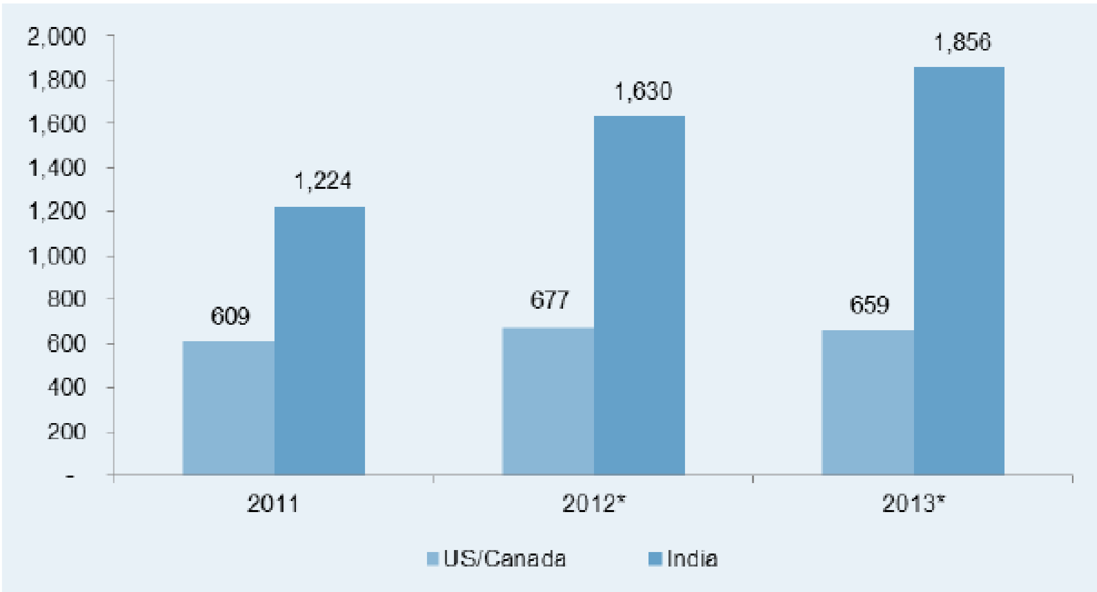
Banks like EXIM Bank, Yes Bank and IDBI Bank among others are the more active film financiers in the country. A few financial institutions also undertake 'slate funding', committing to finance multiple films of a certain production house. As per the Reserve Bank of India (RBI) guidelines, banks can take exposure of up to a maximum of 50% of the total production cost of a film.

Moreover, the film for which a bank loan is sought must be insured. Hence, film producers are increasingly getting their films insured. The first film to be insured in India was Taal (1999). Film insurance generally covers death or injury to actors, damage to sets, costumes, film equipment and theft. The premium charged for insurance is generally 1.0-1.5% of the total budget of the film.

India is the world's largest producer of films

India produces the highest number of movies in the world. In 2012, more than 1,600 movies were certified in India while the number of movies produced in the US/Canada region was a little more than 670. The number of movies certified in India went up to nearly 1,850 in 2013 whereas the number of movies produced decreased to around 660 for the US/Canada region.

Number of movies released/certified in India vs. the US/Canada

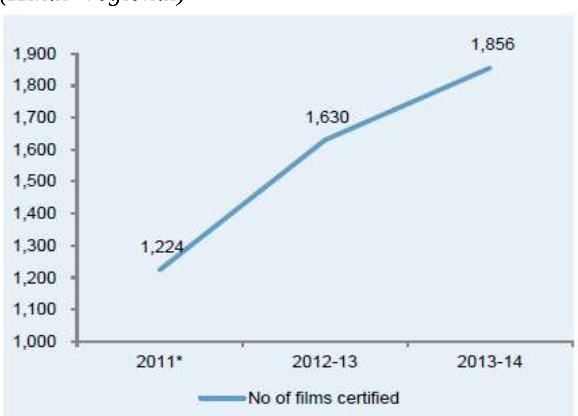


Note: *2012 refers to FY 2012-13 and 2013 refers to FY 2013-14 for Indian movies

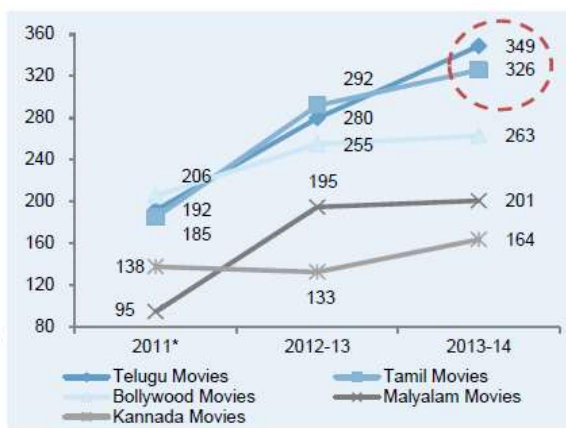
Source: CRISIL Research

Growth in the number of some regional movies has outpaced growth in the number of Bollywood movies

Trend in number of movies certified (Hindi+regional)



Trend and break up of movies certified



Note: * Calendar year

Source: Film federation of India, CRISIL Research

As per data available from the film federation of India, the Indian film industry has grown by 23-24% annually on an overall basis between 2011 and 2013-14 in terms of number of movies certified. It has also been observed that growth in regional movies such as Tamil, Telugu, Malayalam and Punjabi has outstripped the growth in Hindi movies or Bollywood movies. Although the high growth in Punjabi movies is also a factor of a small base, the number of Tamil and Telugu movies being produced in the country are now higher than the number of Bollywood movies.

Although, the film production segment is fragmented, it has been witnessing some consolidation in recent years, with the large production houses announcing the rollout of multiple projects at a time.

Distributors

Film distributors buy the rights from a producer for distributing the films within a territory or across several territories. In some cases, they offer a minimum guarantee fee to the producer. There are instances where the distributors purchase the rights well in advance of the release of the film while in others, it is on a revenue-share basis with the producer.

There is no scientific basis for the determination of the amount payable towards distribution rights; this poses a huge risk to the distributor in case a film does not do well at the box office. Distributors play various roles including part financing of films, spending on print and publicizing the film in many cases, selection of exhibition halls and managing the distribution of the film prints. Distributors in India are rarely involved at the pre-production or production stage and they get to see a film only after it is completed.

Film distribution process

Source: CRISIL Research

Film distribution segment highly fragmented

The film distribution segment is fragmented with a majority of the distributors having only a limited presence, which also results in intense competition among them to receive the rights of big-ticket films in particular. Therefore, for theatrical distribution of a film throughout the country, producers need to typically tie-up with a number of distributors. The extent of fragmentation though has reduced over the years with multiple large studios increasing their presence in the business. Some of the largest film distributors in India are Yash Raj Films, Viacom18, Sun Pictures, Tips Industries, Eros Entertainment, Mukta Arts and Reliance Mediaworks.

By contrast, as per industry reports, the distribution industry is fairly consolidated in countries like the US, where the six largest studios (i.e. Twentieth Century Fox, Paramount Pictures, Sony Pictures, Universal Studios, Walt Disney Studios and Warner Bros. Entertainment) manage nearly 70% of the movies produced in the country.

Marketing budgets going up year-on-year; newer avenues for film promotion opening up

The print and advertisement costs mainly comprise the cost of making the prints of the movie and the cost of marketing the movie.

Marketing budgets for films have been increasing over the years with the spend on promoting big budget movies like Bang Bang and Happy New Year anywhere between ₹200 and ₹250 million while for medium or smaller budget films it can be anywhere between ₹40 and ₹50 million. The same for regional movies is much lower-in the range of ₹1 and ₹2 million say for a Punjabi film and varies from movie to movie depending on the budget of the movie. The costs of making prints comes to around ₹35-45 million for a big budget movie and around ₹10-25 million for a small/medium budget movie.

Distributors are also making use of the newer platforms to promote their movies. Apart from TV, print, radio and online advertising, the use of social media has increased manifold in the last few years. Social media platforms like Facebook, Twitter, YouTube etc. have proved to be a cost effective and highly impactful means of promoting a movie. Many distribution houses are running campaigns across these websites to promote their films. For instance, as per media reports the theatrical trailer of Dhoom 3 was launched on YouTube and it got 12 million views within 20 days. Consequently, digital marketing budgets have also grown significantly. For a big budget movie the digital marketing spend ranges between ₹10 to ₹15 million.

Typically, 40-50% of the marketing spend of a movie goes to TV advertisement, 25-30% to non-media channels (print etc.), 10-15% to online media including social platforms and the remaining 10-15% goes to others like in-cinema advertising etc.

Exhibitors

Exhibitors form the link between the film distributors and the audience, controlling the last mile in the box office value chain.

With 9,500-10,000 cinema screens as of 2013, India has a very low screen density of around 8 screens per million population as compared to 117 screens per million in the US and around 30 screens per million in China (as per interactions with market players). This highlights the significant potential for increasing the number of screens in the country over the next few years.

Of the total screens available, 90-95% has been digitised. Digitisation has enabled faster releases across wider geographies and security of content.

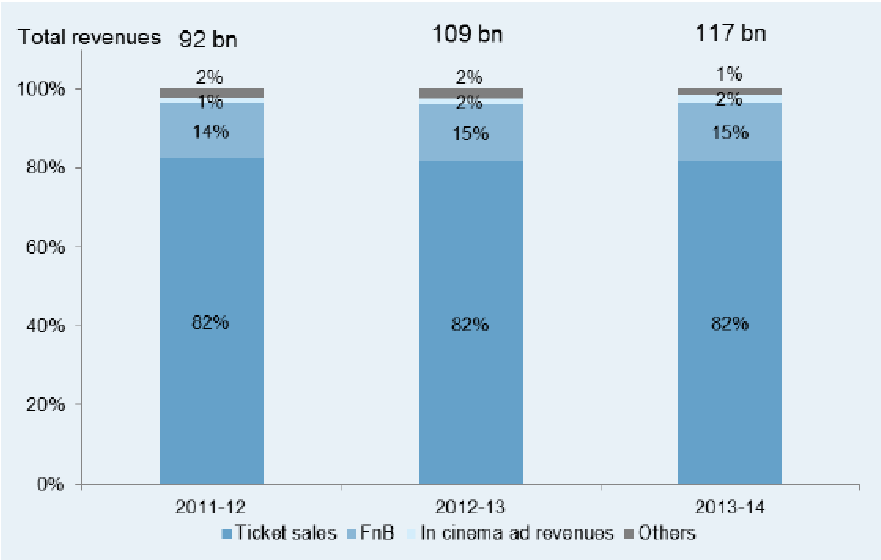
The film exhibition sector can be divided into two segments – single screen cinemas and multiplex cinemas. About 80-85% of the cinema screens in India are single-screen cinemas owned by individual entrepreneurs, operating in a mostly unorganised environment.

Exhibitor revenues and costs

Revenues for exhibitors come mainly from the following sources:

1. Ticket sales
2. Food and Beverage sales (FnB)
3. In-cinema advertising
4. Others (parking etc.)

Revenue split for exhibitors



Source: CRISIL Research, Industry

Lately, in-cinema advertising has started to show promise as a source of revenue for both digital integrators as well as exhibitors. Its share has gone up slowly but steadily from around 1.2% of total revenues in 2011-12 to around 2% of total revenues in 2013-14.

Tier II and III cities are the new focus for expansion for exhibitors

Up until now, domestic box office revenues have grown on the back of growth in the number of screens (mainly in multiplexes), and an increase in average ticket price and average occupancy rates. Going forward, growth in revenues is also expected to be driven by growth in the number of multiplex screens in tier II and tier III cities as the metros and most of the tier I cities become saturated. The rapid urbanisation, economic growth and the rising aspirations of the middle class will play an essential role in propelling box office revenues in tier II and tier III cities. With lower real estate prices in smaller towns and the option to launch a no frills cinema, the exhibitors are able to considerably bring down the cost per screen.

Nearly 150-200 multiplex screens were added in 2013; a major part of the growth was from expansion of multiplexes in tier II and tier III cities. Leading multiplex chains such as PVR Cinemas (PVR) added 60 screens, Inox Movies added 21 screens and Satyam Cineplex (now acquired by Inox) added 12 screens.

Indian exhibition industry is fragmented when compared to US/China

The Indian exhibition industry is fragmented due to its dominance by single screen theatres; the two largest players by the number of screens accounted for a mere 15-20% of the total box office collections in 2012-13. These players accounted for around 5-6% of the total number of screens in the country.

On the other hand, as per industry reports, the industry is fairly consolidated in developed countries like the US, UK and in developing countries like China as well. In the US, the four largest exhibitors accounting for nearly half of the total screens in the country earned around 62% of the box office revenues in 2012. Similarly in China, the five largest exhibitors generated around 70% of the total box office revenues in 2012. In UK, the three largest exhibitors accounted for 70% of the total box office revenues in 2012.

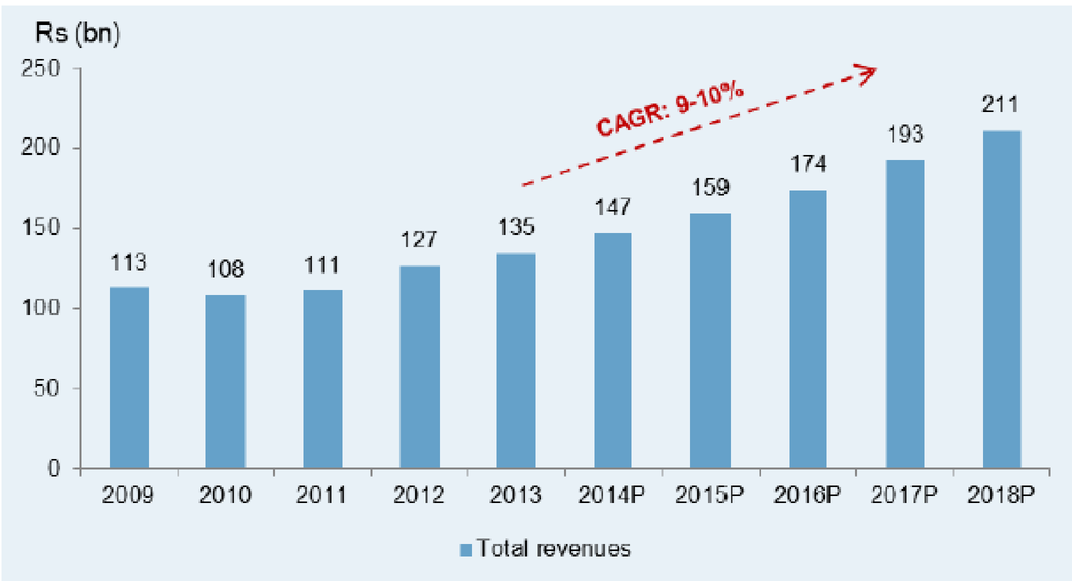
Market Sizing of the Indian Film Industry

Theatrical revenues will continue to drive film industry growth over long term

The Indian film industry earns revenues chiefly from four sources: ticket sales (domestic as well as overseas), cable and satellite ancillary rights, home video and in-cinema advertisement.

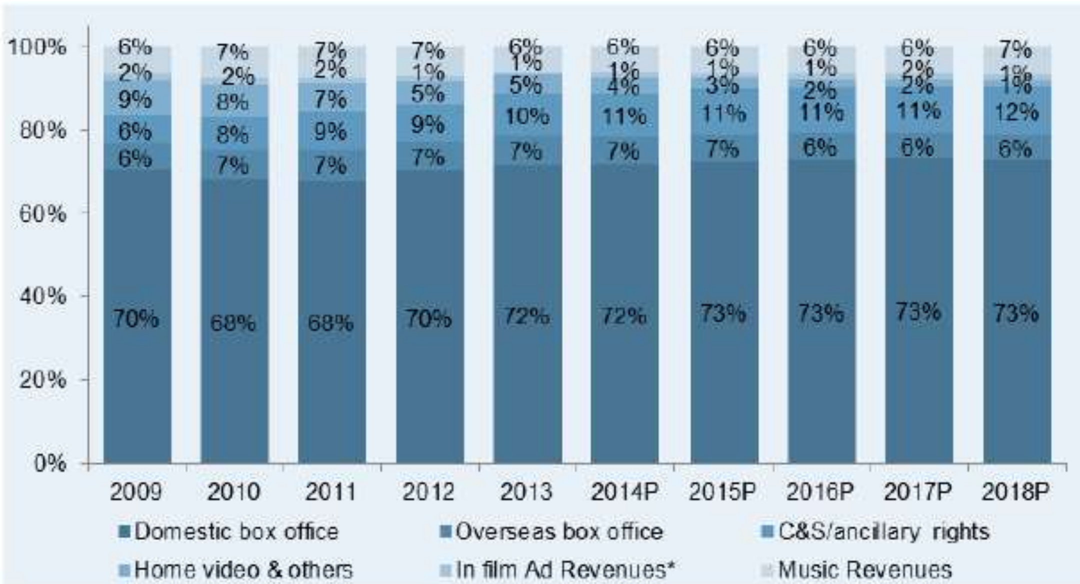
Revenues of the Indian film industry declined by 10 – 11% in 2009 due to weak content pipeline and lower occupancy levels and grew at a slow pace between 2009 and 2011. Revenue growth picked up in 2012, growing by 13 – 14% year-on-year on the back of the release of movies such as Agneepath, Ek tha Tiger and Dabangg 2. In 2013, the industry's growth rate slowed year-on-year, rising by only 6 – 7% though few films performed very well at the box office as there were several big-budget films that underperformed.

Market size of Indian film industry



Source: CRISIL Research

Segment wise break up of revenue



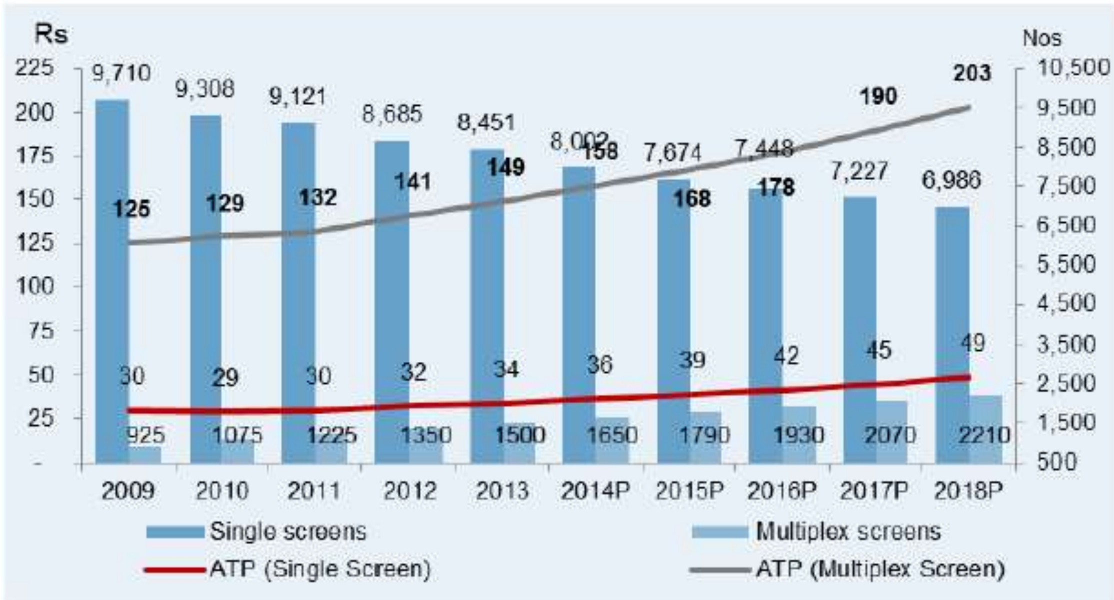
Note: * In film Ad Revenues refer to the revenues from the advertisement of brands within the film

Source: CRISIL Research

Between 2013 and 2018, the film industry's revenues are projected to increase by 9-10% CAGR to ₹211 billion, largely comprising domestic theatrical revenues (65-70%). Over the same period, CRISIL Research expects domestic box office collections to grow by 9-10% annually, driven primarily by an increase in the number of multiplex cinemas (where ticket prices are much higher as compared with single or double screen cinemas), and, to some extent, by the wider (more number of screens) release of films on account of implementation of digital technology in cinemas. Also, CRISIL Research expects the ATP (blended for single screens and multiplexes) to increase to ₹71 in 2018 from an estimated ₹44 in 2013.

Globally, the average ticket prices in the US were in the range of $7-8 in 2013 (₹420-480 at the 2013-14 exchange rates).

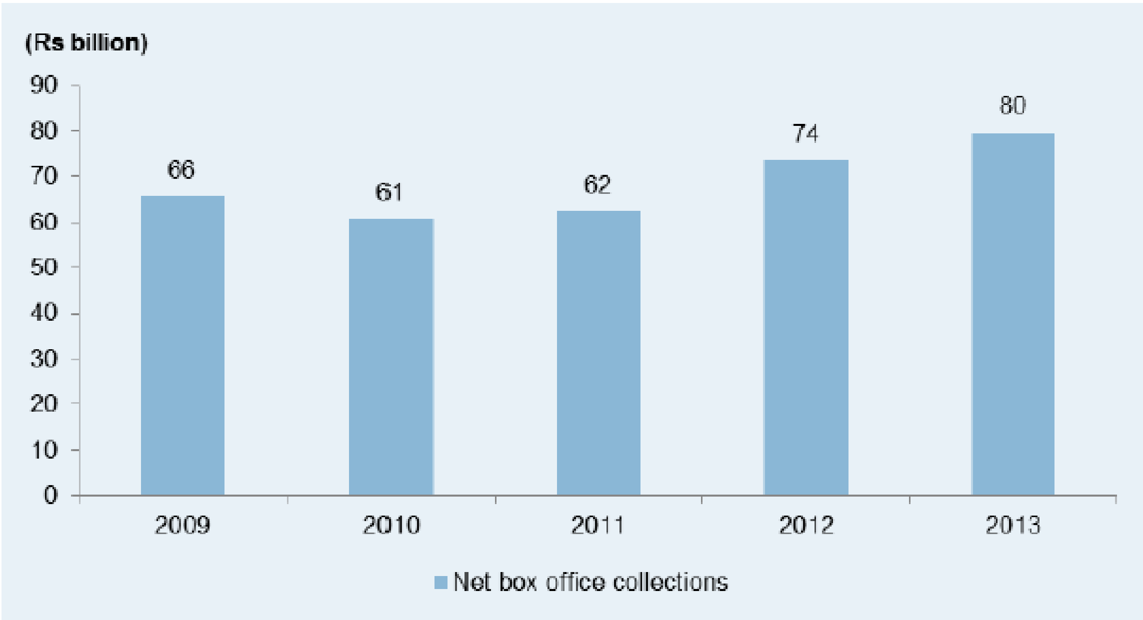
Trend and outlook in growth in average ticket prices and number of screens (single screen and multiplex)



Source: CRISIL Research

In recent years, with the advent of digitisation, the window available for a film, especially Hindi films, to earn revenues at the box office has shrunk considerably. Hence, distributors flood the market with digital prints looking to garner as much revenues as possible during the opening weekend of the release. Further, with the film available on other platforms like direct-to-home and distribution within weeks of its release, a sizeable audience prefers to wait for the same, rather than spend a higher amount to watch the film in theatres. This shrinks the time available for the film to generate revenues at the box office. Therefore, in most cases, over 75% of the film's box office revenues are collected within the first weekend of the movie release.

Trend in net box office collections



Source: CRISIL Research

Entertainment tax ("e-tax") is a state subject in India. Different states have different e-tax structures with e-taxes in some states nil and in others as high as 60%. The net box office collections have been estimated by taking an average e-tax of around 15-20% on the gross box office revenues.

Analogue prints most prevalent till 2005

Until 2005-06, films used to be largely distributed on reels in the analogue form. This was a relatively costly affair as each reel cost around ₹60,000 to ₹70,000. Another major problem with analogue prints was the difficulty in physical distribution due to the cumbersome nature of the reels and the threat of being stolen during transport for piracy. The prohibitive costs of the analogue prints restricted the number of prints that could be created for a movie. Typically, for big budget movies, distributors used to get 500 odd analogue prints made while for small budget or niche films, only 30-40 analogue prints were made. This limited the reach of films and they could only be released in tranches across theatres - a set number of theatres in the metropolitan/tier I cities/ category A theatres first and then in the next level of cities/ theatres. Due to the problems associated with physical distribution, many films were unable to reach a large number of screens especially in small towns and rural areas thereby losing out on the revenues from these places.

Another issue was the rise of piracy. As a result of the limited number of prints, tier II/III cities had to wait until week 4/week 5 for the movie to be released there. Consequently, demand for pirated prints grew in smaller towns where movies got released later or not at all.

Drawbacks of Analogue Print Led to the Evolution of Digitisation

According to media reports, in 2003, Mukta-Adlabs, a joint venture between Mukta Arts and Adlabs started the digitisation of movies (digitisation in general refers to the conversion of analogue signals to digital form which is nothing but a discrete set of points or samples). They funded more than 50 theatres by providing them with digital projectors and servers in lieu of advertising rights, revenue share or a flat fee.

During 2005- 2006 period, UFO Moviez entered the Indian digital movie industry. UFO Moviez deployed the MPEG 4 exhibition technology to screen movies. UFO Moviez is the largest player to deploy the MPEG 4 exhibition technology using satellite relay to screen movies.

On a global level, six Hollywood studios set up the Digital Cinema Initiative (DCI or JPEG 2000) in 2005 to come up with an open standard covering various specifications for digital films in order to ensure high image quality.

In the MPEG 4 format the size of the film can be compressed to 8-10 Giga bytes, in the MPEG 2 format the size of the film can be compressed to 60-80 Giga bytes while in the JPEG 2000 format the size of the film can be compressed to 300-350 Giga bytes. UFO Moviez relays movies to theatres across the country in MPEG 4 format using satellites and in JPEG 2000 (DCI) formats using physical devices.

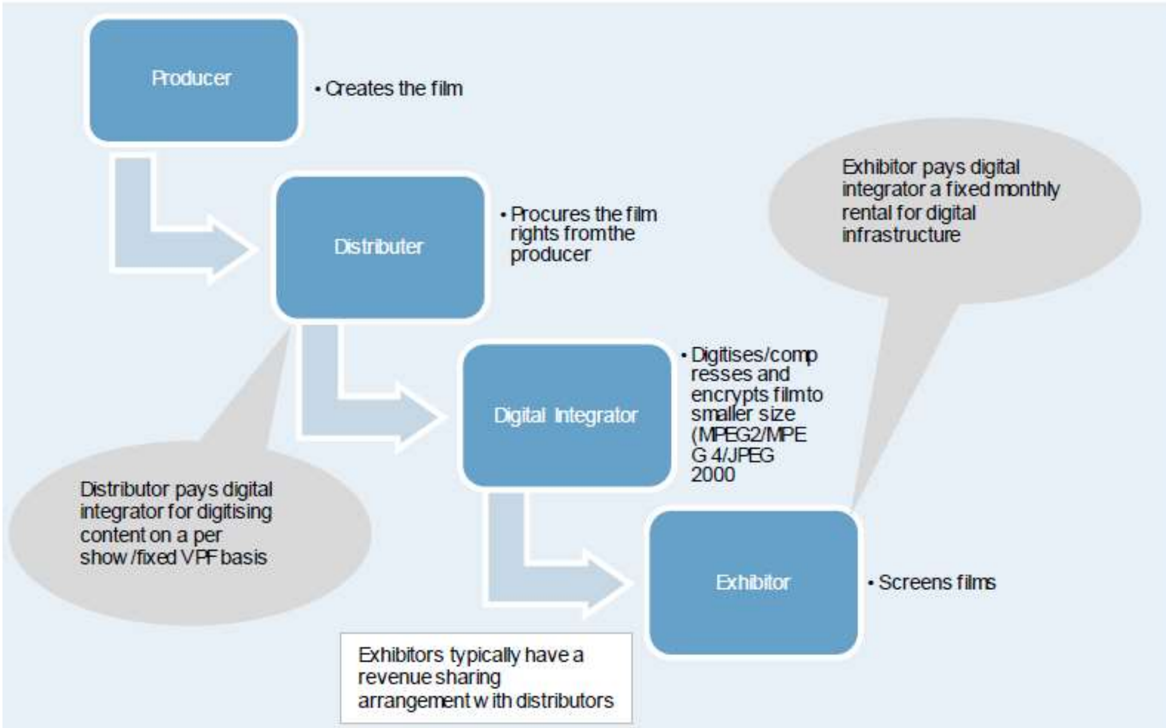
Digitising films provided solutions to many of the problems being faced with analogue print technology. Digitising prints was beneficial due to the following reasons:

- *Cost of creating digital prints reduced substantially*: Media reports suggest that the cost of creating a digital print is less than one fifth of the cost of creating an analogue print.
- *Compact prints*: Digital prints typically are stored on hard discs which are much more compact than reels.
- *Limitations on the number of prints released removed*: Lower cost of digital prints has enabled distributors to release a much higher number of prints thereby improving their reach considerably.
- *Simultaneous release in theatres across the country enabled*: The lower cost of creating digital prints and their compact size has also aided distributors to release movies across the country in the first week of release itself.
- *Simultaneous release across geographies ensured higher revenue collections*: Wider reach due to the release of movies in theatres across the country has ensured that the film did not lose out on revenues from small towns or due to piracy.
- *It also ensured higher occupancies across theatres*: Since movies can be released in all geographies simultaneously while public interest in the movie is at its peak, more and more people have started visiting theatres to watch movies rather than rely on pirated copies resulting in better occupancies.
- *Encryption ensures safety of content*: Digitising movies involves encryption of the data so that it is safeguarded from unauthorized dissemination. This ensures the safety of film content from piracy.
- *Lower costs and better reach aids niche cinema/ small budget movies*: Earlier low budget movies or niche content movies used to be released only in a limited number of screens due to the prohibitive cost of analogue prints. With digitisation, these movies can be released across theatres and reach out to a wider audience.
- *Improved quality of picture*: Digital prints have a better picture quality and viewing experience than analogue prints.
- *Increased potential for in-cinema advertisement*: Due to the low cost involved in distributing advertisements via the digital medium, in-cinema advertising is expected to grow contributing to increase in revenues to exhibitors.

Value chain of the Indian film industry post the advent of digitisation

Previously, major players in the film industry were the producer of films, the distributor of the film and the exhibitor of the film. With the advent of digitisation, another player has been added to the value chain: the digital integrator.

Digital integrators typically take the content from distributors and digitise it or compress and encrypt it in various digital formats (MPEG 2/MPEG 4 and JPEG 2000 or DCI compliant). They also provide infrastructure for playing digital content in theatres (mainly the projector and the server) to exhibitors.



Source: CRISIL Research

For e-cinema or MPEG 4 formats, distributors pay digital integrators a week-wise fixed price per show aired subject to a cap for the digitised content, while exhibitors pay a fixed monthly rental to the digital integrators apart from a refundable deposit for the digital infrastructure.

Therefore there are two major sources of revenue for digital integrators: a variable/fixed fee from distributors and a fixed rental from exhibitors. In addition to this, digital integrators also generate revenues by selling the in-cinema advertisement inventory to corporates and sharing a part of the revenues with exhibitors. However, not all exhibitors choose to sell their advertisement inventories via digital integrators. For instance, players like PVR sell their advertisement inventories themselves.

The six Hollywood studios pay a fixed cost (virtual print fee or “VPF”) to digital integrators for creating DCI compliant content or “D-Cinema”. Typically the VPF in India is in the range of ₹20,000 per film, per cinema paid to the digital integrator.

Exhibitors generally have a revenue sharing model with distributors wherein they share around 45-55% of the revenues from a film with the distributor in week 1, around 40-45% of revenues in week 2, around 30-40% of the revenue for the third week and a flat 30% beyond week 3.

Sometimes when demand for a particular movie is high, exhibitors resort to offering a minimum guarantee to the distributors. Here the exhibitor pays a fixed amount to the distributor and if the movie earns revenues beyond the limit, he shares the revenue with the distributor.

The digital integrator space is fairly consolidated

Currently there are very few digital integrators in the country with the two largest players accounting for the highest number of screens in their network.

UFO Moviez mainly follows the MPEG 4 (non- DCI) format and has a network of 3,482 screens across the country. Scrabble, a subsidiary of UFO follows the JPEG 2000 (DCI) format and has a network of around 1,430 screens across the country.

UFO Moviez has a presence across more than 30 states and union territories.

UFO Moviez relays movies to theatres across the country in MPEG 4 format using satellites and in JPEG 2000 (DCI) formats using physical devices.

There is a differential in the cost of digital exhibition infrastructure (mainly projectors) across the DCI and non DCI technologies. The projectors required to screen movies in the DCI format cost around ₹2-3 million whereas the projectors required to screen movies in the MPEG 2/ MPEG 4 formats cost around ₹0.7-0.8 million.

Currently, 90-95% of the total screens in India digitised

As of now, nearly 90-95% of the total screens in the country have been digitised.

Break up of screens in India

Screens	No.
Total Screen	9,500-10,000
Screens digitised	9,200
DCI compliant screens	2,100
Non DCI compliant screens	7,100

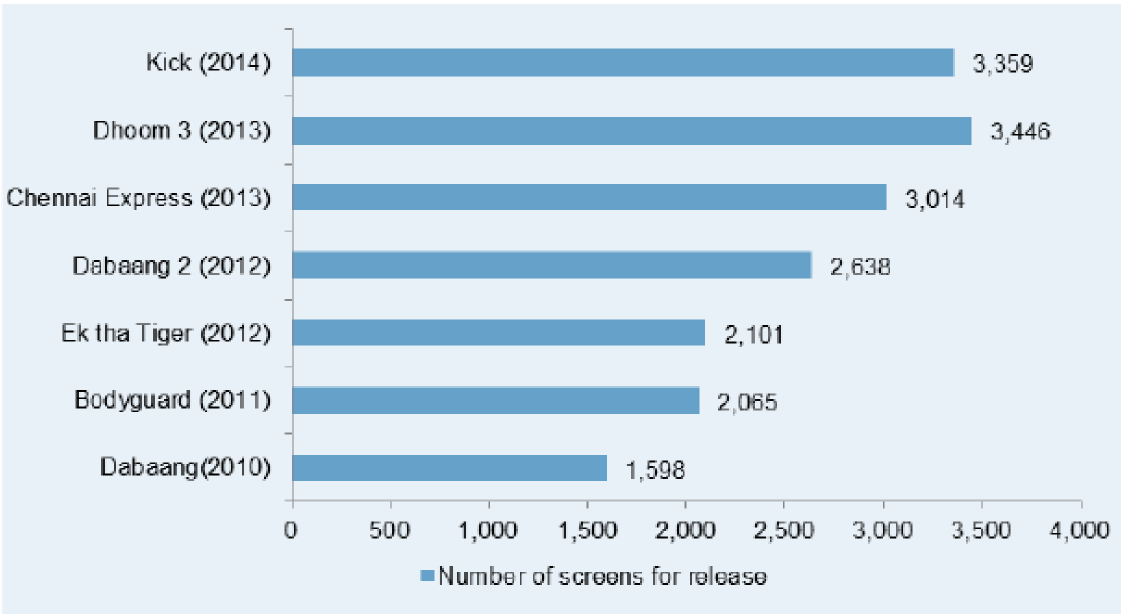
Source: CRISIL Research, industry

As digital movies gained traction, analogue prints started losing their attractiveness. According to media reports, for Jodha Akbar, released in 2008, the number of analogue prints was double the number of digital prints. For Rajneeti, released in 2009, digital prints constituted around 60% of the total number of prints created for the movie. Films like Rockstar, Bodyguard and Singham released in 2011 with 70-80% of the total prints in digital format. According to industry interactions, Dhoom 3 released in 2013 was the first film to go completely digital.

Digitisation has enabled increase of number of screens per movie release

Digitisation is one of the key factors that have enabled movies to be released simultaneously across a large number of screens. This has led to an increase in the number of screens per movie release over the years. For instance, the film Dabangg, released across 1,500-1,600 screens in 2010, while its sequel, Dabangg 2 released across 2,600-2,700 screens in 2012. Recently, in 2014, the movie Kick released across 3,300-3,400 screens. Since the interest of movie goers in the movie is highest in the opening week, movies releasing in more than 4,500 screens attract a significantly higher number of people to watch on the first day itself. Consequently, the window for a movie to make money has also reduced, to the first week itself. According to industry sources, most movies released in the last few years currently have run for 2-4 weeks at the most. Chennai Express became the fastest film to make ₹1 billion within 4 days of its release.

Trend in the number of screens per movie released

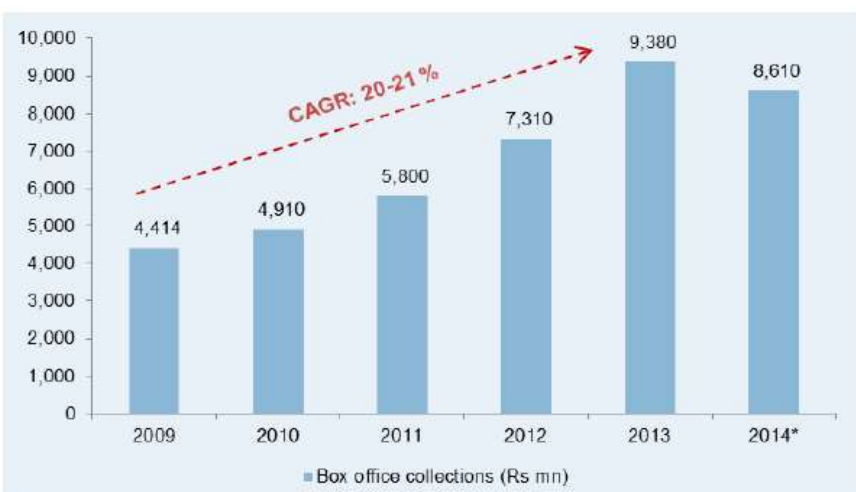


Source: CRISIL Research, industry, media reports

Box office collections have also grown at a healthy pace in the last few years

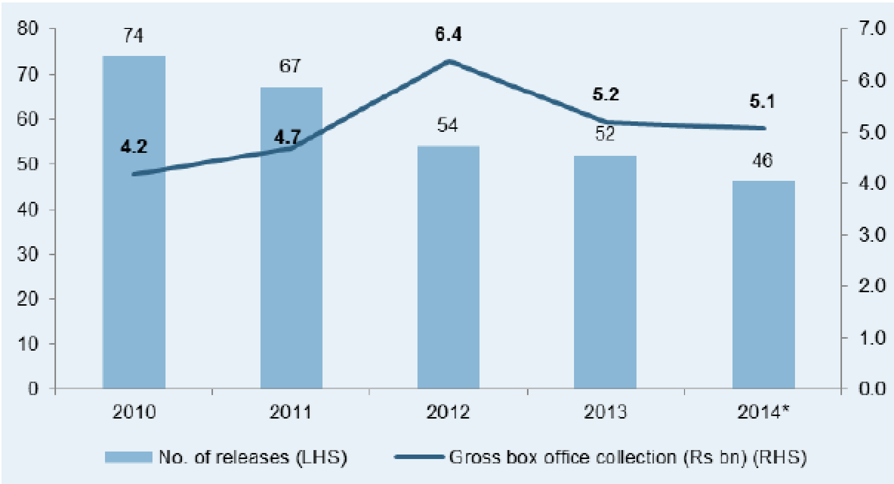
As movies reap the rewards of faster releases and across more number of screens, box office collections have also gone up in the last few years. The box office collections of the five highest grossing movies in Bollywood have grown at a healthy pace of 20-21% annually between 2009 and 2013.

Box office collections of top 5 grossers – YTD ₹8610 (as of November 2014)



Note: *YTD
Source: CRISIL Research, media reports

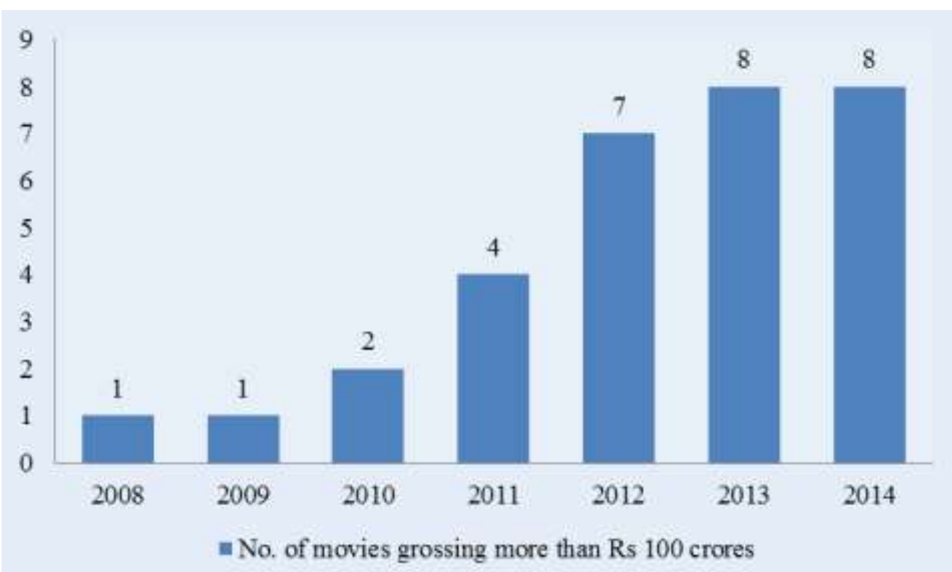
Hollywood movies released in India and their gross box office collections



Note: *YTD
Source: CRISIL Research

Although the number of Hollywood movies released in India declined by 14-15% annually between 2010 and 2012, gross box office collections increased by 23-24% annually during the same period. The number of movies released in India declined in 2013 on a year-on-year basis as the number of movies released in the US/Canada region declined during the same year.

More than 30 movies have grossed more than ₹1,000,000,000 since 2008

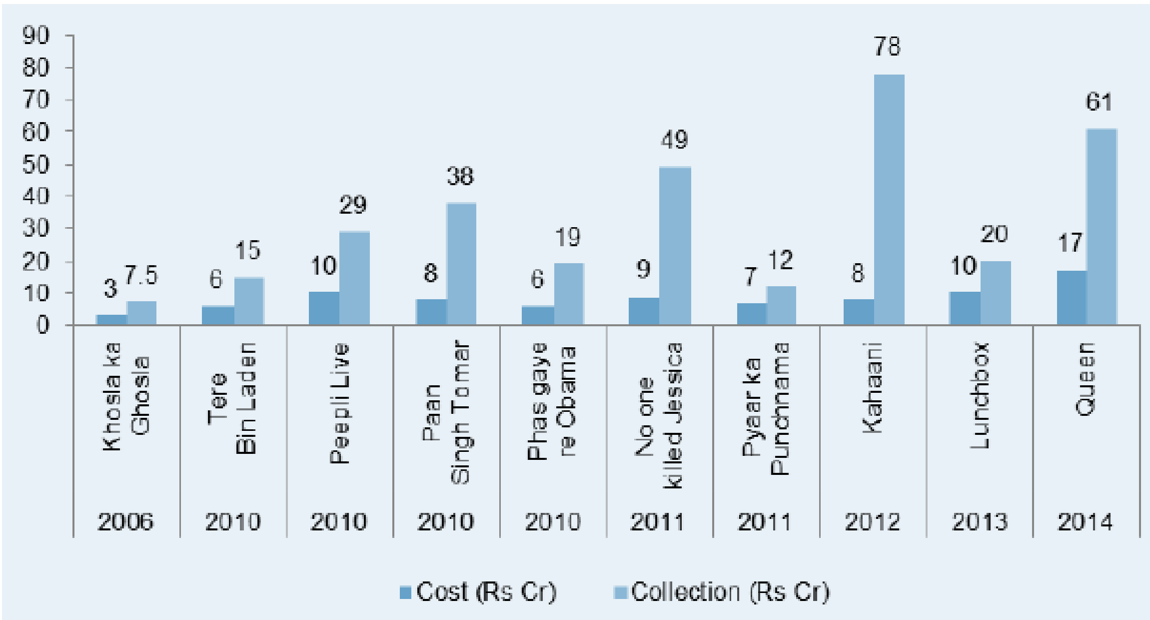


Note: 2014: YTD
Source: Derived from CRISIL Research

Small Budget or Niche Content Films have also Benefitted due to Digitisation

Small budget-content driven films, which depend mainly on content (many times niche) and performance and not on the presence of a big 'starcast', are witnessing wider acceptance among the audience in recent years. While new themes, advent of corporates in the film business, promotion of new talent by big studios and improving awareness among discerning audience has aided this growth, part of the credit goes to digitisation of movies as well. Digitisation of movies and the associated lower cost of distribution have enabled such films with tight marketing budgets to affect releases in theatres across the country. Wider reach, lower distribution costs have helped push the growth of small budget- niche content films

Some small budget films in recent years



Source: CRISIL Research, media reports

Digital Content has Aided Partial Reduction in Piracy

A major problem with analogue prints was the difficulty in distribution. The prohibitive costs of the analogue prints restricted the number of prints that could be created for a movie. Consequently, films were released in tranches across theatres - a set number of theatres in the metropolitan/tier I cities/ category A theatres first and then in the next level of cities/ theatres. According to media reports, it used to take anywhere between 3 months and a year for the movie to release across India and even then, many areas remained under served.

The problems faced in distribution were one of the reasons for the rise in piracy. Consumers in tier II/III cities and towns, where movies were released with a huge delay or not at all, fuelled demand for pirated prints.

Piracy led to huge losses of revenue for the movie industry. However with digitisation, it became possible to release movies across a large number of screens throughout the country simultaneously at a much lower cost. Also, digitising of movies involves encryption of data so that it is safeguarded from unauthorised dissemination. This has ensured safety of film content from piracy albeit to some extent.

Although pirated versions of films become available online within a few weeks of release of the movie and the theatre to TV window has reduced significantly, faster releases across wider geographies has enabled film distributors as well as exhibitors to rake in maximum revenues within the first few weeks of release of the film. Also, the availability of films in theatres as soon as it is released acts as a big factor in attracting consumers to theatres.

In-Cinema Advertising

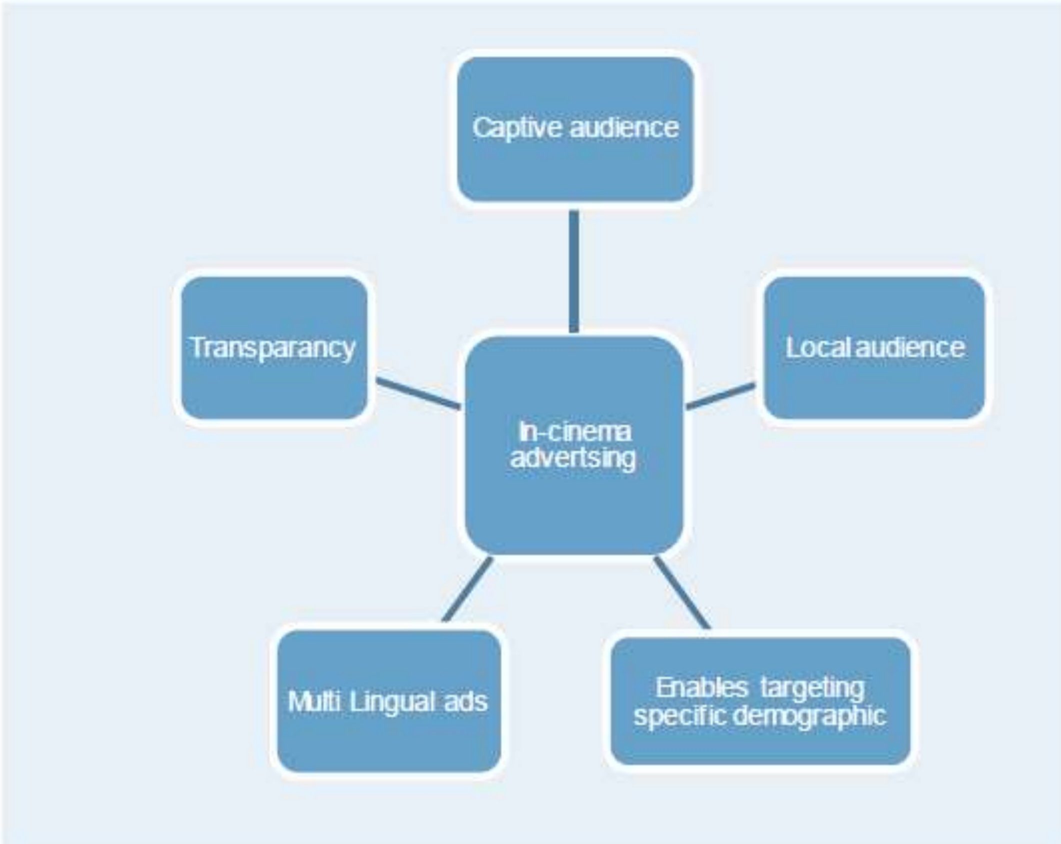
Until the early 1980s, cinema was a strong medium of advertisement for brands as television was not that prevalent. However, as television became a household item, television along with print media became the most popular medium of advertisement for companies due to their large reach. In-cinema advertising went out of favour for a variety of reasons including: 1) limited reach (as movies were released in a select number of theatres initially), 2) lack of transparency (there was no means of confirming if the theatre had played the advertisement or not) and 3) difficulty in reaching out to a large number of theatre owners scattered across the country etc.

With digitisation, the problem of reach and transparency has been solved to a significant extent. In digitised theatres, reliable statistics of whether the advertisements are played or not are easily available as content being played on the screen is controlled via servers using online means. Consequently, advertisers like Hindustan Lever have now started to use digitised screens to reach out to people in remote locations.

Digitisation has structured the way advertisement inventories are sold

Additionally, the fragmented nature of the exhibition industry made it very difficult for private companies, advertisement agencies and government agencies to reach out to all theatre owners and launch nation-wide or even state-wide advertisement campaigns. Single screen theatres also lost out on advertisement revenues because of the inability of advertisement agencies and private companies to reach them. However, the growth of multiplex chains like PVR and Inox has made it easier for advertisers to reach a network of screens across locations. As far as single screens and non-chain multiplexes are concerned, digital integrators now command the advertisement inventories of these across the country, which has helped structure the way advertisement inventories are sold. For instance, media reports suggest that Hero Motors not only utilized television and print media to advertise its new identity after its break-up with Honda, but it also advertised on 3,000 digital screens across India for two weeks.

Benefits of in-cinema advertising



Source: CRISIL Research

Captive audience

The biggest advantage of in-cinema advertising is a captive audience. Unlike television viewers, consumers in theatres cannot switch channels. Therefore, advertisers can use in-cinema advertising to send home a strong message about their product.

Enables targeting the right demographic

In-cinema advertisement offers flexibility to advertisers in order to target the right demographic. For instance, the makers of sports goods could run an advertisement campaign during the screening of movies like Bhaag Milkha Bhaag, Paan Singh Tomar or Mary Kom as they would want to target the younger generation. By doing so, advertisers can ensure that they are able to send out a message to the intended demographic of the population and not to the public at large. Another illustration is of a high-end auto dealer, who may only want to advertise in high-end cinema theatres located in posh localities where the upper middle class and the rich attend.

Local audience

Since the viewers of in-cinema advertising are local consumers, the biggest beneficiaries are the local businesses (i.e. stores, restaurants, professional firms, etc.). In-cinema advertising is a cost effective way of promoting the products of local businesses for which it may be not make sense to advertise via national television channels or newspapers.

Transparency

Earlier, there was no way advertisers could confirm if their advertisements were actually played during the booked shows or not. This was a big deterrent in the growth of in-cinema advertisement. However, with the digitisation of cinema, logs of actual ads played are easily available ensuring transparency and boosting the confidence of advertisers.

Multi lingual advertisements

Since the audio and video files of the advertisement are not stitched together, multiple audio files in different languages can be created for the same video file. This makes it easier and reduces the costs of advertising in different languages. For instance the advertiser of a beauty cream can play the same video of an advertisement in the language of different regions (Tamil in Tamil Nadu, Gujarati in Gujarat, Marathi in Maharashtra etc.) without having to shoot the entire advertisement again. He can simply record the audio file in the particular regional language and attach it with the common video.

However, currently, it is Difficult to Measure Effectiveness of In-Cinema Advertising for Advertisers

While there are tools like Television Audience Measurement (TAM) and Radio Audience Measurement (RAM) for measuring the effectiveness of television and radio advertisements in terms of viewership, in-cinema advertising currently suffers from the lack of proven metrics. It becomes very difficult to measure the number of people who see the advertisements directly as the number of tickets sold in cinemas and hence occupancy levels are not available for all the screens. However, indirect estimations of the number of people who watched the movie can be made based on the revenues earned by the movie and the average ticket prices. Nevertheless the lack of direct measurement tools for viewership is one of the deterrents for advertisers to use in-cinema advertising.

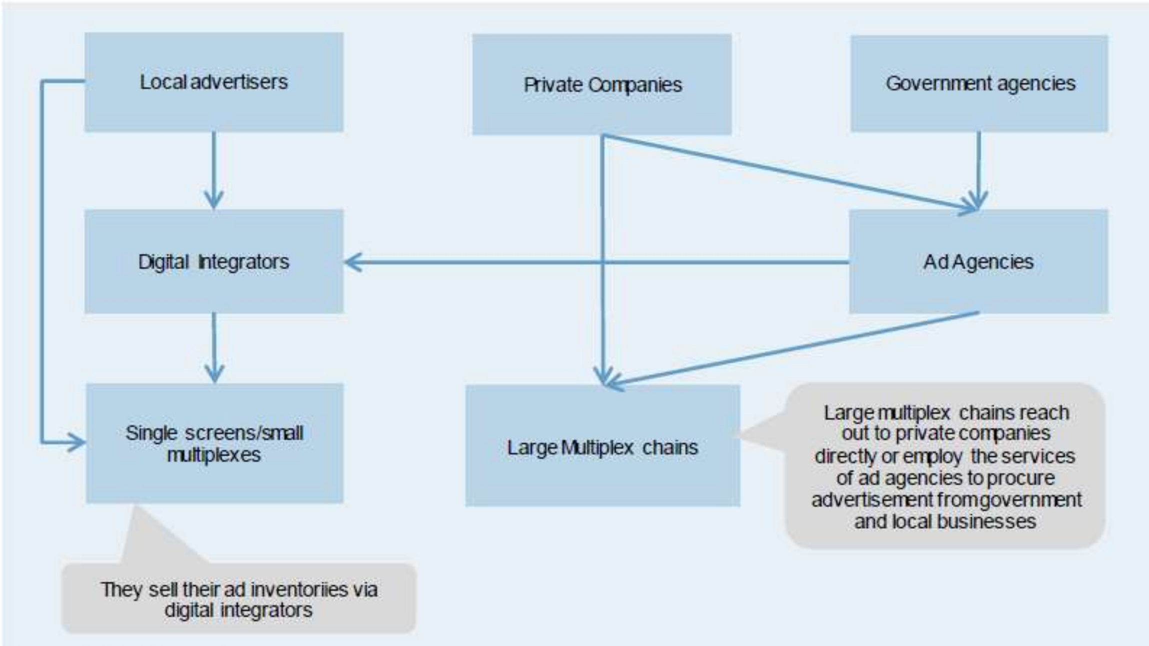
Private Companies and Government the Largest Contributors to In-Cinema Advertisement Revenues

Typically in-cinema advertising comes from three sources: private companies, government agencies and local businesses. Typically companies in the FMCG, financial services, telecom, mobile phone manufacturing, healthcare and airlines use in-cinema advertising.

Government agencies award their advertisements to the advertisement agencies empanelled with them. The advertisement agencies in turn deal directly with large multiplex chains such as PVR and Inox, and for single screens in remote locations utilize the services of digital integrators to play these advertisements.

Typically, it has been observed that large multiplex chains have their own marketing teams, which reach out to private companies/corporates directly. But many private companies also work with ad agencies for managing their entire advertisement programs, which includes in-cinema advertisements. Therefore large multiplex chains also deal with advertisement agencies to get advertisement from private companies, local businesses and government agencies. Local businesses either approach theatres directly or via digital integrators. Most single screen theatres and non-chain multiplexes sell their advertisement inventories with the help of digital integrators. The digital integrator typically sells the ad inventory and shares a pre-decided percentage of the advertisement revenue with the exhibitors. Currently, extensive interactions with market players suggest that they share around 18-25% of their ad revenues with exhibitors/screen owners.

How in-cinema advertising works



Source: CRISIL Research

Even though single screens have started selling their advertisement inventories, large multiplex chains still command the in-cinema advertisement market in terms of revenues from in-cinema advertisements. PVR Cinema, which has 454 screens across 43 cities, is the market leader in terms of in-cinema advertisement revenues. However, in terms of reach (number of screens), UFO Moviez is the market leader.

Comparison of major players

	Ad Screens	Ad revenues (Rs bn) (2013-14)	No of Locations
PVR	454*	1.4	102
Inox	298*	0.5	92
UFO Moviez	3709**	1.0	3537

Note: * As of 30th September 2014
** As of 31st October 2014

Source: CRISIL Research, company reports, industry

Currently, UFO Moviez has the largest network of more than 3,700 screens available with them.

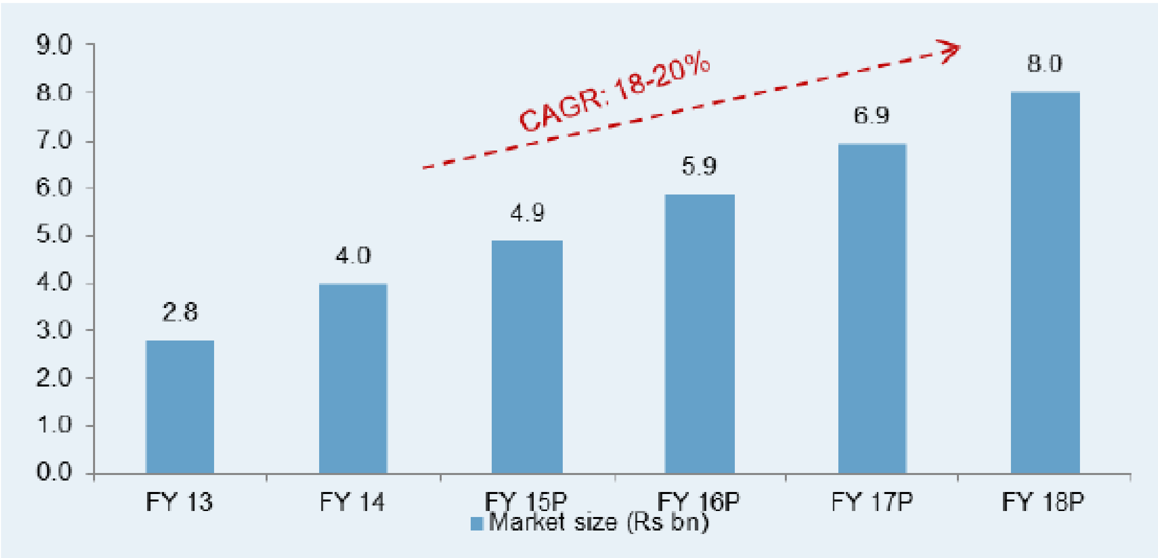
In-Cinema Advertising Revenues to Grow by 18-20% Annually between 2013-14 and 2017- 18

At present, in-cinema advertising does not come very high on the list of media planners of private companies, who still prefer to run a majority of their advertisement campaigns over print media or audio visual media like television and radio. Consequently, the share of in-cinema advertising in the total advertising spend is still very low. However, in-cinema advertising is slowly catching the attention of advertisers and has been growing in double digits in the last 3-4 years.

Demand for in-cinema advertisement is picking up especially on a film to film basis; for instance for a big release like Bang Bang or Chennai Express or Happy New Year, the demand for in-cinema advertisement goes up substantially in the week of release. Government advertising is also catching up and growing at a steady pace. As a result, inventory utilisation levels of in-cinema advertising have grown significantly to around 20-30% currently.

Based on the published financials of key multiplex players and CRISIL Research industry interactions, CRISIL Research estimates that In-cinema advertisement revenues stood at ₹4 billion in 2013-14.

In-cinema advertising market size: trend and outlook



Source: CRISIL Research

In-cinema advertisement revenues are expected to play an increasing role in the growth of revenues for theatres going forward. In-cinema advertisement revenues grew by 43-44% year-on-year in 2013-14 for PVR Cinemas, the market leader in in-cinema advertisement and by 52-53% for Inox in the same year. Currently only around 20-30% of the advertisement inventories of theatres are utilized, which indicates a good potential for growth.

Going forward, in-cinema advertising revenues are expected to grow on the back of growth in the number of multiplex screens and improvement in utilisation levels of advertisement inventory. CRISIL Research believes that in-cinema advertisement revenues will grow by 18-20% annually from ₹4 billion in 2013-14 to ₹8 billion in 2017-18.

BUSINESS

Certain information in this section (as indicated) is derived from the CRISIL Report. We commissioned the CRISIL Report for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any of the Managers, nor any other person connected with the Offer has verified the information in the CRISIL Report. CRISIL Research, a division of CRISIL, has advised that while it has taken due care and caution in preparing the CRISIL Report based on the information obtained by CRISIL from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the CRISIL Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of CRISIL Report or the data therein. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the report. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters / distributors of the CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division or CRIS, which may, in their regular operations, obtain information of a confidential nature. The views expressed in the CRISIL Report are that of CRISIL Research and not of CRISIL's Ratings Division or CRIS. No part of the CRISIL Report may be published/ reproduced in any form without CRISIL's prior written approval. Prospective investors are advised not to unduly rely on the CRISIL Report when making their investment decisions.

Our Mission

Provide an end-to-end, high-reach and high-quality digital cinema solution for movie producers, distributors and exhibitors and offer a flexible, transparent and high-impact platform that allows advertisers to have maximum engagement with cinema-goers.

Overview

We are India's largest digital cinema distribution network and in-cinema advertising platform (in terms of numbers of screens) as at October 31, 2014, according to CRISIL. We operate India's largest satellite-based, digital cinema distribution network (in terms of numbers of screens) using our UFO-M4 platform, as well as India's largest D-Cinema network (in terms of numbers of screens), according to CRISIL. In fiscal year 2014, we digitally delivered more than 1,500 movies in 22 languages to 4,703 screens with aggregate seating capacity of approximately 2.15 million viewers spread across India. Since the beginning of our operations, we have digitally delivered more than 8,800 movies in India until February 28, 2015. As at February 28, 2015, our global network spans 6,626 screens worldwide, including 4,911 screens across India and 1,715 screens across Nepal, the Middle East, Israel, Mexico and the USA.

We believe our digitisation and delivery model has been a key driver of extensive digitisation of Indian cinemas and has enabled wide-spread, same day release of movies across India. Prior to the advent of digital cinema exhibition, movies were exhibited using analogue celluloid prints, which involved a high upfront production cost and required distributors to physically deliver the prints to cinemas. As distributors were unable to predict the actual demand for a movie, they were often unable to produce an optimal number of prints, either producing too few prints, leading to potential loss of revenue, or too many prints, leading to excess expenses. This challenge, together with the logistical challenges of physically delivering heavy celluloid prints, limited the wide-spread release of movies across India. As there were only a limited number of physical reels available for each movie, only cinemas in metropolitan areas and large cities would generally receive movies during their first week of release. Cinemas outside of those areas would generally receive used physical reels a few weeks after their initial release. This delay, coupled with the lack of any inherent security measures in celluloid prints to prevent piracy, meant that customers in those locations would generally have had access to the movies via pirated media, leading to potential loss of revenue for distributors and exhibitors and a poor viewing experience for audiences due to the viewing of low-quality pirated media.

We believe we add value to all stakeholders in the movie value chain, spanning movie producers, distributors, exhibitors and the cinema-going audience. We provide value to movie producers and distributors by reducing distribution costs, providing reach to a wide network of over 4,900 screens across India as at February 28, 2015, providing a faster method of delivery of content, and reducing piracy through encryption and other security measures. We provide value to movie exhibitors throughout India by providing access to first day release of movies on our digital platform. Audiences benefit from faster access to new movie releases and a consistently high quality viewing experience. According to CRISIL, we have an overall 54% market share in India's digital cinema exhibition industry in terms of screens that use digital cinema distribution networks. Further, according to CRISIL, the number of films certified in India for fiscal years 2013 and 2014 were 1,630 and 1,856, respectively. For fiscal years 2013 and 2014, we released 1,504 and 1,767 films, respectively, representing 92.3% and 95.2% of the total number of films certified in the respective year. However, not all films certified in a given year may be released theatrically in that year or at all. On this basis, we believe, the majority of films released in India are released on our network.

We have created a pan-India, high-impact, in-cinema advertising platform with generally long-term advertising rights to 3,770 screens, with an aggregate seating capacity of approximately 1.85 million viewers and a reach of over 1,800 locations across India, as at February 28, 2015. We believe our in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. We believe that our in-cinema advertising platform offers a number of key advantages over traditional advertising methods, including (i) high levels of transparency, such as logging of actual advertisements played, which enhances advertiser confidence in the medium, (ii) remote capability (in approximately 3,330 screens), which allows for last minute scheduling and content changes, and (iii) advanced technology, such as multi-lingual support. Further, our in-cinema advertising platform simplifies the logistics of advertising, as we control and arrange advertising on our network, eliminating the need for advertisers to deal with a large and fragmented group of exhibitors. We have been able to attract 1,056 advertisers from private and government sectors in fiscal year 2014, compared with 563 advertisers in fiscal year 2013. We have also been able to grow our consolidated advertisement revenue from ₹370.36 million to ₹998.64 million from fiscal year 2012 to 2014, at a compound annual growth rate of 64.21%. Our in-cinema advertising platform also allows small exhibitors who otherwise are not able to effectively monetise their advertising inventory due to their limited scale and reach to receive a greater share of advertisement revenue than they are able to using traditional advertising methods.

We deliver movie content through (i) our satellite-based cinema distribution network using our UFO-M4 platform, and (ii) D-Cinema network:

- UFO-M4 is our satellite-based, E-Cinema movie delivery platform. "E-Cinema" is a commonly used term to describe various technologies used to digitally deliver movie content other than through D-Cinema. Our UFO-M4 platform provides an end-to-end platform for the satellite delivery of movies (excluding movies from the major Hollywood studios that created the D-Cinema standard format), to exhibitors across 3,462 cinema screens across India as at February 28, 2015, which then exhibit our movies using our digital cinema equipment.

- Under our D-Cinema network, our primary activities include: (i) collecting VPF D-Cinema from certain major Hollywood studios and other movie studios, and (ii) providing D-Cinema equipment to D-Cinemas across India. We have D-Cinema deployment contracts with certain major Hollywood studios which allows us to collect VPF D-Cinema from those studios. As at February 28, 2015, we collect VPF D-Cinema for 1,449 screens across India. We further provide D-Cinema equipment to 680 D-Cinema screens across India as at February 28, 2015. In fiscal year 2014, we digitally delivered 57 movies from major Hollywood studios across our D-Cinema network.

Recently a movie produced by a major Hollywood studio that would have otherwise been delivered only through D-Cinema platform was simultaneously delivered on both our E-Cinema and D-Cinema platforms.

We receive revenues primarily from (i) advertisers, through in-cinema advertising, (ii) movie producers and distributors, for the secured delivery and screening of their movies and (iii) exhibitors, through equipment rental and sales for digital cinema equipment. We have a variety of revenue arrangements with exhibitors depending on the technology format (UFO-M4 or D-Cinema) and investment in equipment. See *"— Our Revenue Model*" on page 195 for further information on our revenue model.

Our technological innovation and business achievements have earned us multiple industry awards, including (i) India's TOP SME 100 Awards for 2014, (ii) Inc. India 500 Certificate of Excellence in recognition of exemplary growth in 2012, (iii) Marico Innovation Foundation's Innovation for India Awards 2012 – Award for

Business Innovation, (iv) Technology Fast 50 – India 2010 winner, by Deloitte, (v) the Advertising Club Awards for Excellence in Advertising and Media– For Media Innovation Digital Gold in 2007, (vi) the Idea IIFA Innovation Award in Indian Cinema in 2007 and (vii) Global Entrepolis @ Singapore Award – For Technopreneur of the Year in the Asia-Pacific Region in 2007.

For fiscal years 2012, 2013 and 2014, our consolidated total revenues were ₹2,076.50 million, ₹3,374.97 million and ₹4,210.89 million, respectively. Our consolidated total revenue increased by ₹2,134.39 million from fiscal year 2012 to fiscal year 2014, representing a compound annual growth rate of 42.40%. For fiscal years 2012, 2013 and 2014, our consolidated restated earnings before interest, tax, depreciation and amortisation (EBITDA) was ₹523.04 million, ₹1,069.49 million and ₹1,316.97 million, respectively, representing a compound annual growth rate of 58.68% from fiscal 2012 to fiscal 2014. For fiscal years 2012, 2013 and 2014, our consolidated restated profit after tax attributable to equity shareholders of the Company was ₹43.59 million, ₹333.89 million and ₹465.42 million, respectively, representing a compound annual growth rate of 226.76% from fiscal 2012 to fiscal 2014. For the nine months ended December 31, 2014, our consolidated total revenue was ₹3,572.30 million and our consolidated restated profit after tax attributable to equity shareholders of the Company was ₹368.61 million. We expect our advertising revenue and EBITDA for the quarter ended March 31, 2015 to be lower than the quarter ended March 31, 2014 primarily due to lower number of new blockbuster movies released for screening during the quarter ended March 31, 2015 as well as the cricket world cup held during the quarter ended March 31, 2015 that diverted a significant share of advertising budget from our advertisers.

Recent Developments

Acquisition of Valuable Digital Screens Private Limited ("VDSPL")

On December 18, 2014, the Company entered into an investment agreement with Valuable Technologies Limited (one of our Promoters, referred to herein as "**VTL**"), VDSPL and other parties for the acquisition of the entire equity share capital of VDSPL, in two tranches. The Company completed the acquisition of the initial tranche for cash consideration of approximately ₹44.01 million, with VTL and other parties having transferred to and VDSPL having issued and allotted to the Company a total of 11,580 equity shares representing 80% of the equity share capital of VDSPL as of January 6, 2015.

Further, as per the terms of the investment agreement, by no later than August 31, 2018, the Company will acquire the remaining 20% equity of VDSPL from VTL for a further consideration to be calculated in accordance with the terms of the investment agreement. Completion of the second tranche may remain subject to satisfaction of conditions precedent such as the transfer to VDSPL of all intellectual property and brands necessary to conduct the business of VDSPL, which may not occur until a later date.

Additionally, VTL and certain other parties to the investment agreement agreed that, in exchange for a non-compete fee of ₹1.0 million payable by VDSPL, save and except for certain existing businesses, during the non-compete term (which commences from the date of completion of the acquisition by the Company of the initial tranche of 80% of the equity share capital of VDSPL and expires on such date as specified in the agreement), the parties shall not compete, directly or indirectly, in India or any other part of the world, and shall ensure that none of their respective affiliates, in India or any other part of the world, competes, directly or indirectly, with the businesses as specified in the agreement or any part thereof. See "*History & Certain Corporate Matters – Agreements in relation to Valuable Digital Screens Private Limited*" on page 221 of this Prospectus, for further information on this acquisition.

VDSPL is an India-based business that has two primary operations:

- The "Club Cinema" business provides digital screening of movies in clubs and community centres at private screens, such as remote industrial townships, corporate auditoriums, educational institutions and other leisure and entertainment complexes. Club Cinema provides a complete digital cinema solution for screening of recently released films outside of traditional cinemas, facilitating content acquisition for such screening from movie producers and distributors and renting and provision of digital cinema equipment.

- The "Caravan Cinema" business provides movie screenings with low capital expenditures in targeted rural areas, especially "Haats" (weekly market place at villages), creating a unique opportunity for advertisers to reach a captive audience by partnering with various brands. Currently, movies are screened free to viewers and Caravan Cinema derives its revenues through advertising.

Our Strengths

We believe we have the following competitive strengths which (i) add value to all stakeholders in the movie value chain, (ii) generate customer loyalty and (iii) position us well for future growth.

Leading player in the digital cinema space in India.

We believe that our end-to-end, high-quality digital cinema solution has made us an essential partner for movie producers, distributors and exhibitors in India. We believe that this has helped us create the leading digital cinema distribution network, in terms of market share, size and scale. According to CRISIL, we have an overall 54% market share in India's digital cinema exhibition industry in terms of screens that use digital cinema distribution networks. Further, according to CRISIL, the number of films certified in India for fiscal years 2013 and 2014 were 1,630 and 1,856, respectively. For fiscal years 2013 and 2014, we released 1,504 and 1,767 films, respectively, representing 92.3% and 95.2% of the total number of films certified in the respective year. However, not all films certified in a given year may be released theatrically in that year or at all. On this basis, we believe, the majority of films released in India are released on our network. We have grown the number of screens that use our digital cinema distribution network in India from 1,817 as at March 31, 2010 to 4,911 as at February 28, 2015. We have further established our market share with our pan-India presence, with a network of sales offices and service centres with field engineer staff across India, and a dedicated workforce, with in-house teams for software development, advertisement sales and repairs and maintenance. Further, according to CRISIL, the Indian film industry is expected to continue growing despite the growth of digital entertainment (i.e. entertainment delivered through mobile and the internet). We believe these factors position us well for future growth.

Business model focused on creating value for all stakeholders in the cinema industry.

We have focused our business model on creating value for all stakeholders in the cinema industry, from movie producers and distributors to exhibitors, the cinema-going audience and advertisers. We provide value to movie producers and distributors of movies by reducing distribution costs, providing a reach to a wide network of over 4,900 screens across India as at February 28, 2015, a faster method of delivery of content, and encryption and other security measures to reduce piracy. We provide value to exhibitors of movies by providing them access to first day release of movies on our digital platform. Exhibitors also benefit from sharing a portion of our advertisement revenue, which enhances their overall revenue and provides them with a source of capital for improving their cinemas. Cinema-going audiences benefit from faster access to new movie releases and a consistently high quality viewing experience. Advertisers benefit from high levels of transparency, remote capability, and advanced technology. We believe that by providing value for each participant in the cinema industry, we have positioned ourselves as an essential player and partner of each participant.

Market leader in reach (in terms of number of screens) in the fast growing in-cinema advertising market in India.

We believe that our in-cinema advertising platform can offer advertisers value through being a pan-India, high-impact platform that enables them to reach a targeted, captive audience with high flexibility and control over the advertising process, along with high levels of transparency. We believe that our in-cinema advertising platform offers a greater advantage to the advertising platforms offered by large Indian cinema chains because we can provide reach to over 3,700 screens spanning 1,800 locations across India as at October 31, 2014, which, according to CRISIL, is six to seven times greater than PVR Cinema, the largest cinema chain in India, thereby making us a market leader in terms of reach (through number of screens) in India. As of February 28, 2015, our in-cinema advertising platform provided reach to over 3,700 screens spanning over 1,800 locations across India.

Our consolidated advertisement revenue has grown from ₹370.36 million in fiscal year 2012 to ₹998.64 million in fiscal year 2014, representing a compound annual growth rate of 64.21% over the past two years, and has been a dependable revenue stream for us, comprising 17.84%, 20.59% and 23.72% of our consolidated total revenues in fiscal 2012, 2013 and 2014, respectively. Given the benefits of the platform, we have been able to attract 1,056 advertisers from private and government sectors in fiscal year 2014. Advertisers that have used our platform include large, national advertisers, such as Honda Motorcycle and Scooters India Ltd, TVS Motors and Hero Moto Corp in the automobile space, Coca-Cola, Emami Limited and ITC Consumer Products Limited in the fast-moving consumer goods space, IIFL, HDFC Bank and ICICI Pru Life in the financial services space and other multinational corporations such as Vodafone, Johnson & Johnson and Google.

We believe that our in-cinema advertising platform positions us well to take advantage of the growth of advertising in India. Our in-cinema advertising business benefits exhibitors who use our in-cinema advertising platform since they receive a share of our advertisement revenues, which aligns their interests with ours, giving them a strong incentive to continue utilising our systems.

Advanced end-to-end technology platform with high uptime levels.

We have built an advanced end-to-end technology platform in India backed by a dedicated workforce, with in-house teams for software development, advertisement sales and repairs and maintenance. With respect to our UFO-M4 platform, our use of satellite technology, enabled with our advanced UFO-M4 compression and encryption technology, provides us with technological advantages, including the ability to deliver high quality movies on a real time basis with lower bandwidth requirements, remote capability in approximately 3,330 screens, advanced security features and flexible management of operations. Our UFO-M4 platform has been proven to be scalable, growing in India from 1,817 screens as at March 31, 2010 to 4,911 screens as at February 28, 2015. From the beginning of fiscal 2013 until February 2015, our network has had a 99.9% uptime levels (which is the amount of time our network has been operational compared to the total time our network has been in operation). As at February 28, 2015, our network is further supported by 19 service centres with field engineer staff across India, enabling us to respond to any issues quickly and efficiently. We believe that our technology platform cultivates customer loyalty and satisfaction which further enhances our relations with our customers.

Further, the digital cinema equipment that we provide to exhibitors is, in the majority of cases owned by us, and generally provided under long term agreements of five to 10 years with the option to terminate for convenience only after a period of approximately four years.

Experienced management team with established track record.

Our management team has substantial industry knowledge and expertise, with a majority of our executive officers and executive directors having been involved in the media, movie and technology industries for numerous years, which has served as a key driver of the growth of our business. Further, several members of our management team have established relationships with leading movie producers, distributors, exhibitors and advertisers, which have been critical to our success. Through their relationships and expertise, our management team has a proven track record of conceptualizing, implementing and growing new and innovative business models, which have resulted in our improved revenues and created value for various stakeholders.

Strong profitability with diversified and visible revenue streams.

We have a strong track record of growth and profitability, with our consolidated total revenues increasing from ₹2,076.50 million in fiscal 2012 to ₹4,210.89 million in fiscal 2014, representing a compound annual growth rate of 42.40%. Our consolidated restated earnings before interest, tax, depreciation and amortisation (EBITDA) increased from ₹523.04 million to ₹1,316.97 million over the same period, representing a compound annual growth rate of 58.68%.

Our revenues are also diversified and come from three primary sources: distributors, exhibitors and advertisers. In fiscal 2014, revenue from: (i) distributors, which includes Virtual Print Fees - Non - DCI (E-Cinema) and Virtual Print Fees - DCI (D-Cinema), accounted for 50.50% of our consolidated total revenues, (ii) exhibitors, which includes Lease rental income - Non - DCI (E-Cinema), Lease rental income - DCI (D-Cinema) and sales of products (including lamps and digital cinema equipment), accounted for 23.18% of our consolidated total revenues, and (iii) advertisers, which includes advertisement revenue (primarily from in-cinema advertising), accounted for 23.72% of our consolidated total revenues. We believe that by providing services for each of the participants of the movie distribution, exhibition and advertising ecosystems, we have established our role as an essential part of the digital cinema space and are able to benefit from the diverse revenue streams from those participants, reducing our dependence on any one revenue stream. Further, our pan-India presence provides us with a wide distributor and exhibitor base and reduces our dependence on any one major distributor or exhibitor.

Further, our contracts with UFO M-4 exhibitor customers are typically long-term contracts which were entered into for periods of approximately ten years and allow for exhibitors to terminate for convenience only after a period of approximately four years, giving us visible and dependable streams of revenue. We also share a portion of our advertisement revenues from advertisers with exhibitors, which aligns their interests with ours, giving them a strong incentive to continue utilising our systems. For the nine months ended December 31, 2014, our screens lost, which is defined as screens that stopped using our platform divided by the average total number of screens for the period, was 6.71%. In the same period we have added a further 371 screens to our UFO M-4 exhibitor customer base.

We believe these factors mitigate our dependence on any one revenue stream and create a dependable, highly visible revenue streams that position us well to continue growth.

Our Strategy

Our key business strategies include:

Leverage existing platform for growth of advertising business

We intend to grow the revenue from our advertising business through deepening advertiser engagement, attracting new advertisers to our platform, expanding our on-screen advertising offerings, growing our advertising spot rates and monetizing below-the-line advertising opportunities. We believe we have successfully proven the advertising monetization potential of our platform by increasing consolidated advertisement revenues from ₹97.37 million in fiscal year 2010 to ₹998.64 million in fiscal year 2014. We believe we have the opportunity to further grow our on-screen advertising which, as at February 28, 2015, on a fiscal year to date basis, is at 3.36 minutes sold per show per advertising screen. We plan to deepen our relationships with our existing advertising clients and increase their usage of in-cinema advertising by making it an integral part of their overall advertising activities. We also seek to expand our advertising client base by attracting new advertising clients, both from the government and the private sector. We have dedicated teams to service our government and private sector advertising clients and have been able to grow our advertising clients from 563 advertisers in fiscal year 2013 to 1,056 advertisers in fiscal year 2014. Given in-cinema advertising is a relatively new advertising medium, we identify verticals which are under-penetrated and then target major players within that vertical. After we have sufficiently deepened this engagement, we utilize the success story to win new clients in that vertical. In addition to selling advertising inventory to existing/ new clients, we are also developing innovative products like content promotions and screen savers to expand our advertising business. For example, we also offer a product, Screensaver, to monetize the idle on-screen time which was not being used for advertising earlier. With the increasing usage of in-cinema advertising, we believe that the ad spot rates on our platform can be grown considerably.

In addition to maximizing our on-screen advertising inventory utilization, we also have the opportunity to monetize below-the-line advertising opportunities at each cinema. In many advertising screens, we also have the rights to monetize additional commercial space which we intend to utilize for setting up kiosks for our corporate customers for product promotions. In addition, we are exploring new opportunities including advertisements on movie tickets, seat covers, ticketing windows, parking lots and other public spaces.

In addition, we believe we have the opportunity to enter into advertising agreements with smaller multiplex chains and single screen theatres which are digitized but are not currently on our network. We believe that our pan-India advertising sales team and established relationships with advertisers can significantly increase the advertisement revenues for such screens, compared to what they are otherwise able to achieve.

Leverage existing platform for growth of exhibition business.

We believe we have the opportunity to leverage our technology platform and our relationships with distributors and advertisers to expand the movie exhibition market in India through innovative models. We believe India is an under-penetrated movie exhibition market relative to developed and other emerging markets. Our technology platform has improved the digitisation of the Indian exhibition sector and led to improved economics for exhibitors. Given the potential growth of the exhibition business in India, we plan to develop, invest and grow innovative low capital expenditure exhibition and advertising models. For example, we have recently entered into innovative low-capital expenditure exhibition models to serve under-penetrated parts of India through Caravan Cinema and Club Cinema through our acquisition of VDSPL. Caravan Cinema provides movie screenings with low capital expenditure in targeted rural areas, especially "Haats" (weekly market place at villages), creating a unique opportunity for advertisers to reach a captive audience by partnering with various brands. Currently, movies are screened free to viewers and Caravan Cinema derives its revenues through advertising. We believe this is an effective advertisement platform for companies targeting rural markets. Club Cinema provides movie screenings of recently released films in clubs and community centres at private screens, such as remote industrial townships, corporate auditoriums, educational institutions and other leisure and entertainment complexes. We believe by providing a complete digital cinema solution to such customers, we will be able to reach an untapped and niche segment of Indian exhibition sector.

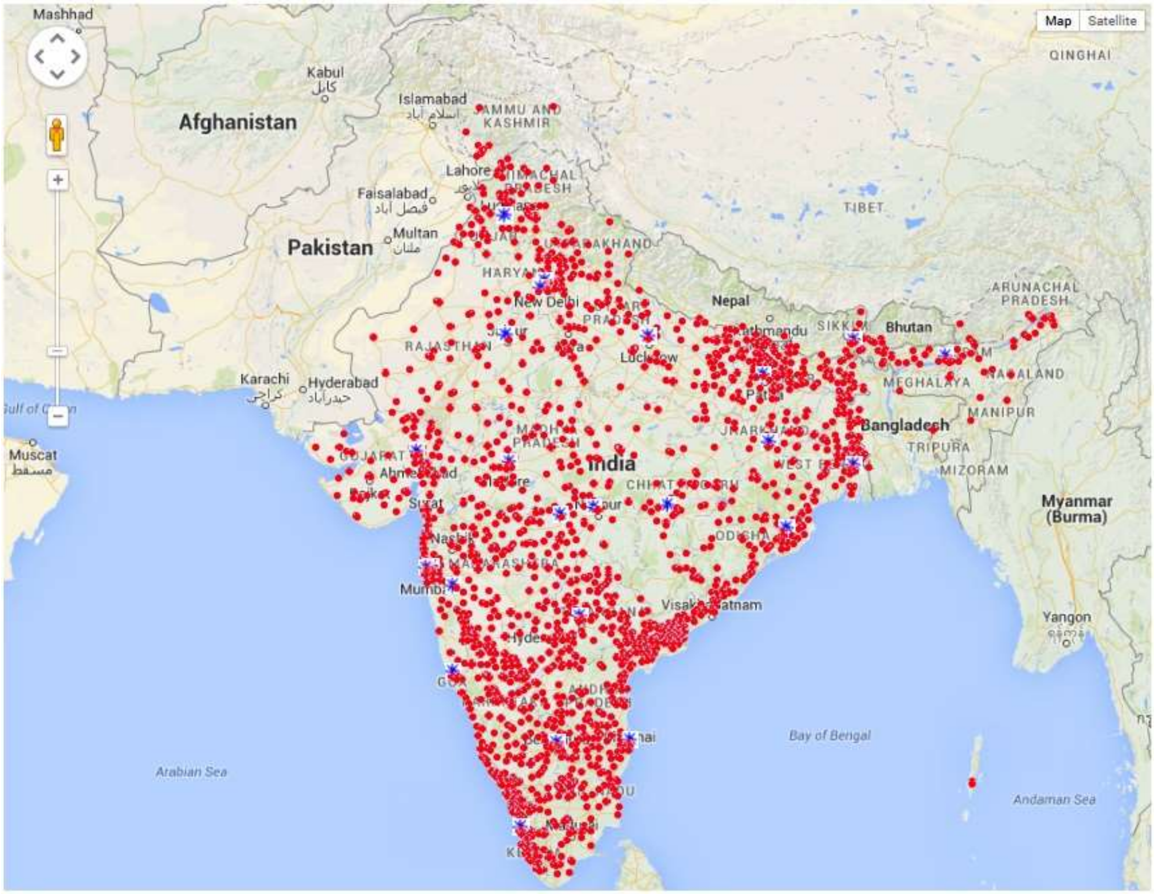
Continue to innovate in new areas that leverage our platforms.

We intend to continue innovative business development efforts which leverage our technology platform to add value to key stakeholders, such as distributors, exhibitors and advertisers. For example, we believe we have the opportunity to work with content owners and exhibitors to screen high-impact alternate content, such as sporting events and award nights. We believe that as one of the largest in-cinema advertising companies in India in terms of numbers of screens, we have opportunities to work with television, print and other media companies for advertising partnerships. We believe that access to the advertisement sales network at larger media companies can greatly increase our reach to regional and local advertisers who have historically advertised primarily on television and print. For example, we are considering working with leading media companies for bundling of our on-screen advertising inventory with their existing advertising packages.

Our Business

We are India's largest digital cinema distribution network and in-cinema advertising platform in terms of numbers of screens, as at October 31, 2014, according to CRISIL, delivering films through our UFO-M4 platform and providing D-Cinema movie delivery and other services. In fiscal year 2014, we digitally delivered more than 1,500 movies in 22 languages to 4,703 screens with aggregate seating capacity of approximately 2.15 million viewers spread across India. Since the beginning of our operations until February 28, 2015, we have digitally delivered more than 8,800 movies in India . As at February 28, 2015, our global network spans 6,626 screens worldwide, including 4,911 screens across India and 1,715 screens across Nepal, the Middle East, Israel, Mexico and the USA.

The following map presents an approximate indication of the locations of our offices and screens that we serve in India as on March 19, 2015:



Source: Company

UFO-M4 Overview

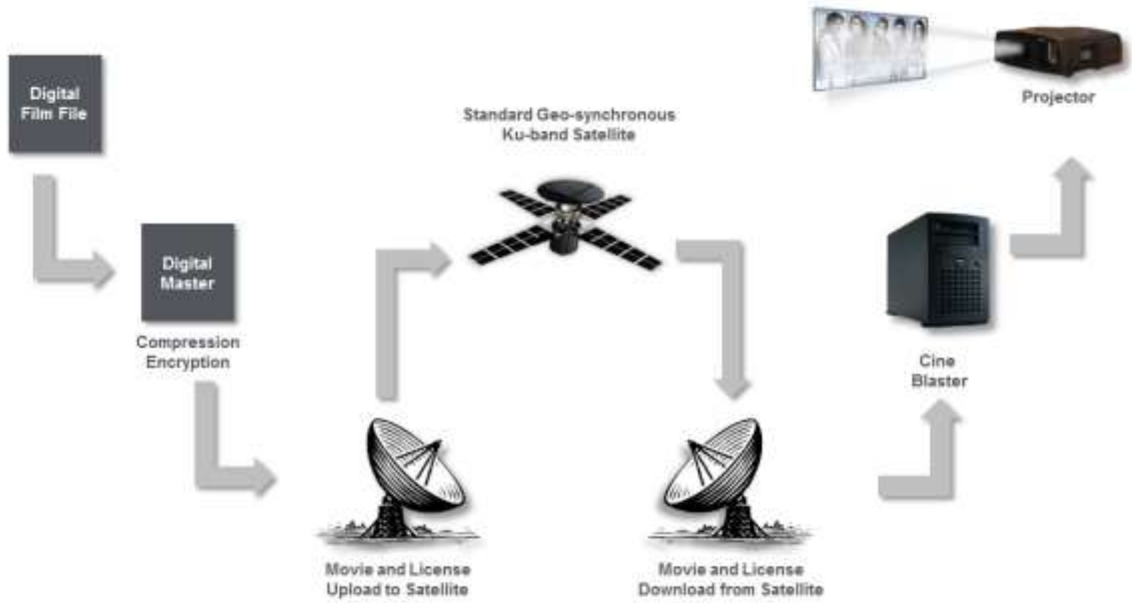
UFO-M4 is our satellite-based, E-Cinema movie delivery platform. We provide an end-to-end digital cinema platform, from the encoding, encrypting and compressing of raw movie files provided to us by movie producers and distributors using our UFO-M4 technology to transmitting the files via our network of third-party leased fibre lines and satellite network to cinemas which then exhibit the movies using our digital cinema equipment. We then allow exhibitors to show a certain number of screenings of a movie as per licensing arrangements with movie producers and distributors.

Brands

Our UFO-M4 business is operated primarily under our "UFO Digital Cinema" brand. The Company manages all of the operations of the UFO-M4 business and, through a license agreement with one of our wholly-owned subsidiaries, is the exclusive user of the UFO-M4 technology in India for use in the cinema/theatre business. We also have franchisees that provide certain services with respect to our UFO-M4 business, including rental and installation of our digital cinema equipment for certain exhibitors. See "— *Our Revenue Model*" on page 195 for further information on our franchisees.

UFO-M4 movie delivery process

Our UFO-M4 platform covers the entire movie delivery process, from encoding, encrypting and compressing of movie files, to transmission and exhibition of the movie. We believe this process provides a fast, secure and tamper-proof method for transmission and exhibition of digital movies. The following graphic presents the steps of the UFO-M4 platform movie delivery process:



We work directly with movie producers and distributors for the secured, satellite-based delivery of Bollywood and other India-sourced movies, as well as movies from outside of India (excluding movies from the major Hollywood studios that created the D-Cinema standard format) across cinemas in India. See "*—Sales & Marketing – Movie Producers and Distributors*" on page 199 for more information on how we source movies. We enter into arrangements with and charge movie producers and distributors a content delivery charge (which we refer to as "VPF E-Cinema") to provide their movies access to our broad exhibitor client base through our network. See "*—Our Revenue Model"* on page 195 for further information on this fee. These arrangements set out the terms of the digital release, including the processing required, quality standards and release date. The movie producer or distributor generally provides us with a raw digital movie file for our digital conversion process. We convert the raw digital movie file into a compressed and encrypted digital file using our UFO-M4 technology. We then transmit the file through a third-party, leased fibre network to a third-party satellite uplink facility in Hyderabad, which then transmits the file across our satellite network to "Cine Blaster" servers installed at each cinema, allowing the movie to be delivered to cinemas on our network in one single process.

We also provide movie producers and distributors with a licensing process for the screening of their movies. A movie producer or distributor provides an authorisation to us that sets out the number of times a specific exhibitor can screen the movie within a defined timeframe. We transmit this information via our satellite network to the "Cine Blaster" server at each individual cinema. The license is stored on a secure FIPS certified token. After a movie is screened the pre-set amount of times set by the license, the license expires and the "Cine Blaster" server does not allow any further screenings of the stored movie unless we provide the exhibitor a new license based on authorisation by the movie producer or distributor. In order to reduce fraud, each time a licensed screening has been used by an exhibitor, it cannot be used again and the exhibitor cannot rewind more than 15 minutes of content or restart playback of the movie using that license.

Upon receipt of a license for exhibition of the encrypted movie file, the exhibitor can schedule screenings of the movie using our "Cine Blaster" server. The encrypted and encoded UFO-M4 movie file is decrypted and decoded by our "Cine Blaster" server and projected onto a screen at the scheduled time using our digital projectors. Every such screening automatically leaves behind a technical log, which is then retrieved by our central billing server for our billing purposes. This entire process is monitored by our network operations centre, which also provides centralised programming capabilities and diagnostic support.

Exhibitors rent a UFO-M4 digital cinema system from us, which includes a "Cine Blaster" server, digital projector, uninterruptable power supply ("UPS") and very small aperture terminal ("VSAT") antenna for a fixed-periodic fee, typically over a contractual period of 10 years with an option to terminate for convenience only after a period of approximately four years. From time to time, we also sell to exhibitors digital cinema equipment, as well as related consumables, such as lamps. We also provide installation services for the initial installation of digital cinema equipment that is provided by us. See "—*Our Revenue Model*" on page 195 for further information on revenue we derive from exhibitors.

Key Components

The key components of our UFO-M4 digital cinema platform include:

- *Network operations centre.* The majority of our UFO-M4 processing, including compression, encryption and encoding of digital movie files, occurs at our network operations centre ("NOC") located in Mumbai and Chennai. The NOC also provides centralised programming and diagnostic support for our operations, as well as a help desk data centre and records and archives for our UFO-M4 licensing process. The NOC generally operates 24 hours a day, seven days a week, and has around 58 employees as at February 28, 2015.

- *Fibre bandwidth.* Our third-party fibre bandwidth network links our NOC in Mumbai to the Hyderabad centre of Hughes Communications India Limited ("HCIL"), which is our satellite up-link facility. We also have another link to the Gurgaon centre of HCIL for disaster recovery and back up purposes. In addition, we have fibre networks between Mumbai, Hyderabad, Chennai and Gurgaon. Our fibre bandwidth is leased from Tata Communications and Reliance Communications.

- *Up-link facility.* Our satellite up-link facility is located at the Hyderabad centre of HCIL. Our up-link facility is responsible for the transmission of digital files through our satellite network and also houses a database centre which keeps a backup of the content for duration of the film's release life span.

- *Satellite bandwidth*. We utilise a satellite network to transmit compressed and encrypted digital movie files to exhibitors using our digital cinema equipment. We currently lease a bandwidth of 16.5 megabits per second on a Ku-band satellite transponder from HCIL.

- *"Cine Blaster" servers.* Each of the "Cine Blaster" servers we rent to exhibitors are sourced through Valuable Technologies Limited, one of our Promoters, which manufactures and supplies these servers either itself or through an authorised third party vendor. We have exclusive contracts with Valuable Technologies Limited for the supply and maintenance of such servers.

- *Digital projectors.* We source our digital projectors primarily from Panasonic India Pvt Ltd on a purchase order basis. Our digital projectors offer a variety of brightness and picture resolution and are deployed depending upon the standard of cinemas and screen size.

- *Spare parts and consumables.* We source all of the spare parts and consumables, such as lamps, used in our UFO-M4 business from third-party suppliers on a purchase order basis.

Technology

- *UFO-M4 technology*. We use our UFO-M4 technology to compress and encrypt digital movie files prior to distributing them across our satellite network. UFO-M4 is based on MPEG-4 technology, but has been modified by us and supports the H.264 compression format. UFO-M4 technology has a variety of technological benefits, including:
    - *Small file size*. A typical full length movie of approximately 150 minutes which began as a 2.5 to 3 terabyte raw digital file is converted into a relatively small (8 to 10 gigabyte) computer file, which is suitable for satellite distribution and projection using a 1.3 to 1.9k projector. This is achievable due to our encoding software, which has algorithms that filter and improve on video compression and image quality.
    - *Multiple format support*. Support of 2D, 2D Live, 3D and 3D Live formats.

- *Security features.* Support of content security features such as invisible fingerprinting technology. This technology marks each movie screening with codes that allows us to trace pirated movies to the particular cinema, as well as the date and time of the screening, a movie was pirated at, which discourages piracy.
- *Strong encryption*. All content is encrypted using Rijndael Algorithm (the algorithm used by industry standard Advanced Encryption Standard (AES)) encryption with 192 bit key length. Without the correct decryption keys content is not playable. The decryption keys shared using with target devices using 1024 bit RSA key pairs making the content very secure.
- *Multilingual support*. Support of separate audio and visual tracks which allows for multiple audio languages as well as subtitles in different languages.
- *Advanced sound support.* Allows for digital surround sound capabilities on when played through our servers.
- *Operational efficiency.* UFO-M4 movie files can be edited easily using our software, allowing us to respond to requests for edits by a movie producer or distributor quickly.
- *Hardware flexibility.* UFO-M4 files are intended to be compatible with new hardware, allowing us to upgrade the digital cinema equipment we provide to exhibitors as newer and better hardware becomes available.

- *Digital Cinema Equipment.* Under the UFO-M4 platform, exhibitors must rent or purchase our digital cinema equipment, such as digital servers and projectors, and they typically purchase spare parts and consumables to be used with such equipment, such as lamps from us or our franchisees in order to exhibit movies. We own and control the equipment rented to exhibitors, as well as spare parts and consumables that are sold to exhibitors in a majority of cases.

D-Cinema Overview

The D-Cinema standard is a joint venture by a group of major Hollywood studios to establish a standard architecture for digital cinema systems, although it is also used by other studios, including some Bollywood studios. Our primary D-Cinema activities include: (i) collecting VPF D-Cinema from certain major Hollywood studios and other movie studios and (ii) providing D-Cinema equipment to D-Cinema screens across India. We also own interests in labs that provide D-Cinema movie encoding, processing and compressing services.

We collect VPF D-Cinema from 1,449 screens across India, which, according to CRISIL, comprises 68.1% of the D-Cinema screen market share in India. We further provide D-Cinema equipment to 680 D-Cinema screens across India as at February 28, 2015. In fiscal year 2014, we digitally delivered 57 movies from major Hollywood studios across our D-Cinema network. We have leveraged our D-Cinema deployment experience in India to establish our D-Cinema business internationally in Nepal, the Middle East, Israel, Mexico and the USA and, as at February 28, 2015, have access to 3,068 D-Cinema screens worldwide, including India.

Brands

Our D-Cinema capability is primarily provided through Scrabble Entertainment Limited ("Scrabble"), a subsidiary in which we had 91.33% interest as at December 31, 2014, and in which we initially invested in 2011. Scrabble operates our D-Cinema business in certain states in India and internationally and the Company operates our D-Cinema business in the rest of India. As at December 31, 2014, Scrabble owns a 33.33% interest in (i) Scrabble Digital Ltd, an India-based joint venture with various individuals, and in (ii) Scrabble Digital JLT, a Dubai-based joint venture with Cinecomm Limited, which own labs that provide D-Cinema movie encoding, processing and compressing services.

D-Cinema activities

Our primary D-Cinema business activities include:

- *VPF D-Cinema collection*

VPF D-Cinema is payable by movie producers and distributors for the screening of movies at theatres with D-Cinema equipment. The purpose of VPF D-Cinema is to encourage exhibitors to purchase and install D-Cinema equipment at their cinemas. We have D-Cinema deployment contracts with certain major Hollywood studios, which allows for us to collect VPF D-Cinema from those studios, and we also collect VPF D-Cinema from Bollywood and other international studios who release their films on our D-Cinema network through India-based distributors. Depending on the circumstances, a portion of the VPF D-Cinema we collect, may be shared with exhibitors based on a number of factors. See "— *Our Revenue Model*" on page 195 for further information on our VPF D-Cinema collection.

- *D-Cinema equipment rental and sales services*

  As at February 28, 2015, we rent D-Cinema digital cinema equipment to 680 D-Cinema screens across India, including digital servers and projectors for screening of D-Cinema movie files. These rental contracts with exhibitors are for a fixed-monthly fee, typically for a contractual period of 5 to 10 years with an option to terminate for convenience only after a period of three to five years. From time to time, we also sell to exhibitors digital cinema equipment, as well as related consumables, such as lamps. See "— *Suppliers*" on page 200 for further information on the suppliers of our D-Cinema digital cinema equipment, spare parts and consumables.

- *D-Cinema movie encoding, processing and compressing services*

  As at December 31, 2014, Scrabble owns a 33.33% interest in (a) Scrabble Digital Ltd, which owns digital labs in Mumbai, Chennai and Hyderabad, and (b) Scrabble Digital JLT, which owns digital labs in Dubai, each of which provides D-Cinema movie encoding, processing and compressing services. D-Cinema movie files are mastered by these labs using JPEG 2000 technology and encrypted with 128-bit encryption. A D-Cinema file for a full-length feature movie is typically 300 to 350 gigabytes in size and must be copied onto a hard drive for distribution and projected using a 2k projector. We appoint third party logistics companies to ship hard drives containing the D-Cinema movie files from these digital labs to each individual cinema. Exhibitors play the movies by copying the files from the hard drives onto servers, unlocking the files using licenses from the movie producer/distributor and then projecting the movies using digital projectors.

Other Initiatives

In addition to our primary business comprising our UFO-M4 and D-Cinema businesses, we also explore and develop additional platforms and business innovations. Under an exclusive arrangement (which was amended on December 18, 2014) with Impact Media Exchange Limited, we are marketing an electronic ticketing platform known as the Integrated Media Pact, or "IMPACT", to improve transparency, efficiency and accountability in movie screening industry. The transactions on IMPACT are captured on a real time basis as it is connected via satellite to a centralised Network Operation Centre. IMPACT mediates the transactions between exhibitors on one hand and distributors on the other, ensuring that ticketing transactions and movie screenings are transparent. IMPACT has been designed to ultimately act as a settlement exchange for various stakeholders of the movie screening industry. As at February 28, 2015, IMPACT has been deployed in 310 screens in India and currently we charge rentals from exhibitors for the use of IMPACT.

Our Revenue Model

We receive revenue primarily from (i) advertisers, for in-cinema advertising, (ii) movie producers and distributors, for the secured delivery and screening of their movies and (iii) exhibitors, who are the owners of screens, through equipment rental and sales of digital cinema equipment. We also receive other revenues from distributors for digitisation and exhibitors for registration fees for exhibitors using our network, as well as other miscellaneous income.

	For the year ended March 31,	Nine months ended December

	2012	2013	2014	31, 2014
		Consolidated, ₹ (in millions)		
Sale of Services				
Advertisement revenue	370.36	694.97	998.64	866.22
Virtual Print Fees – Non-DCI (E-Cinema)	617.38	760.83	821.27	667.65
Virtual Print Fees –DCI (D-Cinema)	247.12	749.43	1,305.20	1,109.34
Lease rental income – Non-DCI (E-Cinema)	238.12	252.20	282.30	267.59
Lease rental income – DCI (D-Cinema)	24.74	82.06	137.26	111.41
Digitisation income	55.30	66.67	65.15	50.17
Registration fees income	18.53	14.98	8.75	7.81
Other services (includes revenue from theatre programming activity, Technology service and annual maintenance)	6.95	8.57	29.34	57.61
Total Sale of Services (A)	**1,578.50**	**2,629.71**	**3,647.92**	**3,137.80**
Sales of Products				
Lamp sale	139.50	154.30	171.09	129.06
Sale of digital cinema equipments	349.05	578.29	385.29	280.50
Total Sale of Products (B)	**488.55**	**732.59**	**556.38**	**409.56**
Total Revenue from operations (A)+(B)	**2,067.05**	**3,362.30**	**4,204.30**	**3,547.36**

* The advertisement revenue and Virtual Print Fees – Non-DCI (E-Cinema) and Virtual Print Fees –DCI (D-Cinema) shown in the table above is the gross revenue we receive from advertisers and movie producers/distributors, respectively, and does not deduct the amount of revenue we share with exhibitors. That amount is reflected in our operating direct costs.

Advertisers

We have created a pan-India, high-impact, in-cinema advertising platform with generally long-term advertising rights to 3,770 screens, with an aggregate seating capacity of approximately 1.85 million viewers and a reach of over 1,800 locations across India, as at February 28, 2015.

As at February 28, 2015, we have 1,669 advertisers that we work with in India. None of our advertiser customers have contributed more than 10% of our consolidated total revenue for the past three years.

Our in-cinema advertising platform offers a number of other advantages over traditional advertising methods which drives its growth:

- *Wide reach.* Our in-cinema advertising platform provides access to 3,770 screens, with an aggregate seating capacity of approximately 1.85 million viewers and a reach of over 1,800 locations across India, as at February 28, 2015.

- *Targeting capabilities.* Advertisers can choose the type of audience for their advertisements by choosing which movies their advertisements are displayed in.

- *Captive audiences.* In-cinema advertising provides advertisers with a captive audience that is likely to watch the advertising being displayed.

- *Transparency*. We provide logging of actual advertisements played, which enhances advertiser confidence in the medium

- *Flexibility.* We provide remote operating of scheduling in approximately 3,330 screens, which allows for last minute scheduling and content changes.

- Advanced technology, such as multiple language support.

We focus our in-cinema advertising platform on two verticals: the private sector, including leading multinational and Indian corporations, and the Indian government. We were able to attract 1,056 advertisers from private and government sectors in fiscal year 2014, compared with 563 advertisers in fiscal year 2013. We have relationship teams to work with both private corporations and the Indian government to provide flexible service to meet their advertising needs. See "- *Sales & Marketing — Advertisers"* on page 199 for more information on our sales and marking strategy. Our agreements with advertisers are flexible and generally, terms such as the duration, rates, advertising volumes and location of the advertisements can be negotiated to meet their needs. Once agreement with an advertiser has been reached, they provide us with a digital copy of their advertising material for our digital conversion and display on our in-cinema advertising platform.

We also enter into advertising rights agreements with exhibitors in order to display in-cinema advertising. These agreements are typically for a tenor of 10 years. We share a portion of our advertisement revenues from advertisers with exhibitors, which aligns their interests with ours, giving them a strong incentive to continue utilising our systems. With respect to exhibitors using our UFO-M4 platform, exhibitors receive a flat 10% or 25% of the Company's advertisement revenue, subject to a minimum assured fee payment (a negotiated amount) that we began offering to a significant number of exhibitors from fiscal year 2014. In fiscal year 2014 and the first nine months of fiscal year 2015, we paid the minimum assured fee to close to half of the total screens using our UFO-M4 platform and the advertising revenue share payments including the above mentioned minimum assured fees were higher than 25% in those periods. With respect to D-Cinema screens, for the screens using an entry level D-Cinema system rented from us, the exhibitor's share in advertisement revenue is fixed at 25% subject to a minimum assured fee payment (a negotiated amount) and with respect to other D-Cinema screens arrangements, the revenue sharing is determined on a case-by-case basis subject to a minimum assured fee payment (a negotiated amount) and the exhibitor's share of advertisement revenue depends on negotiations.

Our agreements with exhibitors also typically provide us with the right to utilise 150 square feet of physical cinema space to generate additional advertisement revenue. We also share a portion of this advertisement revenue with exhibitors to grow their advertisement revenue streams and further align their incentives with ours, further encouraging them to work with us.

We are also leveraging our relationship with exhibitors and advertisers to sell traditional advertising in cinemas, such as trailers.

Distributors

As at February 28, 2015, we have 1,664 movie producers and distributors that we work with in India. None of our movie producers or distributor customers have contributed more than 10% of our consolidated total revenue for the past three years.

Distribution revenue. We receive revenue from movie producers and distributors in two primary ways, through collection of VPF E-Cinema and VPF D-Cinema.

- *Virtual Print Fees – Non-DCI (E-Cinema) (VPF E-Cinema).* VPF E-Cinema is a content delivery charge paid by movie producers and distributors for our distribution of their movies through our UFO-M4 platform. We receive a majority of VPF E-Cinema from distributors through direct sign-ups, as well as a portion through sign-ups through franchisees. We enter into franchise agreements for the operation of a portion of our UFO-M4 business. Under these agreements, franchisees lease digital cinema equipment from us and in turn sub-lease the equipment to exhibitors, as well as install the equipment at cinemas. The franchisee enters into the contractual arrangement with and raises the service fee bill and collects the fees from the distributors. However, the actual servicing of the distributors is done by us under a franchisee agreement entered into between us and the franchisee. Under these agreements, we provide the content delivery services and the franchisee agrees to share its revenue with us. One of our primary franchisees is Southern Digital Screenz India Private Limited, of which we own an 84.18% interest as at December 31, 2014. Southern Digital Screenz India Private Limited operates our business in South India. Another key franchisee is Arti Cinemas Private Limited, a third party franchisee, which operates our business in East India. The VPF E-Cinema revenue we receive depends on whether the exhibitor is signed up through us or a franchisee.

a. *Direct sign-ups:* Distributors using our services for electronic delivery and secured playback of their films being released on our UFO-M4 network pay us a fixed fee on a per movie, per screening basis. VPF E-Cinema is typically applicable only to the first two weeks of a movie's release. Bollywood movies are subject to a total of ₹20,000 ceiling per cinema and in case of southern Indian screens where our subsidiary Southern Digital Screenz India Private Limited raises service fee bills on the distributor, the distributor pay us the fixed fee on a per movie, per week basis or a one-time flat fee of between ₹22,500 to ₹25,000 paid on a per movie, per property (consisting of one or more cinema screens) basis. This revenue is generally retained by us and not shared with exhibitors.

b. *Sign-ups through other franchisees:* Typically, one third of the revenue generated by the franchisee from distributor service fee is shared with us. In other cases, our share in distributor fee revenue is fixed at ₹7,500 per screen, per month. The balance amount after such sharing with us is retained by the franchisee.

- *Virtual Print Fees – DCI (D-Cinema) (VPF D-Cinema).* Our agreements with movie producers and distributors enable us to collect VPF D-Cinema from them. The agreements vary, but generally, VPF D-Cinema is a flat fee, typically of ₹20,000, paid on a per movie, per cinema basis. In the case of some non-Hollywood movies, VPF D-Cinema is ₹7,000 to ₹20,000 per movie, per week, for a fixed number of screenings within a week.

  Our D-Cinema contracts with major Hollywood studios differ from our contracts with other studios in that the VPF D-Cinema fees for movies from major Hollywood studios are only payable if a prescribed number of screens in each cinema are D-Cinema compliant by a specified date. Further, our rights to collect VPF D-Cinema under our agreements with major Hollywood studios (which represents a portion of our total VPF D-Cinema) are all set to expire by June 2018. We do not expect to extend or renew these contracts, and if they are not extended or renewed, we shall be unable to continue to collect VPF D-Cinema from major Hollywood studios. See "*Risk Factors — We depend on our relationships and agreements with movie producers and distributors, and any failure to maintain these relationships, or to establish and capitalise on new relationships, could have a material adverse effect on our business, prospects, financial condition and results of operations.*" on page 30.

  Certain of our D-Cinema exhibitors receive a share of VPF D-Cinema we receive from distributors, subject to negotiation and their investment in D-Cinema equipment. For example, certain exhibitors that invest in their own D-Cinema equipment and rely on our D-Cinema deployment contracts to collect VPF D-Cinema receive a higher share of VPF D-Cinema than exhibitors that rent D-Cinema equipment from us.

Exhibitors

As at February 28, 2015, we have 3,462 exhibitors' screens in India. None of our exhibitor customers have contributed more than 10% of our consolidated total revenue for the past three years. We receive revenue from exhibitors in two primary ways, (i) lease rental income from E-Cinema and D-Cinema equipment rental and (ii) sales of lamps and of digital cinema equipment.

Rental revenue. We earn rental revenue from the renting, either directly or through our franchisees, of our digital cinema equipment to exhibitors for use on their premises.

- *Lease rental income – Non-DCI (E-Cinema):* With respect to our UFO-M4 business, exhibitors or franchisees rent a UFO-M4 digital cinema system from us, which includes a "Cine Blaster" server, digital projector, power supply and VSAT antenna for a fixed-periodic fee, typically over a contractual period of 10 years with the option to terminate for convenience only after a period of approximately four years. We bill the exhibitors on a monthly basis for the contractually fixed rental charge which is typically in the range of ₹3,000 to ₹17,500 per month.

- *Lease rental income – DCI (D-Cinema)*: With respect to our D-Cinema business, exhibitors rent D-Cinema servers and projectors from us, under contracts for a fixed-monthly fee, typically for a contractual period of five to ten years with an option to terminate for convenience only after a period of three to five years and we bill such exhibitors on a monthly basis for such contractually fixed rental charge which is typically in the range of ₹6,500 to ₹40,000 per month.

Sales revenue. From time to time, we also sell to exhibitors digital cinema equipment, as well as related consumables, such as lamps.

Sales & Marketing

Advertisers

We have relationship teams to work with both private sector and the Indian government to provide flexible service to meet their advertising needs.

Our private sector advertising relationship team consists of 29 team members spread across 9 major cities in India, including Mumbai, Delhi and Bengaluru. Our team identifies potential advertising clients through a variety of methods, including monitoring active print, radio and television advertisers. Our team will reach out to and build relationships with key advertising decision makers and influencers, including media buying agencies and marketing executives, in order to introduce our in-cinema advertising platform and demonstrate its benefits and advantages. If the advertiser decides to adopt our in-cinema advertising platform, we can negotiate a variety of flexible arrangements to meet the needs of the particular advertiser.

Our Indian government advertising relationship team consists of 20 team members spread across eight locations that cover business opportunities. This team is focused on advertising business opportunities from the central Indian government, state governments and Public Sector Undertakings (government-owned corporations, referred to herein as "PSUs"), as well as political campaigns. Unlike with our private sector advertising clients, all government advertising is subject to approval from the Directorate of Audio Visual Publicity ("DAVP"), a division of The Ministry of Information and Broadcasting, Government of India. Further, the DAVP sets the rates that we can charge for advertising from the central Indian government and state governments. The approval and rates are valid for a period of one year and we must apply for renewal each year. Once we have approval and rates from the DAVP, our team meets with the various personnel at the central Indian government and state governments to convince them to adopt our in-cinema advertising platform.

Movie Producers & Distributors

We work with Indian movie producers and distributors on a regular basis and, in many cases, they reach out to us directly for the digital delivery of their movies. However, we also have a team to gather information on all forthcoming movie releases in India on a daily basis, through trade magazines, electronic and print media and the internet. This is important to ensure that we deliver a comprehensive selection of movies, including small budget releases that are unable to publicize their releases well in advance. If we have not previously worked with a movie producer or distributor, our team members will contact the movie's producer and/or distributor and introduce the Company and demonstrate the benefits of our technology through tailored presentations.

Exhibitors

For our sales and marketing purposes, we divide India into 14 major movie exhibition regions and ensure that each region has a dedicated sales team, including a regional head sales manager. Overall, as at February 28, 2015, we have 22 sales offices in India with a total of 98 sales team members. Each dedicated sales team keeps track of the cinemas in their region, including the projection technology currently in use at each cinema. Based on this information, we compile a list of cinemas to potentially adopt our digital cinema system for each quarter and year. Our sales teams will then contact the exhibitor responsible for the cinema to explain the advantages of installing our digital cinema system.

Suppliers

We rely on suppliers for the provision of various equipment and services necessary for our business. See "*Business – UFO-M4 Overview – Key Components*" on page 193 for information on our key UFO-M4 business components and suppliers.

With respect to our D-Cinema business, we currently purchase D-Cinema equipment from Christie Digital and Barco N.V. on a purchase order basis.

Competition

The Indian movie industry's rapid growth and evolution of the global movie industry is changing the competitive landscape. We compete with other companies in the digital cinema distribution sector.

We believe our experience, understanding of the Indian movie industry and relationships with movie producers and distributors, as well as exhibitors positions us well to compete with new and existing entrants in our industry. Competition within the industry is based on relationships, distribution capabilities, reputation for quality and brand recognition.

Research and Development

We have made and continue to make significant investments in developing new technology and in our technology infrastructure in order to improve our distribution platforms and to expand into other businesses. We maintain development teams in Pune and Mumbai, India, consisting of 18 employees as at February 28, 2015, including software development engineers and quality assurance engineers.

Our development team continually works to test and improve our digital cinema server software, content delivery software, in-cinema advertising software, encryption software and digital rights management/licensing software.

Our team's current development activities are focused on:

- creating our next generation movie playback device;
- expanding digital rights management for movie content;
- theatre management systems to support 2k and non-2k systems;
- an improved, robust and flexible advertisement scheduling framework;
- an interactive platform for in-cinema advertising;
- an improved event recording and reporting mechanism to audit playback events we collect from cinemas; and
- an enhanced content distribution system.

Intellectual Property

Our success and ability to compete depend in part upon our ability to protect our technology and to establish and adequately protect our intellectual property rights. To accomplish these objectives, we rely on a combination of trademark and copyright laws in India and other jurisdictions, as well as license agreements and other contractual protections.

We benefit from both statutory and common-law protection of our trademarks. We have registered the "UFO Digital Cinema" trademark in India. Nevertheless, competitors may adopt service names similar to ours, or purchase our trademarks and confusingly similar terms as keywords in Internet search engine advertising programs, thereby impeding our ability to build brand identity and possibly leading to confusion in the marketplace. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our trademarks. Any claims or customer confusion related to our trademarks could damage our reputation and brand and substantially harm our business and results of operations.

We actively seek to protect our proprietary information, including our proprietary know-how, by requiring our employees, advisors and partners to enter into confidentiality agreements and other arrangements upon the commencement of their employment or engagement. In addition, we seek to protect our intellectual property rights by generally requiring our employees involved in development to enter into agreements assigning to us all rights, title and interest in all inventions, works of authorship, developments, ideas, improvements and other works generated by them during their period of employment with us and six months succeeding their resignation or termination of employment and which are in any way related, directly or indirectly, to our business activities.

In addition, we license software and other intellectual property from third parties. Among our significant assets is our licensed software, particularly, our "CineCoder" digital cinema software which uses UFO-M4 technology and that is owned by, and licensed to us at no cost for use in the cinema/theatre business through, our wholly owned Cyprus subsidiary, UFO International Limited.

We believe that our intellectual property provides a competitive advantage, and from time to time we may take steps to enforce our intellectual property rights. See "*Risk Factors – Our Company is presently involved in certain disputes with Real Image Media Technologies Private Limited, our competitor, with respect to certain patents held by Real Image. If such disputes are decided against us or are not settled on terms favorable to us, or at all, it would have a material adverse effect on our business, financial condition, results of operations, prospects and reputation and may also have a material adverse effect on our stock price.*" on page 23, "*Risk Factors — We cannot ensure that our intellectual property is protected from copying or use by others, including current or potential competitors.*" on page 37 and "*Risk Factors — Intellectual property infringement actions against us could be costly and time consuming to defend and may result in business harm if we are unsuccessful in our defence.*" on page 38.

Properties

Our primary business operations and material properties are located in India. The following table provides details of our corporate headquarters as at February 28, 2015.

Location	Purpose	Leased or Owned
Mumbai	Headquarters (including NOC)	Leased

We also have 22 sales offices located throughout India.

For details of the risks associated with the related party transactions entered into by the Company in respect of our properties, please see the risk factor titled "*Our Promoters and certain members of our Promoter Group and Group Entities have interests in the Company other than for reimbursement of expenses incurred or normal remuneration or benefits and we have in the past entered into related party transactions and may continue to do so in the future and there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.*" on page 43.

Employees

As at February 28, 2015, the Company had 689 employees on a standalone basis, all located in India. The following table shows a breakdown of the Company's employees on a standalone basis for the periods indicated by category of activity.

	As at March 31,			As at February 28, 2015
	2012	**2013**	**2014**	
	Number of employees			
Division/Function				
Sales, ad Sales & marketing................................	93	125	148	147
Technical & engineering.....................................	163	157	156	159
Others	126	121	125	120
Off Roll Support Services	94	99	109	114
Third Party Engineer	126	122	137	147
Trainee + Consultant...	9	10	4	2
Total	**611**	**634**	**679**	**689**

None of our employees are represented by a labour union. We have not experienced any work stoppages.

Our compensation policy for certain employees, such as those in the sales team and the regional managers, consists of a fixed and variable component along with long term incentives. To encourage performance and alignment of objectives with those of the Company, variable pay is linked to performance of both the individual employee and the Company and also linked to multiple financial metrics that we believe are important to our business. Over 25% of our current employees are covered by our employee share option plans.

Insurance

We maintain standard insurance policies for our physical assets and our employees as required by applicable laws and regulations. We maintain and annually renew insurance for (i) losses (but not business interruption) arising from fire, burglary as well as terrorist activities, (ii) losses from marine transport of goods and equipment, (iii) monetary losses from cancellation of movie screenings, (iv) fidelity guarantee insurance, which covers losses through acts of fraud or dishonesty by our employees, and (v) directors and officers liability insurance.

Legal Proceedings

See "*Outstanding Litigation and Material Developments*" on page 484 for a description of our legal proceedings.

REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India which are applicable to the Company and the Subsidiaries and the business of the Company and the Subsidiaries. The information detailed in this chapter has been obtained from the websites of the relevant regulators and publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. Taxation statutes such as the Income Tax Act, 1961, Central Sales Tax Act, 1956 and applicable local sales tax statutes, labour regulations such as the Employees State Insurance Act, 1948 and the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and other regulations such as the Trade Marks Act, 1999 and applicable shops and establishments statutes apply to us as they do to any other Indian company. For details of government approvals obtained by our Company in compliance with these regulations, see "*Government and Other Approvals*" on page 526 of this Prospectus. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

KEY INDUSTRY REGULATIONS

Indian Cinematograph Act

The Cinematograph Act, 1952 ("**Cinematograph Act**"), is an act to make provision for the certification of cinematograph films for exhibition and for regulating exhibitions by means of cinematographs. Cinematograph is defined to include any apparatus for the representation of moving pictures or series of pictures.

The Cinematograph Act, authorizes the Central Government to constitute a Board of Film Certification, (also known as the "Central Board for Film Certification" or "**CBFC**"), in accordance with the Cinematograph (Certification) Rules, 1983 ("**Certification Rules**"), for the sanctioning of films for public exhibition in India. Under the Certification Rules, the producer of a film is required to apply in the specified format for certification of such film, with the prescribed fee. The film is examined by an examining committee, which determines whether, the film is suitable for viewing by a particular audience.

The CBFC may either refuse or grant a certificate in respect of a film. The certificate granted may provide restrictions in respect of viewership or, the CBFC may direct the applicant to carry out any modifications in the film, as it may think fit before sanctioning the film for exhibition. The obligation to obtain such certificate is on any person who wishes to exhibit any film. However, the duplicate copy of the same has to be provided to the distributor or the exhibitor according to the Cinematograph (Certification) Rules, 1983. The certificate granted by the CBFC in respect of a film shall be valid throughout India for a period of 10 years from the date on which the certificate is granted. If the CBFC receives any complaint in respect of any film, which has been certified for public exhibition, the same shall be forwarded to the Central Government and the Central Government may re-examine the certified films and may take necessary action. All advertisements of films in any form including hoardings, handbills, newspapers and trailers shall indicate that the film has been certified for such public exhibition.

Further, if a film is altered by excision, addition, colouring or otherwise, after it has been certified, it is not permitted to be exhibited unless such portions which have been excised, added, coloured or otherwise altered, have been reported to the CBFC and the CBFC has endorsed the particulars of the alterations, in the certificate.

The Central Government may issue directions to a place licensed to give an exhibition of a film generally or to any licensee in particular for the purpose of regulating the exhibition of films, so that scientific films, films intended for educational purposes, films dealing with news and current events, documentary films or indigenous films secure an adequate opportunity of being exhibited. The Central Government, acting through local authorities, may order suspension of exhibition of a film, if it is of the opinion that any film being publicly exhibited is likely to cause a breach of peace. Failure to comply with the Cinematograph Act may attract imprisonment and / or monetary fines.

Intellectual Property Laws

In India, Trade Marks and copyrights enjoy protection under both statutory and under common law. The two key legislations governing intellectual property in India and which are applicable to the Company are the Copyright Act, 1957 and the Trade Marks Act, 1999. India is also a party to several international agreements for the protection of intellectual property rights.

Trade Marks

The Trade Marks Act, 1999 ("**Trademark Act**") provides for the statutory protection of trade marks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trade mark registration may be made by any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it.

Applications for a trade mark registration may be made for in one or more classes. Once granted, trade mark registration is valid for ten years unless cancelled. If not renewed after ten years, the Registrar of Trade marks may remove the trade mark from the register unless an application for renewal has been submitted in the prescribed manner and the prescribed fee is paid within six months from the expiry of the last registration of the trade mark. The Trade Mark (Amendment) Act, 2010 has been enacted by the GoI to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trade mark in other countries, and to empower the Registrar of Trade Marks to do so. It also seeks to simplify the law relating to transfer of ownership of trade marks by assignment or transmission and to bring the law generally in line with international practice.

Any person who infringes a registered trade mark by way of, amongst others, falsifying any trade mark, selling goods or providing services to which a false trade mark or false trade description is applied, or falsely represents a trade mark as registered, is liable to, amongst others, imprisonment for the prescribed term and to pay the prescribed amount of fine as specified under the Trademark Act.

Copyrights

The Copyright Act, 1957 ("**Copyright Act**") governs copyright protection in India. Under the Copyright Act, subject to certain exceptions, a copyright shall subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Copyright protection in literary, dramatic, musical and artistic works, (other than a photograph) published within the lifetime of the author, lasts for a period of sixty years from the beginning of the next calendar year, following the year of demise of the author.

Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without a license from the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The remedies available to an owner of a copyright in the event of infringement of copyright under the Copyright Act include civil remedies by way of damages and injunctions and proceedings for recovery of possession of all infringing copies. The Copyright Act also provides for criminal remedies including imprisonment of the accused and the imposition of fines and seizure of infringing copies. In addition, the Registrar of Copyright, upon receiving an application from the owner of copyright along with the prescribed fee, is empowered to impose a ban on the import into India, of such copies made out of India, of the work, which if made in India would infringe copyright.

Shops and Establishments Acts

Under the provisions of local shops and establishments legislations, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, and other rights and obligations of the employers and employees. Such laws are enforced by the Chief Inspector of Shops and various inspectors under the supervision and control of the Labour Commissioner acting through the various District Deputy/Assistant Labour Commissioners.

Ministry of Information and Broadcasting, Directorate of Advertising and Visual Publicity ("DAVP"), Policy Guidelines on Digital Cinema Agencies.

The DAVP has released guidelines for empanelment of Digital Cinema Agencies ("**DCA**") which have one or more digital cinema screen(s). As per the guidelines, such DCA's are required to be compliant with digital cinema technology which is defined as 'the use of digital technology for distribution, projection, and generation of logs of motion picture in a cinema hall', along with a fool-proof verification mechanism of logs of governmental advertisements played during pre-show and interval, so as to enable DAVP to confirm the compliance of release orders before payment.

The empanelled Digital Cinema Agencies are required to, amongst others, provide real-time access to their central servers to carry the logs of Government advertising spots in XML format as stipulated by the DAVP for establishing a viable monitoring system. For daily compliance reports of all campaigns of the Government, the DCAs are required to provide the log reports in DAVP stipulated format to enable DAVP to cross check the logs.

These policy guidelines came into effect on January 13, 2014 and shall remain effective for a period of three years.

Labour Laws

Depending on the nature of work and number of workers employed at any workplace, various labour related legislations may apply to us. Certain significant provisions of such labour related laws are provided below.The following is an indicative list of labour laws applicable to our operations:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- The Industrial Disputes Act, 1947;
- The Employees' State Insurance Act, 1948;
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972; and
- The Payment of Bonus Act, 1965.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated as a private limited company under the name of "Valuable Media Private Limited" under the Companies Act, 1956 and received a certificate of incorporation dated June 14, 2004 from the Registrar of Companies, Maharashtra at Mumbai. Thereafter pursuant to a resolution of the shareholders passed at the extraordinary general meeting on August 17, 2006, the name of our Company was changed to "UFO India Private Limited" and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra at Mumbai on August 31, 2006. The reason for the change of name was to align the name of the company with our brand offerings. Pursuant to a resolution of the shareholders passed at the extraordinary general meeting held on October 11, 2006, our Company was converted into a public company and its name was changed to "UFO India Limited" and a fresh certificate of incorporation consequent upon change of name on conversion to a public limited company was issued by the Registrar of Companies, Maharashtra at Mumbai on November 10, 2006. Further, pursuant to the scheme of amalgamation approved by the Delhi High Court through its order dated May 19, 2008, UFO Moviez Limited, our erstwhile holding company, was amalgamated with and into UFO India Limited. Subsequently, pursuant to a resolution of the shareholders passed at the extraordinary general meeting held on June 5, 2008, the name of our Company was changed to UFO Moviez India Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on June 12, 2008. The reason for the change of name was the amalgamation. For details of the scheme of amalgamation, see "*History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of amalgamation with UFO Moviez Limited*" on page 213 of this Prospectus.

Changes in registered office of our Company

Change in Address	Date of change	Reason
From: 305, Centre Point, J.B. Nagar, Andheri – Kurla Road, Andheri (East) Mumbai – 400059, Maharashtra To: 101, Citi Point, J.B. Nagar, Andheri – Kurla Road, Andheri (East), Mumbai – 400059, Maharashtra	October 25, 2006	Administrative convenience
From: 101, Citi Point, J.B. Nagar, Andheri – Kurla Road, Andheri (East), Mumbai – 400059, Maharashtra To: M-4, Surya Mansion, Kaushalya Park, Hauz Khas, New Delhi – 110016	June 8, 2007	Administrative convenience
From: M-4, Surya Mansion, Kaushalya Park, Hauz Khas, New Delhi – 110016 To: Office N0. 202, F-46, Bhagat Singh Market, New Delhi – 110001	May 29, 2008	Administrative convenience
From:	May 18, 2010	Administrative convenience

Change in Address	Date of change	Reason
Office N0. 202, F-46, Bhagat Singh Market, New Delhi – 110001 <u>To:</u> 1-B, Sagar Apartments, 6 Tilak Marg, New Delhi – 110001 From: 1-B, Sagar Apartments, 6 Tilak Marg, New Delhi - 110001 <u>To:</u> Office No. 12, 3rd Floor, 312 Surya Kiran Building, 19 Kasturba Gandhi Marg, New Delhi-110001.	March 4, 2015	Administrative convenience

Major Events and Milestones

The table below sets forth some of the major events in the history of our Company:

Year	Key Events
2004	Incorporation of our Company.
2005	Entered into the first agreement for appointment of an exhibition franchisee in connection with the installation of E-Cinema digital cinema system and launch of digital cinema business of the Company in India.
2006	Acquisition by Edridge Limited (a subsidiary of UFO Moviez Limited (formerly known as Zefaan Media Private Limited) of a 51% stake in UFO International Private Limited, the entity holding software and intellectual property related to UFO-M4 technology, from DG2L Technologies Pte. Ltd., Singapore.
2007	Private equity investment by 3i Digital Media (Mauritius) Limited in UFO Moviez Limited.
2008	Launch of our in-cinema advertising platform.
2008	Sanction of the scheme of amalgamation by the High Court of Delhi pursuant to which UFO Moviez Limited, our erstwhile holding company, merged with and into our Company.
2008	Signing of agreement with Southern Digital Screenz India Private Limited ("**SDS**") for installation of UFO-M4 digital cinema systems in southern India.
2010	Increase in stake by Edridge Limited, our Subsidiary, from 51% to 100% in UFO International Private Limited, the entity holding software and intellectual property related to UFO-M4 technology.
2010	First non-film application of UFO M4 technology in which our Company acted as the technology service provider for enabling exhibition of live cricket matches in theatres across the country in 2D and 3D formats.
2011	Private equity investment by P5 Asia Holding Investments (Mauritius) Limited.
2011	Investment in SDS and DCI solution provider Scrabble Entertainment Limited ("**Scrabble**").
2011	Launch of operations in U.A.E., Bahrain, Kuwait, Qatar, Lebanon, Oman and Jordan through our Subsidiary, SEJLT.
2013	Incorporation of SVLLC and SVM, our Associates, to launch operations in North America (USA and Mexico).
2014	Digitally delivered 1,720 movies in 31 languages to 4,703 screens spread across India.
2014	Entered into an investment agreement for acquisition of VDSPL.
2015	Completed acquisition of an 80% interest in VDSPL

Strike and lock-outs

We have not experienced any strike, lock-outs or labour unrest in the past.

Time/cost overrun

Our Company has not implemented any projects and hence has not experienced any time/ cost overrun in relation thereto.

Changes in activities of our Company

There have been no changes in the activities of our Company in the last five years, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors, other than as following:

Defaults or rescheduling of borrowings from financial institutions/banks, conversion of loans into equity by our Company

There are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

Capital raising (Equity/ Debt)

Our Company's equity issuances in the past and availing of debts as on December 31, 2014, have been provided in "*Capital Structure*" and "*Financial Indebtedness*" on pages 94 and 435 of this Prospectus, respectively. Further, our Company has not undertaken any public offering of Equity Shares or debt instruments since its inception.

Awards and Accreditations

Year	Accreditations
2014	• **India's TOP SME 100 Awards**
2012	• **Inc. India 500** – Certificate of Excellence in recognition of exemplary growth. • **Marico Innovation Foundation's Innovation for India Awards 2012 –** Award for Business Innovation.
2010	• **Technology Fast 50 – India 2010 winner** – award by Deloitte.
2007	• **The Advertising Club Awards for Excellence in Advertising and Media**– For Media Innovation Digital Gold. • **Idea IIFA Innovation Award in Indian Cinema*** • **Global Entrepolis @ Singapore Award*** – For Technopreneur of the Year in the Asia-Pacific Region.

* This was awarded to our erstwhile holding company, UFO Moviez Limited.

Our Main Objects

The main objects of our Company as contained in Clause III (A) of our Memorandum of Association are:

1. To own, run and act as distributor for films, serials or other media contents and act as distributor to carry out, organize, participate and conduct the business of digital cinema system using digital media

including but not limited to DVD, Fibre optics, Satellite Transmission etc. and store, transmit, retrieve and reply the audio visual and all over India and abroad.

2. To carry on the business of producers, exhibitors, importers, exporters, dealers, and distributors of cinematographic films, TV documentary & advertisement films, TV programmes, serial, news based programmes, Video and feature films, talkies, (of every description) cinema slides and advertisement shorts in all their branches and to act as distributor to carry out, organize, participate and conduct the business of digital cinema system using digital media including but not limited to DVD, Fibre optics, Satellite Transmission and to store, transmit, retrieve and replay the audio visuals all over India and abroad and to do all things necessary and expedient in connection with the business, such as to erect, construct, purchase, take on lease or hire, otherwise acquire and maintain films production studio, laboratories, cinemas, picture places, halls, concert halls, theatrical companies, entertainment groups, touring talkies and other kinds of buildings necessary on or required to carry on the business of the Company and also to do such business on behalf of or in collaboration with films division, doordarshan, NFDC, Central and State Govt. Bodies, NGOs and other public and private sector companies in India and abroad.

3. To carry on the business related to Media and Communication which includes production, pre-production, post-production, exhibition, distribution and related services of all types of media content, including but not limited to Films, TV Programming, News, Current Affairs, Studios and allied works, including consultancy in all these areas in India and abroad.

4. To organize and deliver multimedia and create products (including hardware, software or other types of intellectual property) that enable delivery of multimedia services, over all types of broadcast, broadband and narrowband networks.

5. To produce, buy, sell, import, export, trade, manage, design, direct, distribute, provide consultancy and services or otherwise deal in any manner or otherwise associate with all kinds of media content, services & products, including but not limited to cinematograph, television, video, audio, text and all kinds of media.

6. To acquire, set up, run maintain, lease license all types of facilities or networks for distribution, redistribution of content & signal, telecast, broadcast, multicast, release, display transmission, exhibition through dealers, distributors, internet, satellite, V-Sats, Transponder or otherwise, directly or indirectly through agents, franchise, lease licenses as also using the network and equipment for communication via satellite, cable, internet or otherwise.

The main objects and objects incidental or ancillary to the main objects of the Memorandum of Association enable our Company to undertake our existing activities.

Amendments to our Memorandum of Association

Since the incorporation of our Company the following changes have been made to our Memorandum of Association:

Date of amendment	Nature of amendment
February 14, 2005*	Increase in the authorised share capital from ₹ 100,000 divided into 10,000 Equity Shares to ₹ 2,500,000 divided into 250,000 Equity Shares.
May 21, 2005*	Clause III(A) of our Memorandum of Association was altered as follows: III The objects for which the Company is established are: (A) The main objects of the Company to be pursued by the Company on its incorporation are: 1 (a) To carry on the business of Publishing Newspapers and other media related

Date of amendment	Nature of amendment
	business information, in India and abroad in any form including satellite and internet based media within the parameters of the applicable legal framework. (b) To carry on the business of producers, exhibitors, importers, exporters, dealers, and distributors of cinematographic films, TV documentary & advertisement films, TV programmes, serial, news based programmes, Video and feature films, talkies,(of every description) cinema slides and advertisement shorts in all their branches and to act as distributor to carry out, organize, participate and conduct the business of digital cinema system using digital media including but not limited to DVD, Fibre optics, Satellite Transmission and to store, transmit, retrieve and replay the audio visuals all over India and abroad. (B) The objects incidental or ancillary to the attainment of the main objects are: 2 (a) To Consult, implement, develop and support of software required for running the above activity and to offer sponsorship, consultancy and to transmit voice, data through electronic medium, telemedium as may be required to carry out the above business. (b) To erect, construct, purchase, take on lease or hire, otherwise acquire and maintain films production studios, laboratories, cinemas, picture places, halls, concert halls, theatrical companies, entertainment groups, touring talkies and other kinds of buildings necessary on or required to carry on the businesses of the company and also to do such business on behalf of or in collaboration with films division, doordarshan, NFDC, Central and State Govt Bodies, NGOs and other public and private sector companies in India and abroad. (c) To carry on the business related to Media and Communication which includes production, pre-production, post-production, exhibition, distribution and related services of all types of media content including but not limited to Films, TV Programming, News, Current Affairs, Studios and allied works, including consultancy in all these areas in India and abroad. (d) To organize and deliver multimedia and create products (including hardware, software or other types of intellectual property) that enable delivery of multimedia services, over all types of broadcast, broadband and narrowband networks. (e) To produce, buy, sell, import, export, trade ,manage, design, direct, distribute, provide consultancy and services or otherwise deal in any manner or otherwise associate with all kinds of media content, services & products, including but not limited to cinematograph, television, video, audio, text and all kinds of media. (f) To acquire, set up, run maintain, lease license all types of facilities or networks for distribution, redistribution of content & signal, telecast, broadcast, multicast, release, display transmission, exhibition through dealers, distributors, internet, satellite, V-Sats, Transponder or otherwise, directly or indirectly through agents, franchise, lease licenses as also using the network and equipment for communication via satellite, cable, internet or otherwise. (g) To partner in form including but not limited to equity participation, joint ventures, business relation, infrastructure sharing with other individuals or

Date of amendment	Nature of amendment
	companies, involved in the development, production or distribution of multimedia content, products, services or allied work in India and abroad in order to effectively achieve the objectives laid out above.
June 28, 2005*	Increase in the authorised share capital from ₹ 2,500,000 divided into 250,000 Equity Shares to ₹ 25,000,000 divided into 2,500,000 Equity Shares.
March 30, 2006*	Clause III(A) of our Memorandum of Association was altered to delete the following clause: "1 (a) To carry on the business of Publishing Newspapers and other media related business information, in India and abroad in any form including satellite and internet based media within the parameters of the applicable legal framework."
August 17, 2006*	Clause I of our Memorandum of Association was amended to reflect the change in the name of our Company from "Valuable Media Private Limited" to "UFO India Private Limited".
October 11, 2006*	• Clause I of our Memorandum of Association was amended to reflect the change in the name of our Company from "UFO India Private Limited" to "UFO India Limited". • Clause V(b) of our Memorandum of Association was amended to reflect that the paid-up share capital of our Company shall be a minimum of ₹500,000.
March 29, 2007*	Clause II of our Memorandum of Association was amended to reflect the change in the location of the registered office of our Company from the State of Maharashtra to the National Capital Territory of Delhi.
June 5, 2008	Pursuant to the scheme of amalgamation sanctioned by the High Court of Delhi through an order dated May 19, 2008, UFO Moviez Limited merged with and into UFO India Limited and the following changes were made to our Memorandum of Association: • Clause I was amended to reflect the change in the name of our Company from "UFO India Limited" to "UFO Moviez India Limited". • Clause III(A) relating to the main objects of our Company and clause III(B) relating to the objects incidental or ancillary to the main objects were altered; as follows: III The objects for which the Company is established are: (A) The main objects of the Company to be pursued by the Company on its incorporation are: 1. To own, run and act as distributor for films, serials or other media contents and act as distributor to carry out, organize, participate and conduct the business of digital cinema system using digital media including but not limited to DVD, Fibre optics, Satellite Transmission etc. and store, transmit, retrieve and reply the audio visual and all over India and abroad. 2. To carry on the business of producers, exhibitors, importers, exporters, dealers, and distributors of cinematographic films, TV documentary & advertisement films, TV programmes, serial, news based programmes, Video and feature films, talkies,(of every description) cinema slides and advertisement shorts in all their branches and to act as distributor to carry out, organize, participate and conduct the business of digital cinema system using digital media including but not limited to DVD, Fibre optics, Satellite Transmission and to store, transmit, retrieve and replay the audio visuals all over India and abroad and to do all things necessary and

Date of amendment	Nature of amendment
	expedient in connection with the business, such as to erect, construct, purchase, take on lease or hire, otherwise acquire and maintain films production studio, laboratories, cinemas, picture places, halls, concert halls, theatrical companies, entertainment groups, touring talkies and other kinds of buildings necessary on or required to carry on the business of the Company and also to do such business on behalf of or in collaboration with films division, doordarshan, NFDC, Central and State Govt. Bodies, NGOs and other public and private sector companies in India and abroad. 3. To carry on the business related to Media and Communication which includes production, pre-production, post-production, exhibition, distribution and related services of all types of media content including but not limited to Films, TV Programming, News, Current Affairs, Studios and allied works, including consultancy in all these areas in India and abroad. 4. To organize and deliver multimedia and create products (including hardware, software or other types of intellectual property) that enable delivery of multimedia services, over all types of broadcast, broadband and narrowband networks. 5. To produce, buy, sell, import, export, trade ,manage, design, direct, distribute, provide consultancy and services or otherwise deal in any manner or otherwise associate with all kinds of media content, services & products, including but not limited to cinematograph, television, video, audio, text and all kinds of media. 6. To acquire, set up, run maintain, lease license all types of facilities or networks for distribution, redistribution of content & signal, telecast, broadcast, multicast, release, display transmission, exhibition through dealers, distributors, internet, satellite, V-Sats, Transponder or otherwise, directly or indirectly through agents, franchise, lease licenses as also using the network and equipment for communication via satellite, cable, internet or otherwise. The authorised share capital changed from ₹ 25,000,000 divided into 2,500,000 Equity Shares to ₹ 735,000,000 divided into 3,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹100 each and 5,500,000 cumulative convertible preference shares of ₹100 each. Further, Clause III(B) of the Memorandum, being the ancillary objects which the Company may undertake, were also amended pursuant to this amendment.
June 5, 2008	Reclassification of the authorised share capital from ₹ 735,000,000 divided into 3,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹100 each and 5,500,000 cumulative convertible preference shares of ₹100 each to ₹ 735,000,000 divided into 43,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹100 each and 1,500,000 cumulative convertible preference shares of ₹100 each.
March 21, 2011	Increase and reclassification of the authorised share capital from ₹ 735,000,000 divided into 43,500,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹100 each and 1,500,000 cumulative convertible preference

Date of amendment	Nature of amendment
	shares of ₹100 each to ₹ 1,835,000,000 divided into 23,500,000 Equity Shares and 1,600,000 0.0001% compulsorily convertible preference shares of ₹1,000 each.
March 27, 2012	Reclassification of the authorised share capital from ₹1,835,000,000 divided into 23,500,000 Equity Shares and 1,600,000 0.0001% compulsorily convertible preference shares of ₹1,000 each into ₹ 1,835,000,000 divided into 45,000,000 Equity Shares and 1,385,000 preference shares of ₹1,000 each.

* *The form filings made by our Company with the Registrar of Companies, Maharashtra at Mumbai in relation to these increases in the authorised capital of our Company are not available with our Company. For risks associated with the non-availability of regulatory filings, see "Risk Factors – Certain of our corporate records relating to forms filed with the Registrar of Companies in India are not traceable" on page 45 of this Prospectus.*

Total Number of Shareholders of our Company

As on the date of this Prospectus, our Company has 88 shareholders. For further details on the shareholding of our Company, see "*Capital Structure*" on page 118 of this Prospectus.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets

Scheme of amalgamation with UFO Moviez Limited

Pursuant to an order dated May 19, 2008, the High Court of Delhi sanctioned a scheme of amalgamation pursuant to Sections 391, 392 and 394 and other relevant provisions of the Companies Act, 1956 for the merger of UFO Moviez Limited with and into our Company ("**Scheme of Amalgamation**") with effect from April 1, 2007. Pursuant to the Scheme of Amalgamation, the entire business and functions of UFO Moviez Limited, including all its properties, assets, liabilities and duties were transferred to our Company and UFO Moviez Limited was dissolved without the process of winding up.

The purpose of the Scheme of Amalgamation was to consolidate UFO Moviez Limited and our Company to create a single large entity with a stronger asset base and to enable the pooling of resources of the two companies.

As consideration for the transfer of assets, liabilities and duties of UFO Moviez Limited to our Company:

a) 2,310,360 Equity Shares, held by UFO Moviez Limited, were cancelled;

b) 4,806,037 Equity Shares were allotted as fully paid up, to the existing shareholders of UFO Moviez Limited, including 3i Digital (Media) Mauritius Limited and Valuable Technologies Limited, in the ratio of 915 Equity Shares for every 100 equity shares held by such shareholders in UFO Moviez Limited; and

c) 1,400,000 11% cumulative redeemable preference shares of ₹ 100 each of the Company was allotted to Apollo International FZC, Sharjah, a preference shareholder of UFO Moviez Limited, in the ratio of 1:1.

For further details of issue of Equity Shares and preference shares pursuant to the Scheme of Amalgamation, see "*Capital Structure – History of share capital of our Company*" on page 96 of this Prospectus.

The salient features of the Scheme of Amalgamation included:

1. The business undertakings of UFO Moviez Limited stood transferred to and vested in our Company as a going concern, absolutely and forever;

2. Our Company became entitled to exercise all rights and privileges and liable for payment of all taxes and charges including ground rent and responsible for fulfilment of all obligations in relation to or applicable to all properties, assets and interests of UFO Moviez Limited;

3. Any statutory licences, no-objection certificates, grants, concessions, exemptions, permissions, or approvals or consents required to carry on the operations of UFO Moviez Limited, the benefit of all statutory and regulatory approvals to carry on the operations of UFO Moviez Limited stood vested in and became available to our Company;

4. All suits, claims, actions, or proceedings by or against UFO Moviez Limited were transferred to our Company and were to be continued and enforced by and/or against our Company as if such suits, claims, actions, or proceedings had been pending and/or arising against and/or instituted by or against our Company;

5. All the employees of UFO Moviez Limited became the employees of our Company, without any break or interruption in service and on the same terms and conditions on which they were engaged by UFO Moviez Limited; and

6. The authorised share capital of UFO Moviez Limited stood merged with the authorised share capital of our Company. Consequently the authorised share capital of our Company stood increased by ₹ 710,000,000 comprising of 1,000,000 Equity Shares, 1,500,000 11% cumulative redeemable preference shares of ₹ 100 each and 5,500,000 cumulative convertible preference shares of ₹ 100 each, over and above the then existing authorised share capital of our Company.

Agreements in relation to the acquisition of Valuable Digital Screens Private Limited

For details of the agreement in relation to the acquisition of Valuable Digital Screens Private Limited, see "- *Material Agreements*" below.

Agreements in relation to acquisition of Scrabble and SDS

For details of agreements in relation to acquisition of Scrabble and SDS, see "– *Material Agreements*" below.

Business and Management

For details of our Company's corporate profile, business, marketing, the description of its activities, market segment, the growth of our Company, standing of our Company in relation to prominent competitors with reference to its services, technology, market, capacity built up, major suppliers, major customers and geographical segment, see "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations of our Company*" on pages 184 and 455 of this Prospectus, respectively.

For details of the management of our Company and its managerial competence, see "*Our Management*" on page 237 of this Prospectus.

Injunctions or Restraining Order against our Company

There are no injunctions or restraining orders against our Company.

Guarantees provided by our Promoters

No guarantees have been provided by Valuable Media Limited, Valuable Technologies Limited, Mr. Sanjay Gaikwad or Mr. Narendra Hete, our Promoters who are offering Equity Shares pursuant to the Offer, to any third parties.

Material Agreements

<u>Agreements in relation to our Company</u>

1. Shareholders' agreement, share subscription agreement and share purchase agreements in relation to investment by P5 Asia Holding Investments (Mauritius) Limited

Share subscription agreement dated March 21, 2011

Our Company and P5 Asia Holding Investments (Mauritius) Limited ("**P5**") had entered into a share subscription agreement dated March 21, 2011 for subscription of 1,583,750 compulsorily convertible preference shares of face value of ₹ 1,000 each and coupon of 0.0001% for an aggregate consideration of ₹ 1,583.75 million. Pursuant to an amendment agreement dated April 8, 2011, the number of compulsorily convertible preference shares subscribed to by P5 Asia Holding Investments (Mauritius) Limited were reduced to 1,583,000.

Share purchase agreements

P5 had further entered into the following share purchase agreements:

(i) agreement dated March 21, 2011 with our Company and 3i Digital Media (Mauritius) Limited ("**3i**") for purchase of 1,550,051 Equity Shares from 3i at an aggregate consideration of ₹ 500 million;

(ii) agreement dated March 21, 2011 with our Company and Apollo International Limited, one of our Promoters ("**Apollo**") for purchase of 1,550,051 Equity Shares from Apollo at an aggregate consideration of ₹ 500 million;

(iii) agreement dated May 2, 2011 with our Company and Glance Finance Limited ("**Glance**"), for purchase of 38,430 Equity Shares from Glance at an aggregate consideration of ₹ 12.40 million;

(iv) agreement dated May 2, 2011 with our Company and Mr. Sanjay Gaikwad, one of our Promoters, for purchase of 184,229 Equity Shares from Mr. Sanjay Gaikwad at an aggregate consideration of ₹ 59.43 million; and

(v) agreement dated May 2, 2011 with our Company and Mr. Narendra Hete, one of our Promoters, for the purchase of 184,229 Equity Shares for an aggregate consideration of ₹ 59.43 million.

Shareholders' agreement

Our Company, our Promoters, Mr. Raaja Kanwar, 3i and P5 had entered into a shareholders' agreement dated March 21, 2011 ("**SHA**"), setting out the rights and obligations of the parties to the SHA. The rights, liabilities and obligations of 3i under the SHA have been transferred to its affiliate 3i Research (Mauritius) Limited ("**3i Research**") pursuant to a share purchase agreement dated September 21, 2012 and thereafter 3i Research has executed a deed of adherence dated November 16, 2012, assuming the rights, liabilities and obligations of 3i under the SHA. Some of the key terms of the SHA are provided below:

Nominee Director: In terms of the SHA, P5 is entitled to nominate three Directors to the Board, while 3i Research is entitled to nominate two Directors. Further, certain of our Promoters, namely, Mr. Sanjay Gaikwad, Mr. Narendra Hete, Valuable Technologies Limited and Valuable Media Limited (collectively the "**Valuable Group**") are entitled to nominate three Directors to the Board, one of whom shall be Mr. Sanjay Gaikwad and another Promoter, Apollo, is entitled to nominate one Director to the Board. The right to nominate Directors shall continue to be held by each of 3i Research, P5, Apollo and Valuable Group, in a proportion to their shareholding in our Company, till such time as each of them continues to hold 7.5% of the issued and paid-up share capital of our Company on a fully diluted basis ("**Minimum Shareholding**").

Further, P5 and 3i Research have the right to nominate one Director each to the committees and sub-committees of the Board. Additionally, P5 and 3i Research may request our Company to replicate the composition of our Board on the board of directors of the Subsidiaries as well. The Directors nominated by 3i Research and P5 shall be non-executive Directors.

Quorum: For constitution of quorum for a meeting of the Board at least one nominee Director of each of 3i Research, P5 and Valuable Group are required to be present.

Affirmative Rights: As long as 3i Research or P5 maintain the Minimum Shareholding, certain decisions by the Board (including any committee or sub-committee) or shareholders or employees or managers or officers of our Company or the Subsidiaries require the prior written consent of 3i Research and/or P5, including:

(i) any merger, demerger, liquidation, reorganization or sale of our Company or the Subsidiaries;

(ii) any amendment of the Memorandum or Articles of Association or the charter documents of our Subsidiaries;

(iii) any further issue of securities by our Company or the Subsidiaries;

(iv) any proposal to effect a change in or reorganise the capital structure of Company or the capital structure of the Subsidiaries or any action which changes the shareholding of existing shareholders of our Company or any of the Subsidiaries;

(v) any proposal or decision to raise capital from the existing shareholders of our Company;

(vi) declaration of dividends;

(vii) approval, implementation or taking of any other material actions in relation to an initial public offering of the securities of our Company;

(viii) any amendment, modification or termination of the existing ESOP 2006 and ESOP 2010 schemes or proposals for the establishment of any scheme for the issue of equity shares or options to employees, consultants or officers; and

(ix) incorporation or establishment of any new subsidiaries or affiliates.

Pre-emption right: In the event of our Company proposing to issue any securities to any person other than 3i Research or P5, both 3i Research and P5 shall have a pre-emptive right to subscribe to such securities proposed to be issued, on a pro rata basis, in proportion to their respective shareholding in our Company, on a fully diluted basis, in order to maintain their respective shareholding at least at the level prior to such issuance. However, this provision does not apply in the event of an issue of instruments pursuant to (a) an employee stock option scheme of our Company or (b) an initial public offering of our Equity Shares. This pre-emption right is available to each of 3i Research and P5 so long as the collective shareholding of the relevant investor and its respective affiliates in our Company does not fall below the Minimum Shareholding.

Right of first offer: 3i Research and P5 shall have the right of first offer to acquire any Equity Shares proposed to be transferred by Valuable Group, Mr. Raaja Kanwar or Apollo, except if such transfer is with respect to Equity Shares issued pursuant to an employee stock option scheme of our Company.

Further, until completion of an initial public offering of the securities of our Company or until such time as the collective shareholding of each of (a) Apollo, Mr. Raaja Kanwar and their respective affiliates who are shareholders in the Company and (b) the Valuable Group and its affiliates who are shareholders in the Company, falls below the Minimum Shareholding, whichever is earlier, Apollo, Valuable Group, Mr. Raaja Kanwar, 3i Research and P5 shall have a right of first offer on any Equity Shares proposed to be transferred by either 3i Research or P5. In the event none of Apollo, Valuable Group, Mr. Raaja Kanwar and 3i Research or P5, as the case may be, choose to exercise their respective right of first offer, 3i Research or P5 may transfer such Equity Shares to any third party, not being a competitor of our Company, subject to such third party signing a deed of adherence to the terms of the SHA.

However, this restriction on transfer of any securities held by 3i Research and P5 in our Company to a competitor is not applicable, inter alia, to any transfer (i) pursuant to an offer for sale of the Equity Shares by the shareholders of our Company to the public in an initial public offering; or (ii) through an investment manager(s) or adviser(s) or broker(s) on the Stock Exchanges or any other stock exchange(s) in India and/or an international stock exchange as agreed to by 3i Research and P5.

Tag- along right: In the event the right of first offer available to 3i Research or P5 is not exercised, Apollo and/or Valuable Group and/or Mr. Raaja Kanwar shall have the right to sell the securities of our Company to any third party on no better terms than those offered to 3i Research and/or P5. Provided however, that in the event Valuable Group, Mr. Raaja Kanwar or Apollo propose to sell the securities of our Company held by them to any third party, 3i Research and P5 shall have the right to require the selling party to include in the securities offered for sale, proportionate number of securities held by 3i Research and P5. This right ceases to apply upon the occurrence of an initial public offering.

Transfer restrictions: During the subsistence of the SHA, the shareholding of the Valuable Group, Mr. Raaja Kanwar and Apollo shall be subject to lock-in till each of 3i Research and P5 hold the Minimum Shareholding. Accordingly, the Valuable Group, Mr. Raaja Kanwar and Apollo are required to obtain the prior written consent of 3i Research and P5 for transfer of any Equity Shares held by them during such lock-in period, except in the case of certain permitted *inter-se* transfers. The relevant restriction on transfers to competitors by the Valuable Group, Apollo and Mr. Raaja Kanwar is not applicable, *inter alia*, to any transfer (i) pursuant to an offer for sale of the Equity Shares by the shareholders of our Company to the public in an initial public offering; or (ii) through an investment manager(s) or adviser(s) or broker(s) on stock exchange(s) in India and/or an international stock exchange as agreed to by 3i Research and P5.

Term: The SHA shall be valid and continue in force until the earlier of (a) 3i Research and its affiliates ceasing to collectively hold at least the Minimum Shareholding; or (b) PEP and its affiliates ceasing to collectively hold at least the Minimum Shareholding; or (c) Apollo and Mr. Raaja Kanwar and their respective affiliates ceasing to collectively hold at least the Minimum Requisite Shareholding; or (d) the Valuable Group and their respective affiliates ceasing to collectively hold at least the Minimum Requisite Shareholding.

In case of termination pursuant to any party ceasing to hold the Minimum Shareholding, the SHA shall terminate with respect to such parties who cease to hold at least the Minimum Shareholding and the rights and obligations of the other parties to the SHA, shall continue to be in force until terminated.

Pursuant to an amendment and termination agreement dated November 20, 2014 (the "**Termination Agreement**") entered into among our Company, 3i Research, P5, our Promoters and Mr. Raaja Kanwar, the parties have inter alia (i) consented to the disposal of the Equity Shares by some or all of the identified shareholders of our Company in the Offer, (ii) agreed that the transfer restrictions set out in the SHA and the corresponding provisions of the Articles of Association of our Company will not apply in connection with such disposal of Equity Shares in the Offer and (iii) agreed to the appointment by 3i Research of an observer on the Board and/or any committee of the Board, until the commencement of trading of the Equity Shares on the Stock Exchanges pursuant to the Offer. It is clarified that nothing in the Termination Agreement will affect 3i Research and P5's right to participate in the Offer in the manner set out in the SHA including in priority to other shareholders of our Company. Further, the Termination Agreement provides that the SHA shall stand terminated upon commencement of trading of the Equity Shares on any recognised stock exchange pursuant to the Offer, except the non-compete provisions as disclosed in "– *Common Pursuits*" below.

2. Investment agreement dated December 22, 2006, as amended by the amendment agreement dated January 5, 2007, second amendment agreement dated January 18, 2008 and the third amendment agreement dated March 21, 2011 in relation to investment by 3i in UFO Moviez Limited

Our Company, the erstwhile UFO Moviez Limited, our Promoters, Apollo and Mr. Sanjay Gaikwad, Mr. Raaja Kanwar, ELC and UFO International Limited, our Director, Mr. Kapil Agarwal and 3i had entered into an investment agreement dated December 22, 2006, as amended by the first amendment dated January 5, 2007, in relation to subscription in UFO Moviez Limited by 3i Digital Media (Mauritius) Limited to (i) 4,660 equity shares at a price of ₹ 2,750 per equity share aggregating to ₹ 12.82 million; (ii) 4,885,925 number of 6% cumulative convertible preference shares, at a price of ₹ 200 per share aggregating to ₹ 977.19 million and (iii) 675,000 number of 6% cumulative convertible preference shares, at a price of ₹ 200 per share aggregating to ₹

135 million. Further Valuable Technologies Limited, our Promoter, was also made a party to the investment agreement pursuant to the second amendment agreement dated January 18, 2008. Pursuant to the third amendment dated March 21, 2011, the rights provided to 3i and other parties to the investment agreement pursuant to the investment agreement have been altered and terminated with effect from May 10, 2011. The rights and obligations of 3i are currently governed by the SHA.

<u>Agreements in relation to Scrabble</u>

1. Share subscription, share purchase and shareholders' agreements in relation to our Company's investment in Scrabble

Share purchase agreement

Our Company had entered into the following share purchase agreements:

(i) a share purchase agreement dated February 5, 2011 for the acquisition of 19,173 equity shares of Scrabble collectively held by Dr. Sunil Patil, Mr. Ranjit Thakur and Walkwater Media Limited ("**Walkwater**") for an aggregate consideration of ₹ 20 million; and

(ii) a share purchase agreement dated September 21, 2011 for the acquisition of 81,293 equity shares of Scrabble held by Walkwater for an aggregate consideration of ₹ 89.42 million;

Share subscription and shareholders' agreements

Our Company, the original promoters of Scrabble, namely, Mr. Ranjit Thakur and Dr. Sunil Patil, Walkwater and Scrabble had entered into a share subscription and shareholders' agreement dated February 5, 2011 for subscription by our Company to 153,387 equity shares of Scrabble for an aggregate consideration of ₹ 160 million.

Further, in terms of the share subscription agreement dated September 21, 2011, entered into between our Company, Scrabble and the original promoters of Scrabble, namely, Mr. Ranjit Thakur and Dr. Sunil Patil, our Company had subscribed to 115,000 equity shares of Scrabble for an aggregate consideration of ₹ 132.25 million.

Subsequently, our Company, Mr. Ranjit Thakur, Dr. Sunil Patil and Walkwater entered into a shareholders' agreement dated September 21, 2011 and a supplementary agreement dated September 26, 2012, pursuant to which, our Company has exercised the call option to acquire all of the 160,082 equity shares of Scrabble held by Walkwater at an aggregate consideration of ₹ 176.09 million. The share subscription and shareholders' agreement dated February 5, 2011 has been superseded by the shareholders' agreement dated September 21, 2011. Some of the key terms of the shareholders' agreements dated September 21, 2011 are as follows:

Nominee directors: As long as our Company holds more than 50% of the equity share capital of Scrabble, the board of directors of Scrabble will have a total of seven nominee directors consisting of four nominee directors appointed by our Company and three nominee directors being jointly appointed by Walkwater and the original promoters of Scrabble. Further, if the shareholding of Walkwater falls below 5% of the fully diluted share capital of Scrabble, it shall lose its right to appoint such directors and all three directors shall be solely appointed by the original promoters of Scrabble.

The directors nominated by our Company shall be appointed on all committees and sub-committees of the board of directors. Further, all committees shall have a total of three directors, of which shall at least two directors at all times shall be nominee of our Company.

Quorum: For constitution of quorum for all meetings of the board or committees, at least one director nominated by our Company shall be required to be present throughout the meeting.

Affirmative rights: Certain decisions by the board of directors of Scrabble require the written consent of our Company, including:

(i) any merger, demerger, liquidation, reorganization or sale of Scrabble or any of its subsidiaries;

(ii) any amendment of the memorandum and articles of association of Scrabble or the charter documents of any of its subsidiaries;

(iii) any further issue of securities by Scrabble or by its subsidiaries;

(iv) any proposal to effect a change in the capital structure of Scrabble or any of its subsidiaries;

(v) any proposal to raise further capital from the existing shareholders of Scrabble;

(vi) declaration of dividends; and

(vii) incorporation or establishment of any new subsidiaries or affiliates.

Right of first refusal: Our Company shall have a right of first refusal over all transfers by the original promoters.

Drag along right: If our Company and/or its affiliates wish to sell all or any part of their securities to a third party, our Company is entitled to require the promoters to sell all or part of the securities held by them in the proportion specified in the shareholders' agreement dated September 21, 2011.

Tag along right: If the right of first refusal available to our Company is not exercised, the relevant promoter of Scrabble shall have the right to transfer the proposed securities to any third party at terms no better than those offered to our Company. However our Company and/or its affiliates shall have the right to tag along and offer for sale on the terms offered to the transferor, any securities of Scrabble held by our Company.

Term: The shareholders' agreement will terminate, among others, in relation to a shareholder, when such shareholder together with its affiliates ceases to hold 5% of the equity share capital of Scrabble.

2. Share purchase agreement in relation to acquisition of shares of Scrabble

Our Company, Scrabble and Dr. Sunil Patil, one of the original promoters of Scrabble, have entered into a share purchase agreement dated November 22, 2014 for the acquisition of 114,568 equity shares of Scrabble held by Dr. Sunil Patil, by our Company for an aggregate consideration of ₹ 249.99 million payable in tranches.

Pursuant to this acquisition of shares from Dr. Sunil Patil, our shareholding in Scrabble stands at 91.33% of the issued and paid-up capital of Scrabble.

<u>Agreements in relation to SDS</u>

Share purchase, shareholders' and share subscription agreements in relation to our Company's investment in Southern Digital Screenz India Private Limited.

Share subscription agreement

The Company, SDS, the original promoters of SDS, namely Mr. Usman Fayaz, Mr. Usman Faheed, Ms. Zubetha Beghum, Ms. Amrin Rizwana and Mr. V. Shridharan, entered into a share subscription agreement dated March 28, 2011 ("**SSA**") for subscription by our Company to 15,250,000 preference shares and 155,500 equity shares of SDS for an aggregate consideration of ₹ 164.16 million.

Share purchase agreements

Further, our Company had entered into the following share purchase agreements:

(i) agreement dated March 28, 2011 with SDS and an existing shareholder of SDS for the acquisition of 1,000,000 equity shares of SDS from such existing shareholder for an aggregate consideration of ₹ 146 million;
(ii) agreement dated August 2, 2011 with Mr. Usman Fayaz and SDS for the purchase of 42,988 equity shares of SDS from Mr. Usman Fayaz;
(iii) agreement dated April 23, 2014 with Mr. Usman Fayaz, Ms. Zubetha Beghum, Mr. Usman Faheed, Ms. Amrin Rizwana and SDS for purchase of 386,895 equity shares of SDS from Mr. Usman Fayaz and Ms. Zubetha Beghum for an aggregate consideration of approximately ₹ 110 million payable in tranches.

Shareholders' agreements

Our Company, SDS, Mr. Usman Fayaz, Mr. Usman Faheed, Ms. Zubetha Beghum, Ms. Amrin Rizwana and Mr. V. Shridharan have entered into a shareholders' agreement dated March 28, 2011. Some of the key terms of the shareholders' agreement dated March 28, 2011 are as follows:

Nominee Directors: As long as our Company holds more than 50% of the equity share capital of SDS, the board of directors of SDS shall comprise of five directors with our Company having the right to appoint at least three directors and the original promoters of SDS shall have right to nominate two directors to the board. However, under the terms of the share purchase agreement dated April 23, 2014, after the sale of the shares under such agreement, the promoters of SDS shall jointly be entitled to appoint only one director on the board of SDS, with Mr. Usman Fayaz continuing to function as the sole nominee of the promoters on the board of directors of SDS.

Affirmative rights: Certain decisions by the shareholders of SDS require the affirmative vote of our Company, including:

(i) any merger, demerger, liquidation, reorganization or sale of SDS or any of its subsidiaries;

(ii) any amendment of the memorandum and articles of association of SDS or its subsidiaries;

(iii) any further issue of securities by SDS or its subsidiaries;

(iv) any proposal to effect a change in the capital structure of SDS or any of its subsidiaries;

(v) any proposal to raise capital from the existing shareholders of SDS;

(vi) recommendation and declaration of dividends; and

(vii) incorporation or establishment of any new subsidiaries or affiliates.

Transfer restrictions: The original promoters of SDS are not permitted, during the term of this agreement, to transfer any securities without the consent of our Company. However, this restriction is not applicable in the case of any transfer from a promoter to its affiliates or between the promoters *inter se*, provided that such affiliate executes a deed of adherence, as required under this agreement.

Right to purchase additional shares: Pursuant to the share purchase agreement dated April 23, 2014, our Company has the right to purchase the entire remaining shareholding of all existing promoters of SDS on or before June 30, 2015, at a total enterprise valuation of ₹ 1,222.20 million.

Term: The shareholders' agreement will terminate in relation to a shareholder (together with its affiliates), among others, when such shareholder ceases to hold at least 7.5% of the equity share capital of SDS on a fully diluted basis.

Agreements in relation to Valuable Digital Screens Private Limited

Investment agreement in relation to our Company's acquisition of Valuable Digital Screens Private Limited

Our Company, VDSPL and certain of our Promoters, Valuable Technologies Limited, Mr. Sanjay Gaikwad and Mr. Narendra Hete entered into an investment agreement dated December 18, 2014 ("**Investment Agreement**") for the acquisition of 10,000 equity shares of VDSPL from Valuable Technologies Limited and Mr. Sanjay Gaikwad, representing the entire equity share capital of VDSPL, in two tranches, the first tranche, comprising 7,105 equity shares of VDSPL, including subscription to 4,475 equity shares of VDSPL (in cash) and collectively aggregate to 80% of the equity share capital of VDSPL. The consideration for the first tranche of the transfer of, and subscription to, the equity shares of VDSPL was ₹ 44.01 million. As per the terms of the Investment Agreement, the second tranche of the acquisition of VDSPL is to be completed on or prior to August 31, 2018, unless otherwise agreed to by the parties in writing. The cash consideration for the second tranche of the acquisition of VDSPL is required to be calculated in accordance with the terms of the Investment Agreement and is based on, amongst other things, the shareholding of the sellers and the enterprise value, indebtedness and working capital of VDSPL.

VDSPL has two primary operations: "Club Cinema" and "Caravan Cinema". See "*Business – Recent Developments –Acquisition of Valuable Digital Screens Private Limited*" on page 186 for further information on this acquisition. For further details on VDSPL, please see "- *Subsidiaries*" on page 222 of this Prospectus. For risks arising on account of the acquisition of VDSPL, please see "*Risk Factors - Our acquisition of Valuable Digital Screens Private Limited could subject us to business and financial risk."* on page 34 of this Prospectus.

Some of the key terms of the Investment Agreement are as follows:

Board rights: The board of directors of VDSPL shall consist of five directors, of which four directors shall be appointed by our Company and one director shall be appointed by Valuable Technologies Limited. The right of Valuable Technologies Limited to nominate a director on the board of VDSPL shall subsist till Valuable Technologies Limited holds 5% of the share capital of VDSPL.

Non-compete: In terms of the Investment Agreement, our Company, Valuable Technologies Limited, Mr. Sanjay Gaikwad and Mr. Narendra Hete, have, for an aggregate consideration of ₹ 1.0 million, agreed that with effect from the date of acquisition of the equity shares by our Company in the first tranche and after the expiry of three years from Valuable Technologies Limited, Mr. Sanjay Gaikwad and Mr. Narendra Hete ceasing to hold 5% of the fully diluted issued and paid up capital of our Company or till such time as they continue to be Promoters of our Company, whichever is later, the parties to the Investment Agreement shall not compete, directly or indirectly, in India or any other part of the world, and shall ensure that none of their respective affiliates, in India or any other part of the world, competes, directly or indirectly, with the Business (as defined below) or any part thereof and shall not, subject to certain exceptions stated in the Investment Agreement, (i) carry on, own, manage, operate, join, assist, invest in, lend money to, have an interest or control in, engage in, participate in, assist others in engaging in or participating in, provide advice to or otherwise benefit economically from any business/business activity which competes with the Business (which, amongst other things, includes, the Caravan Talkies Business (as defined in the Investment Agreement), the Club Cinema Business (as defined in the Investment Agreement), management and operation of new or existing theatres on a lease or ownership basis, management or operation of food and beverage concession stands in and around theatres, and implementation of ticketing systems and technology based services for ticketing solutions) (the "**Business**"), (ii) make available any improvements to the hardware, software, technology or intellectual property of the Business for any purposes which may compete with the Business to any third parties, without first offering such improvements to VDSPL and our Company, or (iii) enter into any agreement for licensing or supply of technology or software to any third party carrying out the Cinema Ticketing and Settlement Platform Business (as defined in the Investment Agreement) for the tenure of the agreement entered into amongst Impact Media Exchange Limited and our Company.

Holding company

Our Company is not a subsidiary of any company.

Subsidiaries, Associates and Joint Venture

As on the date of this Prospectus, our Company has 16 Subsidiaries, one Joint Venture and four Associates. The details of our Subsidiaries, Joint Venture and Associates are as follows:

Subsidiaries

1. **Scrabble Entertainment Limited *("*Scrabble*")***

Corporate Information

Scrabble was incorporated on February 1, 2008 as Scrabble Entertainment Private Limited. Subsequently, a fresh certificate of incorporation was issued on January 5, 2012 consequent upon change of name on conversion to a public limited company. The registered office of Scrabble is situated at Plot No. A- 20, Cross Road B, MIDC, Andheri (East), Mumbai 400 093.

Nature of Business

Scrabble was incorporated with an object to develop or supply content for digital cinema in the capacity of providing film or advertisement content to be used inside or outside a cinema in any form or media and to sell, lease, rent, install and maintain any type of hardware for sound, projection and automation systems for use within a cinema, to develop, customize, sell, or lease any software which enables monitoring of movie, advertisement or logistic data within any cinema, to convert any film content from celluloid to digital.

Capital Structure

The authorised share capital of Scrabble is ₹ 129,945,000 divided into 1,000,000 equity shares of ₹ 10 each and 104,300 6% preference shares of ₹ 1,150 each. As on the date of this Prospectus, the issued and paid up share capital of Scrabble is ₹ 7,683,870 divided into 768,387 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of Scrabble as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Mr. Sanjay Shankar Gaikwad*	10	0.00
2.	Mr. Kapil Kumar Agarwal*	10	0.00
3.	Mr. Ashish Malushte*	10	0.00
4.	Mr. Rajesh Mishra*	10	0.00
5.	Mr. Sushil Agrawal*	10	0.00
6.	Mr. Pankaj Jaisingh*	10	0.00
7.	Mr. Vishnu Patel*	10	0.00
8.	Dr. Sunil Patil**	66,609	8.67
9.	UFO Moviez India Limited	701,708	91.33

** Nominee shareholders on behalf of UFO Moviez India Limited.*
***These shares were acquired from Mr. Ranjit Thakur vide a share transfer deed dated December 11, 2014.*

2. Southern Digital Screenz India Private Limited ("SDS")

Corporate Information

SDS was incorporated on July 3, 2008 as a private limited company. The registered office of SDS is situated at 33/1, Wallajah Road, Chepauk, Chennai – 600002, Tamil Nadu, India.

Nature of Business

SDS was incorporated with an object to carry on the business of producing and creating stories, serials and any kind of episodes for cable and satellite television networks. Additionally, SDS is permitted to carry on the business of designing, developing, publishing, using, manufacturing, purchasing, selling, distributing, renting, hiring, letting on hire, or otherwise dealing in digital cinema equipments, digital encoding and encrypting its hardware and software, converting feature films, advertisement films, trailers, commercials, from physical film prints to digital virtual prints and to transmit the same via internet lines after digitally encoding and encrypting the films, trailers, commercials, advertisement films to cinema theatres, screens, movie halls, via satellite transmission, or through cable lines.

Capital Structure

The authorised share capital of SDS is ₹ 260,000,000 divided into 8,000,000 equity shares of ₹ 10 each and 1,800,000 10% optionally convertible preference shares of ₹ 100 each. As on the date of this Prospectus, the issued and paid up share capital of SDS is ₹ 215,488,330 divided into 4,298,833 equity shares of ₹ 10 each and 1,725,000 10% optionally convertible preference shares of ₹ 100 each.

Shareholding

The shareholding pattern of SDS as on the date of this Prospectus, is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
	Equity Shares		
1.	Mr. F. Usman Faheed	405,000	9.42
2.	Mr. V. Sridharan	5,000	0.12
3.	Mr. Usman Fayaz	120,117	2.79
4.	Mrs. Amrin Rizwana	150,000	3.49
5.	UFO Moviez India Limited	3,618,716	84.18
	10% Optionally Convertible Preference Shares		
	UFO Moviez India Limited	1,725,000	100.00

3. V N Films Private Limited ("VNFPL")

Corporate Information

VNFPL was incorporated on February 22, 2007 as Allied Film Services Private Limited. Subsequently, a fresh certificate of incorporation was issued on October 10, 2012 consequent upon change of its name to V N Films Private Limited. VNFPL's registered office is situated at Office No 303, 3rd Floor, DLF Courtyard, Saket, New Delhi – 110017.

Nature of Business

VNFPL was incorporated with the object to carry on, *inter alia* the business of exhibitors of films, serials advertisements, documentary and other media content through taking theatres on hire or owning theatres or doing programming of theatres or other related activities and to carry on the business of producers, exhibitors, importers, exporters, dealers and distributors of cinematographic films.

Capital Structure

The authorised share capital of VNFPL is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each. As on the date of this Prospectus, the issued and paid up share capital of VNFPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of VNFPL as on the date of this Prospectus, is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	UFO Moviez India Limited	9,990	99.90
2.	Mr. Pramendra Tomar*	2	0.00
3.	Mr. Pradeep Chugh*	2	0.00
4.	Mr. Rakesh Gupta*	2	0.00
5.	Mr. Krishan Gopal Gupta*	2	0.00
6.	Mr. Siddharth Dasgupta*	1	0.00
7.	Mr. Shiv Kumar*	1	0.00

*These are nominee shareholders, as beneficial interest in these shares was sold to UFO Moviez Limited on April 11, 2007.

4. UFO Software Technologies Private Limited ("USTPL")

Corporate Information

USTPL was incorporated on September 20, 2005 as Magpie Software Technologies Private Limited. Subsequently, a fresh certificate was issued on May 8, 2007, consequent upon change of its name to UFO Software Technologies Private Limited. The registered office of USTPL is situated at 1-B, First Floor, Sagar Apartments, 6, Tilak Marg, New Delhi 110 001.

Nature of Business

USTPL was incorporated to *inter alia* carry out and conduct the business of rendering all types of e-services, internet services, e-transaction, transaction-processing, business process outsourcing, call centre operations, software development, entertainment services, stored value cards, all other types of services for consideration whether in electronic mode or otherwise.

Capital Structure

The authorised share capital of USTPL is ₹ 2,500,000 divided into 250,000 equity shares of ₹ 10 each. As on the date of this Prospectus, the issued and paid up share capital of USTPL is ₹ 2,482,190 divided into 248,219 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of USTPL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Mr. Raaja Kanwar	4,990	2.01
2.	Mr. Kapil Agarwal	4,990	2.01
3.	Mr. Rakesh Gupta	10	0.00
4.	Mr. Pramendra Tomar	10	0.0
5.	UFO International Limited	238,219	95.97

5. Edridge Limited ("ELC")

Corporate Information

ELC was incorporated in Cyprus on April 8, 2006 as a private company with limited liability under the Cyprus Companies Law, Cap. 113. Its registered office is situated at 12 Zinonos Sozou, 1075 Nicosia, Cyprus.

Nature of Business

The object of ELC is to *inter alia* promote, establish, manage, administer and participate in the business, management and share capital or assets or otherwise of any company or other entity in any part of the world as a holding or subsidiary company or as a shareholder or in any other capacity or manner and to acquire and dispose of shares or deeds or debentures or other investments in any enterprise and activity and in any entity, with or without legal personality.

Capital Structure

The authorised share capital of ELC is USD 1,165,304 divided into 1,165,304 equity shares of USD 1 each. As on the date of this Prospectus, the issued and paid up share capital of ELC was USD 1,161,972 divided into 1,161,972 equity shares of USD 1 each.

Shareholding

The shareholding pattern of ELC as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	UFO Moviez India Limited	1,161,972	100.00

6. UFO International Limited ("UILC")

Corporate Information

UILC was incorporated in Cyprus on July 11, 2006 as a private company with limited liability, under the Cyprus Companies Law, Cap. 113. Subsequently, UILC which was originally incorporated as UFO International Private Limited was converted into a public limited company and a certificate to this effect was issued by the registrar on September 29, 2006. Its registered office is at 12 Zinonos Sozou, 1075 Nicosia, Cyprus.

Nature of Business

The object of incorporation of UILC was *inter alia* to carry on the business of exploiting the digital cinema technology involving the usage of digital cinema systems comprising of digital cinema equipment installed at theatres for the theatrical exhibition of films and/or other contents, to carry on the business of providing the services of digitalizing films and/or other contents from analogue prints, encoding, encrypting and delivering the same to theatres in digital form, delivering licenses for play outs and generally causing the digitized films and other contents to be played out through the digital cinema systems installed at theatres and to carry on the business of film distribution among other things.

Capital Structure

The authorised share capital of UILC is USD 1,130,500 divided into 1,130,500 equity shares of USD 1 each. As on the date of this Prospectus, the issued and paid up share capital of UILC was USD 1,008,621 divided into 1,008,621 equity shares of USD 1 each.

Shareholding

The shareholding pattern of UILC as on the date of this Prospectus is as follows:

S.	Name of shareholder	Number of	Percentage

No.		Shares	
1.	Edridge Limited	1,008,621	100.00

7. United Film Organisers (UFO) (Mauritius) Private Limited ("UFOMPL")

Corporate Information

UFOMPL was incorporated under the Mauritius Companies Act No. 15 of 2001 on May 25, 2007 as a private company limited by shares. Its registered office is situated at C/o First Island Secretarial Limited, Court, Suite 308, St James Court, St Denis Street, Port Louis, Republic of Mauritius.

Nature of Business

The object of incorporation of UFOMPL is to carry on the business of producers, exhibitors, importers, exporters, dealers and distributors of cinematographic films, TV documentary and advertisement films and TV programs and to act as distributor to carry out, organise, participate and conduct the business of digital cinema system using digital media and to store, transmit, retrieve and replay the audio visuals all over Mauritius and abroad, amongst others.

Capital Structure

The authorised share capital of UFOMPL is MUR 1,000 divided into 1 share of MUR 1,000 each. As on the date of this Prospectus, the issued and paid up share capital of UFOMPL is MUR 1,000 divided into 1 share of MUR 1,000 each.

Shareholding

The shareholding pattern of UFOMPL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	UFO International Limited	1	100.00

8. United Film Organisers Nepal Private Limited ("UFONPL")

Corporate Information

UFONPL was incorporated in Nepal on September 9, 2007. Its registered office is at Shova Complex, 344/41, Dhobidhara Marg, Kamalpokari, Kathmandu, Nepal.

Nature of Business

UFONPL was incorporated with the objective of providing *inter alia* the required technical support and assistance to the business establishments involved in the operations of the business by obtaining data from DVD and other digital media technology and also to build, install, operate, repair, sell, lease necessary hardware required for digital cinema technology and to transmit the data related to such business, to receive and replay audio visuals.

Capital Structure

The authorised share capital of UFONPL is NPR 50,000,000 divided into 500,000 ordinary shares of NPR 100 each. As on the date of this Prospectus, the issued and paid up share capital of UFONPL was NPR 15,950,000 divided into 99,600 ordinary shares of NPR 100 each and 59,900 preference shares of NPR 100 each.

Shareholding

The shareholding pattern of UFONPL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
	Ordinary Shares		
1.	UFO Moviez India Limited	99,600	100.00
	Preference Shares		
1.	UFO Moviez India Limited	59,900	100.00

9. UFO Lanka (Private) Limited ("UFOLPL")

Corporate Information

UFOLPL was incorporated as a private limited liability company, on November 21, 2007 and is domiciled in Sri Lanka. The registered office and principal place of business of UFOLPL is located No. 12, Rotunda Gardens, Colombo 03.

Nature of Business

UFOLPL was incorporated with the main objective of providing state of the art digital cinema solutions and to maintain technical and technology facilities for delivery of digital cinema systems to theatres in Sri Lanka and to carry out all acts necessary to promote and expand the concept of digital cinema systems in Sri Lanka.

Capital Structure

The share capital of UFOLPL as on the date of this Prospectus, is SLR 27,759,500 divided into 2,775,950 ordinary shares of SLR 10 each.

Shareholding

The shareholding pattern of UFOLPL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	UFO International Limited	2,775,950	100.00

10. UFO Europe Limited ("UELC")

Corporate Information

UELC was incorporated in Cyprus on July 31, 2006 as a private company with limited liability, under the Cyprus Companies Law, Cap. 113. Its registered office is at 12 Zinonos Sozou, 1075 Nicosia, Cyprus. UELC is currently under liquidation.

Nature of Business

The principal activities of UELC is to provide digital cinema service to the key constituents of the film industry and the owners of alternative content in Europe using digital cinema technology.

Capital Structure

The authorised share capital of UELC is USD 660,000 divided into 660,000 ordinary shares of USD 1 each. As on the date of this Prospectus, the issued and paid up share capital of UILC is USD 128,080 divided into 128,080 ordinary shares of USD 1 each.

Shareholding

The shareholding pattern of UELC as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	UFO International Limited	128,080	100.00

11. Scrabble Entertainment (Mauritius) Limited ("SEML")

Corporate Information

SEML was incorporated on September 26, 2011 as a private company limited by shares and holds a Category 1 Global Business Licence under the Financial Services Act, 2007 and is regulated by Financial Services Commission. SEML's registered office is situated at 6th Floor, Tower A, 1 CyberCity, Ebene, Republic of Mauritius.

Nature of Business

SEML was incorporated with the main objective to act as an investment holding company for investments globally, excluding Mauritius and India and to seek to invest in companies involved in the development of digital cinemas.

Capital Structure

The stated capital of SEML is USD 750,001 made up of 750,001 ordinary shares of par value.

Shareholding

The shareholding pattern of SEML as on the date of this Prospectus, is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Scrabble Entertainment Limited	750,000	99.99
2.	Abax Corporate Nominees Limited*	1	0.01

** Nominee shareholders on behalf of Scrabble Entertainment Limited.*

12. Scrabble Entertainment JLT ("SEJLT")

Corporate Information

SEJLT was incorporated on July 11, 2011, as a Company with limited liability and a certificate of registration was issued by the Registrar of Companies of the Dubai Multi-Commodities Centre Authority. SEJLT operates under certificate no. JLT-66360 issued on September 27, 2011. The registered office of SEJLT is Units No.2405&2406, 1-Lake Plaza, Plot No. PH2-T2, Jumeirah Lakes Towers, Dubai, U.A.E..

Nature of Business

The main objects of SEJLT are to *inter alia* carry on any business as permitted by the Dubai Multi-Commodities Centre Authority., excluding any banking business and business as an insurance agent unless it is duly licensed to do so by the competent U.A.E. Authorities.

Capital Structure

The authorised share capital of SEJLT is AED 3,000,000 divided into 3,000 shares of AED 1,000 each. As on the date of this Prospectus, the issued and paid up share capital of SEJLT is AED 3,000,000 divided into 3,000 shares of AED 1,000 each.

Shareholding

The shareholding pattern of SEJLT as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Scrabble Entertainment Limited	300	10.00
2.	Scrabble Entertainment (Mauritius) Limited	2,700	90.00

13. Scrabble Entertainment (Lebanon) Sarl ("SELS")

Corporate Information

SELS was incorporated in Lebanon on March 13, 2012 as a limited liability company at the Register of Commerce under No 1015121. SELS is located in Achrafieh, Beirut.

Nature of Business

The main objects of SELS are to *inter alia* undertake general trading and industry, import and export.

Capital Structure

The authorised share capital of SELS is LBP 5,000,000 divided into 5,000 shares of LBP 1,000 each. As on the date of this Prospectus, the issued and paid up share capital of SELS is LBP 5,000,000 divided into 5,000 shares of LBP 1,000 each.

Shareholding

The shareholding pattern of SELS as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Scrabble Entertainment JLT	4,998	99.96
2.	Pruthu Rajesh Shah*	1	0.02
3.	Henri Najm*	1	0.02

* *Nominee shareholders on behalf of Scrabble Entertainment JLT.*

14. Scrabble Entertainment (Israel) Limited ("SEIL")

Corporate Information

SEIL was incorporated on June 17, 2012. SEIL was registered, as an unlimited company. Its number at the Companies Registrar is 514787779. The Company address of SEIL is Rival 7 Tel Aviv, Israel 67778.

Nature of Business

The principal business of our Company is leasing movie screening equipments to cinemas in Israel.

Capital Structure

1,000,000 shares of common stock, NIS 0.01 par value each (registered is 10,000 issued and paid is 1.)

Shareholding

The shareholding pattern of SEIL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Scrabble Entertainment (Mauritius) Limited	10,000	100.00

15. Scrabble Digital INC ("SDIU")

Corporate Information

SDIU was incorporated on March 22, 2013. The mailing and street address of SDIU is situated at 10550 Camden Drive, Cypress, California 90630.

Nature of Business

The main object of SDIU is to engage in any lawful act or activity for which a corporation may be organised under the General Corporation Law of California other than the banking business, the trust company business or practice of a profession permitted to be incorporated by the California Corporations Code.

Capital Structure

The authorised share capital of SDIU is 10,000 shares without par value. As on the date of this Prospectus, the issued and paid up share capital of SDIU is USD 550,000 divided into 10,000 shares.

Shareholding

The shareholding pattern of SDIU as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Scrabble Entertainment Limited	10,000	100.00

16. Valuable Digital Screens Private Limited ("VDSPL")

Corporate Information

VDSPL was incorporated on July 14, 2006 under the Companies Act, 1956 as Digital Box Networks Private Limited. Its name was changed to Valuable Digital Box Networks Private Limited on February 21, 2008 and subsequently to Valuable Digital Screens Private Limited on March 17, 2012. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai.

Nature of Business

The main object of VDSPL is to engage in the business including using digital networking to store and play content amongst others video, audio, images, text, rich text, which includes marketing, selling, hiring, leasing, linking various business groups to provide with high/ standard definition digital set top boxes.

Capital Structure

The authorised share capital of VDSPL is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each. As on the date of this Prospectus, the issued and paid up share capital of VDSPL is ₹ 144,750 divided into 14,475 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of VDSPL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	UFO Moviez India Limted	11,580	80.00
2.	Valuable Technologies Limited	2,895	20.00

Associates

1. Scrabble Digital Limited ("SDL")

Corporate Information

SDL was incorporated on February 8, 2011 as Scrabble Digital Private Limited in accordance with the Companies Act, 1956 and subsequently a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued on July 10, 2012. The registered office of SDL is situated at 501,503,504,509, Fifth Floor, Janki Centre, Off Veera Desai Road, Andheri (West), Mumbai 400053.

Nature of Business

SDL is engaged in the business of conducting digital mastering and cloning of cinematograph film content for various film productions an distribution houses.

Capital Structure

The authorised share capital of SDL is ₹ 7,500,000 divided into 750,000 equity shares of ₹ 10 each. As the date of this Prospectus, the issued and paid up share capital of USTPL is ₹ 5,931,420 divided into 593,142 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of SDL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1	Khushi Chandanmal Khatwani	98,757	16.65
2	Rajiv Khushi Khatwani	98,857	16.67
3	Karan Anand	98,857	16.67
4	Nirmal Anand	98,756	16.65
5	Scrabble Entertainment Limited	197,713	33.33
6	Mohit Khatwani	100	0.02
7	Jyoti Anand	100	0.02
8	Sushil Agrawal*	1	0.00
9	Jayshree Makheja	1	0.00

* Nominee shareholder on behalf of Scrabble Entertainment Limited.

2. Scrabble Digital JLT ("SDJLT")

Corporate Information

SDJLT is registered as a company with limited liability on February 16, 2011 in Dubai Multi-Commodities Centre Dubai, U.A.E., in accordance with all the provisions of Law no. (4) of 2001 and order dated May 1, 2002 in respect of establishing Dubai Multi-Commodities Centre and its amendments. The registered office of SDJLT is situated at Post Box 51899, 2301 and 2308 Jumeira Lake Towers, 1 Lake Plaza, Dubai, U.A.E..

Nature of Business

SDJLT is engaged in the business of conducting digital mastering and cloning of cinematograph film content for various film productions an distribution houses.

Capital Structure

The authorised share capital of SDJLT is AED 300,000 divided into 300 shares of AED 1,000 each. As on the date of this Prospectus, the issued and paid up share capital of SEJLT is AED 300,000 divided into 300 shares of AED 1,000 each.

Shareholding

The shareholding pattern of SDJLT as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1	Cinecomm Ltd, RAK Free Trade Zone	200	66.67
2	Scrabble Entertainment Ltd	100	33.33

3. Scrabble Ventures LLC ("SVLLC")

Corporate Information

SVLLC was incorporated on April 1, 2013. The registered office of SVLLC is situated at 10550 Camden Drive, Cypress, California 90630.

Nature of Business

The main objects of SVLLC are to engage in any lawful act or activity for which limited liability companies may be formed under the Beverly-Killea Limited Liability Company Act (Califormia Corporation Code) and engage in any and all activities necessary or incidental to the above activities.

Capital Structure and Shareholding

The shareholding pattern of SVLLC as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Capital Contribution (USD)	Percentage
1	Christie Digital Systems USA, Inc	500,000	50.00
2	Scrabble Digital Inc	300,000	30.00
3	Scrabble Digital Inc	200,000	20.00*

* In pursuance of the memorandum of understanding dated January 16, 2014, Scrabble Digital Inc., shall subject to certain conditions transfer 20% of the shares of SVLLC to an entity controlled by Dr. Sunil Patil and Mr. Ranjit Thakur. SDIU holds 20% shareholding of SVLLC on behalf of others, where SDIU is not a beneficial owner.

4. Scrabble Ventures, S. *de* R.L. *de* C.V., Mexico ("SVM")

Corporate Information

SVM was incorporated on August 16, 2013 under the laws of Mexico. The registered office of SVM is situated at Paseo de las Palmas 405, 1901 Lomas de Chapultec I Seccion, Miguel Hidalgo Distrito Federal 11000.

Nature of Business

SVM's common purpose is *inter alia* to buy, sell, distribute, license, commercialize, import and export audio and visual technology products, which include, but are not limited to projection, display, imaging and other visual technology products, including digital projectors, digital projection systems, video servers, media players, digital display devices, digital display systems, video processors, video switchers, video cameras, video teleconferencing equipment, complete integrated video systems and to perform any and all related commercial activities including the provision of all kinds of related services, except for those subject to foreign investment limitations pursuant to the Foreign Investment Law.

Capital Structure and Shareholding

The minimum fixed part of the capital of the Company is the amount of MXP$5,000.00. The shareholding pattern of SVM as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Capital Contribution (MXP$)	Percentage
1	Christie Digital Systems USA, Inc	2,500	50.00
2	Scrabble Entertainment JLT	1,500	30.00
3	Scrabble Entertainment JLT	1,000	20.00*

**In pursuance of the memorandum of understanding dated January 16, 2014, Scrabble Entertainment JLT, shall subject to certain conditions transfer 20% of the shares of SVM to an entity controlled by Dr. Sunil Patil and Mr. Ranjit Thakur. SEJLT holds 20% shareholding of SVM on behalf of others, where SEJLT is not a beneficial owner.*

Joint Venture

1. Mukta V N Films Limited ("MVNFL")

Corporate Information

MVNFL was incorporated on June 10, 2013 as a public limited company. MVNFL's registered office is situated at Mukta House, Behind Whistling Woods Institute, Filmcity Complex, Goregaon (East), Mumbai – 400065

Nature of Business

The main objects of MVNFPL are to carry on the business of rendering professional services like programming, scheduling etc., of cinematograph films, feature films, motion pictures, and such other content to the cinema exhibitors including the services of liasoning, co-ordination, negotiation for acquisition of rights from the film producers, copyright holders, film releasers, film distributors etc., for exhibition, screening of cinematograph films etc., through the cinema theatres.

Capital Structure

The authorised share capital of MVNFPL is ₹ 7,00,00,000 divided into 70,00,000 equity shares of ₹ 10 each. As on the date of this Prospectus, the issued and paid up share capital of MVNFL is ₹ 60,000,000 divided into 6,000,000 equity shares of ₹ 10 each.

Shareholding

The shareholding pattern of MVNFPL as on the date of this Prospectus is as follows:

S. No.	Name of shareholder	Number of Shares	Percentage
1.	Mukta Arts Limited	3,299,950	55.00
2.	V N Films Private Limited	2,699,950	45.00

3.	Rajesh Mishra*	10	Negligible
4.	Sushil Agrawal*	10	Negligible
5.	Ashish Malushte*	10	Negligible
6.	Ravikumar Vemulakonda*	10	Negligible
7.	Pankaj Jaysinh*	10	Negligible
8.	Subhash Ghai#	10	Negligible
9.	Mukta Ghai#	10	Negligible
10	Meghna Ghai Puri#	10	Negligible
11	Rahul Puri#	10	Negligible
12	Parvez Farooqui#	10	Negligible

* *Nominee shareholders of V N Films Private Limited.*

#*Nominee shareholders of Mukta Arts Limited.*

Accumulated Profits or Losses

There are no accumulated profits or losses of any of our Subsidiaries, Joint Venture or Associates, that are not accounted for by our Company in the Restated Consolidated Summary Statements.

Public issue and rights issue

None of the Subsidiaries, Joint Venture or Associates (i) is listed or has been refused listing on any stock exchange in India or abroad or (ii) has made any public or rights issue in the last three years or (iii) has become a sick company as specified under SICA or under any equivalent law in any jurisdiction outside India where it is incorporated or (iv) is under winding up proceedings, except UELC.

Interest in our Company

As at December 31, 2014, none of our Subsidiaries, Joint Venture or Associates hold Equity Shares in our Company and do not have any interest in our Company's business other than as stated in "*Business*" on page 184 of this Prospectus. Furthermore, except as stated in "*Financial Statements*" on page 377 of this Prospectus, which sets out details of transactions with our Subsidiaries, Joint Ventures or Associates during the last five fiscal years and nine months period ended December 31, 2014, as per the requirements under Accounting Standard 18 "Related Party Disclosures", our Subsidiaries, Joint Venture or Associates do not have any interest in our Company's business.

Common Pursuits

Our Promoters are interested in other companies that may compete with us. Certain of our Subsidiaries, Joint Venture and our Associates are engaged in lines of businesses that are similar and/ or synergistic to our Company. In addition to these, certain of our Group Entities including M5 Media Investments Private Limited, Impact Media Exchange Limited, Qwik Entertainment India Limited, Sky N Land Video Networks Private Limited, Valuable Impressions Private Limited, Valuable Infotainment Private Limited, Crown Infotainment Limited, Jeevangani Films, Venera Technologies Private Limited and Valuable Innovations Private Limited are authorized to carry out businesses and/ or are engaged in businesses which are similar to those carried out by our Company. For further details please see section on "*Our Promoters and Group Entities*" on page 255 of this Prospectus.

Pursuant to the amendment and termination agreement to the SHA dated November 20, 2014, our Promoters have undertaken that they shall not, unless agreed to in writing by the Board, among others, carry on, own, manage, operate, join, assist, invest in, lend money to, have an interest or control in, engage in, participate in, provide advice to or otherwise benefit economically from any business/ business entity engaged in a competing business, solicit any business or customers or solicit any customer, distributor, supplier, dealer or agent with respect to (i) the digital cinema business, (ii) the exhibition business, (iii) cinema ticketing and settlement platform business and/ or (iv) such other business conducted by the Company by mutual written consent of certain parties to the SHA, including our Promoters, subject to certain exceptions as stated in the SHA. Further the restriction is valid from a period of three years from the date on which Apollo International or the Valuable Group, as the case may be, ceases to individually or together with their respective affiliates hold at least 5% of the equity share capital of the Company or if any of Apollo International Limited or the Valuable Group, as the case may be, ceases to be a promoter or part of the promoter group of the Company, whichever is later.

Further in terms of the investment agreement dated December 18, 2014, entered into between our Company, Valuable Technologies Private Limited, Mr. Sanjay Gaikwad, Mr. Narendra Hete and VDSPL, Valuable Technologies Private Limited, Mr. Sanjay Gaikwad, Mr. Narendra Hete have, pursuant to payment of a non-compete fee of ₹ 1 million, agreed to not compete directly or indirectly, in India or any other part of the world, to the extent of Caravan Talkies and Club Cinema businesses but excluding the business of Club X and certaimn other businesses as per the investment agreement, with effect from the completion of the acquisition of the equity shates by our Company in the first tranche until they continue to hold at least 5% of the issued equity capital of our Company or are our Promoters, whichever is later.

For further details on the risks involved due to conflict of interest due to common pursuits between our Company and its Subsidiaries, Joint Venture and Associates, please see section on "*Risk Factors - Certain other ventures of our Promoters are authorised to engage in a similar line of business*" on page 45 of this Prospectus. For further details in relation to this investment agreement, please see "*History and Certain Corporate Matters- Agreements in relation to Valuable Digital Screens Private Limited - Investment agreement in relation to our Company's acquisition of Valuable Digital Screens Private Limited"* on page 221 of this Prospectus

Strategic and Financial Partnerships

As on the date of this Prospectus, our Company does not have any strategic or financial partnerships.

Revenue or Profit or Asset Contribution

Except as disclosed below there is no Subsidiary, Joint Venture or Associate which has contributed more than 5% of revenue or profits or assets of our Company on a consolidated basis in the preceding financial year or the last period of audited financials included in this Prospectus i.e. for the nine month period ended December 31, 2014:

Sr. No	Name of the Subsidiary/ JV	Equity Capital (₹ in million, unless stated otherwise)	Total Revenue(₹ in million)	Profit after Tax (₹ in million)	Number of shares and percentage shareholding of the Company	Listing Status
1	Scrabble Entertainment Limited	7.68	905.44	74.49	701,708 (91.33%**)	Not listed
2	Southern Digital Screenz India Private Limited	215.48	377.43	38.43	3,618,716 (84.18%)*	Not listed
3	Scrabble Mauritius Limited	0.75 (USD)	68.19	44.99	Nil	Not listed
4	Scrabble Entertainment, JLT	3,000,000 (AED)	574.20	43.77	Nil	Not listed

* *Additionally our Company also holds 1,725,000 number of 10% optionally convertible preference shares.*

** *Including 70 equity shares held by nominee shareholders on behalf of our Company.*

Sales or Purchases

Our Company receives income, including virtual print fee income and lease rental income from our Subsidiaries, Southern Digital Screenz India Private Limited and Scrabble Entertainment Limited, which in the aggregate contributed more than 10% of the unconsolidated total income of our Company during the financial year ended March 31, 2014 and the nine month period ended December 31, 2014, as set out in the table below. Except as stated below, there are no sales or purchases between any of the Subsidiaries, Joint Venture or Associates and our Company where such sales or purchases exceed in the aggregate 10% of the total sales or purchases of our Company.

(In ₹ million)

	Nine months period ended December 31, 2014	**For the year ended March 31, 2014**
A. Southern Digital Screenz India Private Limited		
Revenue from operations from SDS	249.69	322.04
As a percentage of unconsolidated revenue from operations of the Company	11.06%	11.93%
B. Scrabble Entertainment Limited		
Revenue from operations from Scrabble	274.68	343.45
As a percentage of unconsolidated revenue from operations of the Company	12.17%	12.72%

OUR MANAGEMENT

Board of Directors

Under the Articles of Association, our Company is required to have not more than fifteen Directors. Our Company currently has nine Directors comprising, three Independent Directors, two Executive Directors, and four Non-Executive Directors.

The following table sets forth details regarding the Board of Directors as on the date of this Prospectus:

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age	Other Directorships
Mr. Sanjay Shankar Gaikwad *Address*: 2101/ 2102, Lake Superior Ekta Supreme Housing, Building No. 3, Phase-5 Off Adishankaracharya Marg, Near Gopal Sharma School, Powai Mumbai - 400076 India. *Designation*: Managing Director (Executive Non-Independent Director) Nominated by Valuable Group *Occupation*: Business *Nationality*: Indian *Tenure*: 5 years from October 17, 2013 until October 16, 2018 and not liable to retire by rotation within such term. *DIN*: 01001173	49	Indian Companies 1. Goldencrest Financial Services Private Limited; 2. Impact Media Exchange Limited; 3. Lynx Developers Private Limited; 4. M5 Media Investments Private Limited; 5. Nifty Portfolio Services Private Limited; 6. Nisarg Building Art & Technology Private Limited; 7. Qwik Entertainment India Limited; 8. Scrabble Entertainment Limited; 9. Valuable Destinations Private Limited; 10. Valuable Media Limited; and 11. Valuable Technologies Limited. Foreign Companies 1. Edridge Limited; 2. Infinity Systems Inc.; 3. UFO Europe Limited; 4. UFO International Limited; and 5. Valuable Technologies Inc.
Mr. Kapil Kumar Agarwal *Address*: Flat no. 601, 6th Floor, Pacific Heights, Sherly Rajan Road, Off Carter Road, Bandra (West), Mumbai – 400050, Maharashtra, India. *Designation*: Joint Managing Director (Executive Non-Independent Director) *Occupation*: Service *Nationality*: Indian	54	Indian Companies 1. Scrabble Entertainment Limited. Foreign Companies 1. Edridge Limited; 2. Scrabble Digital INC; 3. Scrabble Entertainment (Mauritius) Limited; 4. Scrabble Entertainment JLT; 5. Scrabble Ventures S. DE R.L. DE C.V.; 6. Scrabble Ventures LLC; 7. UFO International Limited; and 8. UFO Europe Limited.

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age	Other Directorships
Tenure: 5 years from March 1, 2014 until February 28, 2019 and not liable to retire by rotation within such term. *DIN*: 00024378		
Mr. Raaja Kanwar *Address*: 1/30, Shanti Niketan, Near Moti Baugh, New Delhi - 110021, Delhi, India. *Designation*: Nominee Director (Non-Executive Director) Nominated by Apollo International Limited *Occupation*: Entrepreneur *Nationality*: Indian *Tenure*: Liable to retire by rotation *DIN*: 00024402	45	<u>Indian Companies</u> 1. Apollo International Limited; 2. Apollo Logisolutions Limited; 3. AR SPA Enterprises Private Limited; and 4. Kashipur Infrastructure and Freight Terminal Private Limited. <u>Foreign Companies</u> 5. Edridge Limited 6. Cloe Holdings Private. Limited; and 7. UFO International Limited.
Mr. Biswajit Anna Subramanian *Address*: 2 Shivaji Marg, Westend Green, Rangpuri, New Delhi – 110 037 Delhi, India. *Designation*: Nominee Director (Non-Executive Director) Nominated by P5 Asia Holding Investments (Mauritius) Limited *Occupation*: Service *Nationality*: British *Tenure*: Liable to retire by rotation *DIN*: 00905348	49	<u>Indian Companies</u> 1. Aditya Birla Telecom Limited; 2. Hathway Cable and Datacom Limited; 3. Star CJ Network India Private Limited; and 4. Providence Equity Advisors India Private Limited. <u>Foreign Companies</u> 1. P.T. Komet Infra Nusantra.

Mr. Ameya Narendra Hete *Address*: 201, Aashray, N.S. Road No.5, Near Cooper Hospital, JVPD Scheme, Vile Parle West, Mumbai - 400056, Maharashtra, India. *Designation*: Nominee Director (Non-Executive Director) Nominated by Valuable Group *Occupation*: Business *Nationality*: Indian *Tenure*: Liable to retire by rotation *DIN*: 01645102	39	Indian Companies 1. Asiastar City Holdings Private Limited; 2. Goldencrest Financial Services Private Limited; 3. Impact Media Exchange Limited; 4. M5 Media Investments Private Limited; 5. Qwik Entertainment India Limited; 6. Sky N Land Video Networks Private Limited; 7. Spadeworx Software Services Private Limited; 8. Titbit Interactive Systems Private Limited; 9. V2 Infrastructure Private Limited; 10. Valuable Design Studios Private Limited; 11. Valuable Edutainment Private Limited; 12. Valuable Impression Private Limited; 13. Valuable Infrastructure Private Limited; 14. Valuable Infra-Tech Private Limited; 15. Valuable Innovations Private Limited; 16. Valuable Media Limited; 17. Valuable Reserves (India) Private Limited; 18. Valuable Technologies Limited; and 19. Ve-comm Software Private Limited. Foreign Companies 1. AH Technologies LLC; 2. Bluebird Entertainment Pte Limited; 3. Titbit Global Pte Ltd; 4. Titbit Inc; and 5. Valuable Technologies Inc.;
Mr. Varun Laul *Address*: 1542, ATS Greens, Sector 93A, Noida - 201304, Uttar Pradesh, India. *Designation*: Nominee Director (Non-Executive Director) Nominated by P5 Asia Holding Investments (Mauritius) Limited *Occupation*: Service *Nationality*: Indian *Tenure*: Liable to retire by rotation *DIN*: 03489931	36	Foreign Companies 1. Edridge Limited; and 2. UFO International Limited.
Mr. Sanjeev Aga *Address:* 901, Nav Sonarbala Annexe,	63	Indian Companies 1. Idea Cellular Limited;

Turner Road, Bandra (West), Mumbai – 400 050, Maharashtra, India. *Designation:* Chairman and Independent Director (Non-Executive) *Occupation:* Business advisor *Nationality*: Indian *Tenure*: Consecutive period of 3 years with effect from November 20, 2014 *DIN*: 00022065		2. Subex Limited; 3. Pidilite Industries Limited; 4. Mahindra Holidays and Resorts Limited; and 5. Mahindra Logistics Limited.
Ms. Lynn Antionette De Souza *Address:* 501, Valentine, 15th road, Khar (West), Mumbai – 400 052 Maharashtra, India. *Designation:* Independent Director (Non-Executive) *Occupation:* Professional *Nationality*: Indian *Tenure*: Consecutive period of 3 years with effect from November 20, 2014 *DIN*: 01419138	54	<u>Indian Companies</u> 1. Social Access Communication Private Limited; 2. Scrabble Entertainment Limited; and 3. Southern Digital Screenz India Private Limited.
Mr. S. Madhavan *Address:* 1101, 11th floor, International Trade Tower, Nehru Place, New Delhi – 110019 Delhi, India. *Designation:* Independent Director (Non-Executive) *Occupation:* Professional *Nationality*: Indian *Tenure*: Consecutive period of 3 years with effect from November 20, 2014 *DIN*: 06451889	58	<u>Indian Companies</u> 1. HCL Technologies Limited; 2. Shopkhoj Content Private Limited; 3. Scrabble Entertainment Limited; and 4. Southern Digital Screenz India Private Limited.

None of our Directors are related to each other.

Brief profiles of our Directors

Mr. Sanjay Shankar Gaikwad, aged 49, one of our Promoters, is the Managing Director (Executive Non-Independent Director) of our Company. He holds a bachelor's degree in chemical engineering and a master's degree in management studies from the University of Mumbai. He has been associated with our Company since incorporation. He was originally appointed as a Director on June 14, 2004 and resigned with effect from June 30, 2006. Subsequently, he was appointed as a Managing Director on October 17, 2008. Prior to setting up our Company, he was associated with Indian Express Newspapers (Bombay) Private Limited. The remuneration paid to Mr. Sanjay Shankar Gaikwad for FY 2015, was ₹ 25.00 million. He is a recipient of the Maxell – Maharashtra Corporate Excellence Awards, 2014 for Excellence in Innovation.

Mr. Kapil Kumar Agarwal, aged 54, is the Joint Managing Director (Executive Non-Independent Director) of our Company. He holds a bachelor's degree in commerce from the University of Meerut and is a certified Chartered Accountant. He has been associated with our Company since 2005. He was originally appointed as a Director on May 13, 2005 and he resigned with effect from January 9, 2007. Subsequently he was re-appointed as a Director on October 17, 2008 and then designated as a Joint Managing Director on March 1, 2009. Prior to joining our Company, he was associated with Modi Industries Limited, Apollo Tyres Limited, Apollo International Limited, our Promoter, B G Broadband India Private Limited, SBEC Systems (India) Private Limited and Bihar Sponge Iron Limited. He is the recipient of CA Business Leader – SME Sector, awarded for exceptional performance and achievement by the Institute of Chartered Accountants of India. The remuneration paid to Mr. Kapil Kumar Agarwal for FY 2015, was ₹ 25.00 million.

Mr. Raaja Kanwar, aged 45, is a Nominee Director of our Company. He has a bachelor's degree in business administration from Drexel University, Pennsylvania, United States of America. He has been associated with our Company since 2005 as a nominee of Apollo International Limited and his date of joining our Company as a Director, is May 13, 2005. He was previously associated with Apollo International Limited, our Promoter. No remuneration was paid to Mr. Raaja Kanwar for FY 2015.

Mr. Biswajit Anna Subramanian, aged 49, is a Nominee (Non-Executive) Director of our Company. He holds a bachelor's degree in electrical engineering (electronics) from the Indian Institute of Technology, Madras and a master's degree in business administration from the Wharton School, University of Pennsylvania, as well as a master's degree in electrical and computer engineering from the University of California, Santa Barbara. He has been associated with our Company since 2011, as a nominee of P5 Asia Holding Investments (Mauritius) Limited, his date of joining our Company as a Director is April 8, 2011. No remuneration was paid to Mr. Biswajit Anna Subramanian for FY 2015.

Mr. Ameya Narendra Hete, aged 39, is a Nominee (Non-Executive) Director of our Company. He holds a bachelor's degree in industrial engineering from the University of Nagpur and a master's degree in industrial engineering from the Binghamton University, New York, United States of America. He has been associated with our Company since 2008, as a nominee of the Valuable Group and his date of joining our Company as a Director is October 17, 2008. He was previously associated with Enterasys Networks Inc. No remuneration was paid to Mr. Ameya Hete for FY 2015.

Mr. Varun Laul, aged 36 years, is a Nominee (Non-Executive) Director of our Company. He holds a bachelor's degree in technology (honours) in mechanical engineering from the Indian Institute of Technology, Kharagpur and a post-graduate degree in management from the Indian School of Business, Hyderabad. He has been associated with our Company since 2012, as a nominee of P5 Asia Holding Investments (Mauritius) Limited. He was originally appointed as an alternate Director on January 20, 2012 and resigned with effect from April 18, 2012. Subsequently he was reappointed as an alternate Director on April 22, 2012 and resigned with effect from August 10, 2012 and re-appointed as a Director on the same date. He was previously associated with Hindustan Lever Limited, DSP Merrill Lynch Limited, and A. T. Kearney Limited – India branch. No remuneration was paid to Mr. Varun Laul for FY 2015.

Mr. Sanjeev Aga, aged 63 years, is the Chairman and Independent Director (Non-Executive) of our Company. He holds a bachelor's degree in science (honours), physics from St. Stephen's College, University of Delhi and a post graduate diploma in management from the Indian Institute of Management, Calcutta. His date of joining our Company as a Director, is November 20, 2014. Prior to joining our Company, he was associated amongst others with BlowPlast Limited, Aditya Birla Management Corporation Private Limited, Aditya Birla Nuvo Limited, Indus Towers Limited, and Idea Cellular Limited. Mr. Sanjeev Aga was paid remuneration in the form of sitting fees of ₹ 0.45 million for FY 2015.

Ms. Lynn Antionette De Souza, aged 54 years, is an Independent Director (Non-Executive) of our Company. She has a bachelor's degree in arts from the University of Mumbai and a master's degree in management studies, specialising in marketing from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. She is also a certified veterinary nurse from TAFE, Brisbane Australia. Her date of joining our Company as a Director is November 20, 2014. Prior to joining our Company, she was associated with Lintas India Private Limited. Ms. Lynn Antionette De Souza was paid remuneration in the form of sitting fees of ₹ 0.35 million for FY 2015.

Mr. S. Madhavan, aged 58 years, is an Independent Director (Non-Executive) of our Company. He has a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and is a certified Chartered Accountant. His date of joining our Company as a Director is November 20, 2014. Prior to joining our Company, he was associated with Pricewaterhouse Coopers. Mr. S. Madhavan was paid remuneration in the form of sitting fees of ₹ 0.30 million for FY 2015.

Except for our Independent Directors, Mr. Sanjeev Aga, Ms. Lynn Antionette De Souza and Mr. S. Madhavan, all of our Directors have been appointed pursuant to an arrangement or understanding with certain of our major shareholders.

With respect to our Managing Director and our Whole Time Directors, there is no contingent or deferred payment received for FY 2015.

Executive Directors

Mr. Sanjay Shankar Gaikwad, was appointed as the Director of our Company, upon incorporation, on June 14, 2004 and as the Managing Director of our Company by a Board resolution dated October 17, 2008 and shareholders' resolution dated November 21, 2008 for a period of five years from October 17, 2008 until October 16, 2013 and re-appointed as the Managing Director of our Company by a Board resolution dated November 7, 2013 and shareholders' resolution dated November 30, 2013 for a period of five years from October 17, 2013 until October 16, 2018. The significant terms of his employment are as below:

1. **Salary:** ₹ 1 million per month with suitable increment(s) as may be recommended by the Nomination and Remuneration Committee, earlier known as the compensation committee of the Board of Directors from time to time.

2. **Perquisites and Allowances**: Accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenses or allowances for gas, electricity, water, furnishings, repairs, servant salary, medical reimbursement, leave travel concession, club fee, medical/ accident insurance and such other perquisites and allowances as may be allowed under our Company's rules/ schemes and available to other employees of his category subject to a maximum amount of ₹ 963,333 per month.

3. **Provident Fund**: Contribution to provident fund is not included in the computation of the ceiling on perquisites to the extent these, whether singly or put together, are not taxable under the Income Tax Act, 1961.

4. **Gratuity**: Gratuity is payable in accordance with the rules of our Company.

5. **Other Benefits**: Other benefits include:

    a) Earned leave, on full pay and allowances as per the rules of our Company.

b) Encashment of leave, in accordance with the rules of our Company.

c) Provision of a Company maintained car, reimbursement of driver's salary, petrol and vehicle maintenance expenses for use on official business.

d) Provision of mobile, telephone and internet facility at residence and reimbursement of bills at actuals for use on official business.

e) Reimbursement of business promotion and entertainment expenses actually and properly incurred in the course of business of our Company.

f) Eligible to receive housing, education and medical loan and other loans or facilities as applicable in accordance with the rules of our Company.

6. **Total Remuneration**: Total remuneration is restricted to an amount of ₹ 25 million per annum.

For FY 2015, Mr. Sanjay Shankar Gaikwad was paid an aggregate compensation of ₹ 25.00 million.

Mr. Kapil Kumar Agarwal, was appointed as the Director of our Company on May 13, 2005 and as the Joint Managing Director of our Company by a Board resolution dated February 18, 2009 and a shareholders' resolution dated April 14, 2009 for a period of five years from March 1, 2009 until February 28, 2014 and re-appointed as the Joint Managing Director of our Company by a Board resolution dated January 28, 2014 and a shareholders' resolution dated February 24, 2014 for a period of five years from March 1, 2014 until February 28, 2019. The significant terms of his employment are mentioned below:

1. **Salary:** ₹ 1 million per month with suitable increment(s) as may be recommended by the Nomination and Remuneration Committee, earlier known as the compensation committee, of our Board of Directors from time to time.

2. **Perquisites and Allowances**: Accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenses or allowances for gas, electricity, water, furnishings, repairs, servant salary, medical reimbursement, leave travel concession, club fee, medical/ accident insurance and such other perquisites and allowances as may be allowed under our Company's rules/ schemes and available to other employees of his category subject to a maximum amount of ₹ 963,333 per month.

3. **Provident Fund**: Contribution to provident fund is not included in the computation of the ceiling on perquisites to the extent these, whether singly or put together, are not taxable under the Income Tax Act, 1961.

4. **Gratuity**: Gratuity is payable in accordance with the rules of our Company.

5. **Other Benefits**: Other benefits include:

a) Earned leave, on full pay and allowances as per the rules of our Company.

b) Encashment of leave, in accordance with the rules of our Company.

c) Provision of Company maintained car, reimbursement of driver's salary and petrol and vehicle maintenance expenses for use on official business.

d) Provision of mobile, telephone and internet facility at residence and reimbursement of bills at actuals for use on official business.

e) Reimbursement of business promotion and entertainment expenses actually and properly incurred in the course of business of our Company.

f) Eligible to receive housing, education and medical loan and other loans or facilities as applicable in accordance with the rules of our Company.

6. **Total Remuneration**: Total remuneration shall be restricted to an amount of ₹ 25 million per annum.

For FY 2015, Mr. Kapil Kumar Agarwal was paid an aggregate compensation of ₹ 25.00 million.

Non-Executive Directors and Independent Directors

Our Independent Directors are eligible for sitting fees for attending each meeting of the Board or committees thereof. Further, in terms of their appointment letters, the Independent Directors are entitled to receive commission within the limits specified under Section 197 of the Companies Act, 2013.

Service contracts

Further, we have not entered into any service contracts, pursuant to which, the officers of our Company, including the Directors and key management personnel, are entitled to benefits upon termination of employment.

Bonus or profit-sharing plan of our Directors

Except for profit related commission payable to our Independent Directors, none of our Directors are a party to any bonus or profit sharing plan by our Company.

Shareholding of our Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares. The shareholding of our Directors in our Company, as on the date of this Prospectus is set forth below:

Name of the Director	Number of Equity Shares held in our Company
Mr. Sanjay Shankar Gaikwad	329,773
Mr. Kapil Kumar Agarwal	269,619
Mr. Raaja Kanwar	566,214

Further, our Directors hold or are entitled to the following stock options as under the ESOP 2014, ESOP 2010 and ESOP 2006:

Name of the ESOP Scheme	Number of Stock Options Granted	Number of Stock Options Vested	Exercise Price (₹)	Number of Stock Options Lapsed
Mr. Sanjay Shankar Gaikwad				
ESOP 2006	Nil	Nil	Nil	Nil
ESOP 2010	46,000	46,000	178.17	Nil
ESOP 2010	217,797	217,797	161.87	Nil
ESOP 2014	-	-	-	-
Mr. Kapil Kumar Agarwal				
ESOP 2006	Nil	Nil	Nil	Nil
ESOP 2010	46,000	46,000	178.17	Nil
ESOP 2010	326,694	326,694	161.87	Nil
ESOP 2014	212,500	Nil	600	Nil
Mr. Ameya Narendra Hete				
ESOP 2006	Nil	Nil	Nil	Nil
ESOP 2010	217,797	217,797	161.87	Nil

ESOP 2014	-	-	-	-

For further details, see "*Capital Structure*" on page 94 of this Prospectus.

Shareholding of our Directors in our Subsidiaries, Associates and Joint Venture

Set forth below is the shareholding of our Directors in our Subsidiaries, Associates and Joint Venture. For further details, please see section "*History and Certain Corporate Matters – Subsidiaries*" on page 222 of this Prospectus.

	Name of the Entity	**No. of Shares / % of Equity Paid up Capital**
Mr. Sanjay Shankar Gaikwad		
Shareholding in Subsidiary Companies	1. Scrabble Entertainment Limited	10 (0.00%)*
Shareholding in Associates	Nil	NA
Shareholding in Joint Venture	Nil	NA
Mr. Kapil Kumar Agarwal		
Shareholding in Subsidiary Companies	1. Scrabble Entertainment Limited 2. UFO Software Technologies Private Limited	10 (0.00%)* 4,990 (2.01%)
Shareholding in Associates	Nil	NA
Shareholding in Joint Venture	Nil	NA
Mr. Raaja Kanwar		
Shareholding in Subsidiary Companies	1. UFO Software Technologies Private. Limited.	4,990 (2.01%)
Shareholding in Associates	Nil	NA
Shareholding in Joint Venture	Nil	NA

* *These shares are held in the capacity of a nominee shareholder of UFO Moviez Limited*.

None of our Directors have been or are directors on the boards of companies whose shares are / were suspended from trading on the BSE and/ or the NSE for a period beginning from five years prior to the date of this Prospectus.

None of our Directors have been or are directors on the boards of listed companies that have been/ were delisted from stock exchanges in India.

Borrowing Powers of our Board

In accordance with the Articles of Association, our Board may, from time to time, at its discretion, by way of a resolution passed at its meeting, raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. However, if the moneys sought to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) should exceed the aggregate of the paid-up capital of our Company and its free reserves (not being reserves set apart for any specific purpose), our Board is required to obtain the consent of our shareholders by a special resolution prior to undertaking such borrowing.

In this regard, our Company, at an extra-ordinary general meeting held on February 24, 2014 has resolved that pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board is authorised to borrow moneys for the purpose of our Company (apart from temporary loans obtained from the bankers of our Company in the ordinary course of business) from time to time, upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit in excess of the aggregate of the paid-up capital of our Company and its free reserves (not being reserves set apart for any specific purpose), provided that the total amount of such borrowings together with the amounts already borrowed and outstanding shall not exceed ₹ 2,300 million.

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of applicable regulations, specifically the Listing Agreement to be entered into with each of the Stock Exchanges, the Companies Act and the ICDR Regulations, in respect of corporate governance including constitution of the Board and committees of our Board duly constituted by our Board.The 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, each as required under law.

Our Board of Directors is constituted in compliance with the Companies Act and Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company's executive management provides the Board of Directors detailed reports on its performance periodically.

Currently, our Board has nine Directors, of which the Chairman is an Independent Director. In compliance with the requirements of Clause 49 of the Listing Agreement, we have three Independent Directors on the Board, in addition to two Executive Directors, and four other Non-Executive Directors. In compliance with provisions of the Companies Act and the Listing Agreement, at least two-thirds of our Directors, other than our Independent Directors, are liable to retire by rotation.

I. Committees of the Board in accordance with the Listing Agreement

A. **Audit and Risk Management Committee**

The members of the Audit and Risk Management Committee are:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Mr. Sanjeev Aga	Independent Director	Chairman
2.	Mr. S. Madhavan	Independent Director	Member
3.	Mr. Varun Laul	Nominee Director (Non-Executive)	Member

The audit committee has been renamed and reconstituted by a meeting of the Board of Directors held on November 20, 2014 as the Audit and Risk Management Committee. The scope and function of the Audit and Risk Management Committee is in accordance with the Companies Act, 2013, and Clause 49 of the Listing Agreement.

The powers of the Audit and Risk Management Committee include the power to (i) investigate any activity within its terms of reference; (ii) seek information from any employee; (iii) obtain outside legal or other professional advice; and (iv) secure attendance of outsiders with relevant expertise, if it considers the attendance of such outsiders necessary.

The Audit and Risk Management Committee shall mandatorily review amongst others, (i) the management discussion and analysis of financial condition and results of operations; (ii) the statement of significant related party transactions (as defined by the Audit and Risk Management Committee), submitted by management; (iii) the management letters/letters of internal control weaknesses issued by the statutory auditors; (iv) the internal audit reports relating to internal control weaknesses; and (v) the appointment, removal and terms of remuneration of the chief internal auditor.

The role of the Audit and Risk Management Committee includes the following:

(i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Qualifications in the draft audit report
(v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
(vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
(vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
(viii) Approval or any subsequent modification of transactions of the company with related parties;
(ix) Scrutiny of inter-corporate loans and investments;
(x) Valuation of undertakings or assets of the company, wherever it is necessary;
(xi) Evaluation of internal financial controls and risk management systems;
(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(xiv) Discussion with internal auditors of any significant findings and follow up there on;
(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(xviii) To review the functioning of the Whistle Blower mechanism;
(xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
(xx) Monitoring and reviewing of the risk management plan of the Company.
(xxi) Carrying out any other function as is mentioned in the terms of reference of the Audit and Risk Management Committee.

Pursuant to the requirements of Section 177 of the Companies Act, 2013, the Audit and Risk Management Committee has the following additional powers and responsibilities:

(i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
(ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;

(iii) examination of the financial statement and the auditors' report thereon;
(iv) approval or any subsequent modification of transactions of the company with related parties;
(v) scrutiny of inter-corporate loans and investments;
(vi) valuation of undertakings or assets of the company, wherever it is necessary;
(vii) evaluation of internal financial controls and risk management systems; and
(viii) monitoring the end use of funds raised through public offers and related matters.

The erstwhile audit committee of the Board met thrice in FY 2015. The Audit and Risk Management Committee has met twice in FY 2015.

B. **Nomination and Remuneration Committee**

The members of the Nomination and Remuneration Committee are:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Mr. S. Madhavan	Independent Director	Chairman
2.	Mr. Sanjeev Aga	Independent Director	Member
3.	Mr. Biswajit Anna Subramanian	Nominee Director (Non-Executive)	Member
4.	Mr. Ameya Hete	Nominee Director (Non-Executive)	Member

Pursuant to the requirements of Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, our Company has constituted the Nomination and Remuneration Committee by a meeting of the Board of Directors, held on November 20, 2014.

The scope of Nomination and Remuneration Committee includes recommending to the Board from time to time the remuneration of Managing Director/ Whole Time Director/ Manager and senior employees.

The scope and terms of reference of our Nomination and Remuneration Committee as per Clause 49 of the Listing Agreement are:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
(ii) Formulation of criteria for evaluation of Independent Directors and the Board;
(iii) Devising a policy on Board diversity;
(iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The scope and terms of reference of our Nomination and Remuneration Committee as per section 178 of the Companies Act, 2013 are:

(i) The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
(ii) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

(iii) The Nomination and Remuneration Committee shall, while formulating the policy under this sub-section ensure that—
   (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
   (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee has not met in FY 2015.

C. **Stakeholders' Relationship Committee**

The members of the Stakeholders' Relationship Committee are:

Sr. No.	Name of the Director	Designation	Position in Committee
1	Mr. Varun Laul	Nominee Director (Non-Executive)	Chairman
2	Mr. Sanjay Gaikwad	Managing Director	Member
3	Mr. Kapil Agarwal	Joint managing Director	Member

The Stakeholders' Relationship Committee was constituted by the Board of Directors at their meeting held on November 20, 2014. The terms of reference of the Stakeholders Relationship Committee of our Company include the redressal of shareholders' and investors' complaints.

The Committee shall have the authority to supervise and ensure amongst others:

(i) Redressal of grievances of shareholders, debenture holders and other security holders.

(ii) Consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The Stakeholders' Relationship Committee has not met in FY 2015.

II. Other Committees of the Board:

In addition to committees of the Board in accordance with the Listing Agreement mentioned above, the following committees have been constituted by our Board:

A. Compensation committee;
B. Finance committee; and
C. Corporate social responsibility committee.

Interests of Directors

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of reimbursement of expenses payable to them under the Articles, and to the extent of remuneration payable to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them and/ or any employee stock options granted to them under the ESOP 2006, ESOP 2010 and/ or ESOP 2014 and/ or any

Equity Shares that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. For more information, please refer to "-*Shareholding of our Directors in our Company*", "-*Shareholding of our Directors in our Subsidiaries, Associates and Joint Ventures*" and "*Capital Structure – Shareholding of our Promoters, directors of our Promoters and Promoter Group***"** on pages 244, 245 and 107 of this Prospectus.

Certain Directors of our Company may also be regarded to be interested to the extent of any salary or other benefits or perquisites that may be payable to any relative of such Director who is employed by our Company or any of its Subsidiaries.

The Directors have no interest in any property acquired by our Company within two years from the date of this Prospectus or proposed to be acquired by our Company as of the date of this Prospectus.

Furthermore, our Joint Managing Director, Mr. Kapil Kumar Agarwal, could be interested to the extent of the remuneration received by his daughter, Ms. Apeksha Agarwal who is an employee in our Company. Mr. Kapil Kumar Agarwal may be interested in our Company to the extent of 89,700 Equity Shares held by his wife, Mrs. Benu Agarwal. Also, our Director, Mr. Ameya Hete is interested to the extent of 134,724 Equity Shares held by his father, Mr. Narendra Hete, who is a Promoter of our Company.

For details of transactions with our Directors' relatives during the last five fiscal years and the nine months period ended December 31, 2014, as per the requirements of Accounting Standard 18 "Related Party Disclosures", please see "*Financial Statements*" on page 377 of this Prospectus.

For details of transactions with our Directors and entities owned or significantly influenced by our Directors or their relatives during the last five fiscal years and the nine month period ended December 31, 2014, as per the requirements under Accounting Standard 18 "Related Party Disclosures", please see "*Financial Statements*" on page 377 of this Prospectus.

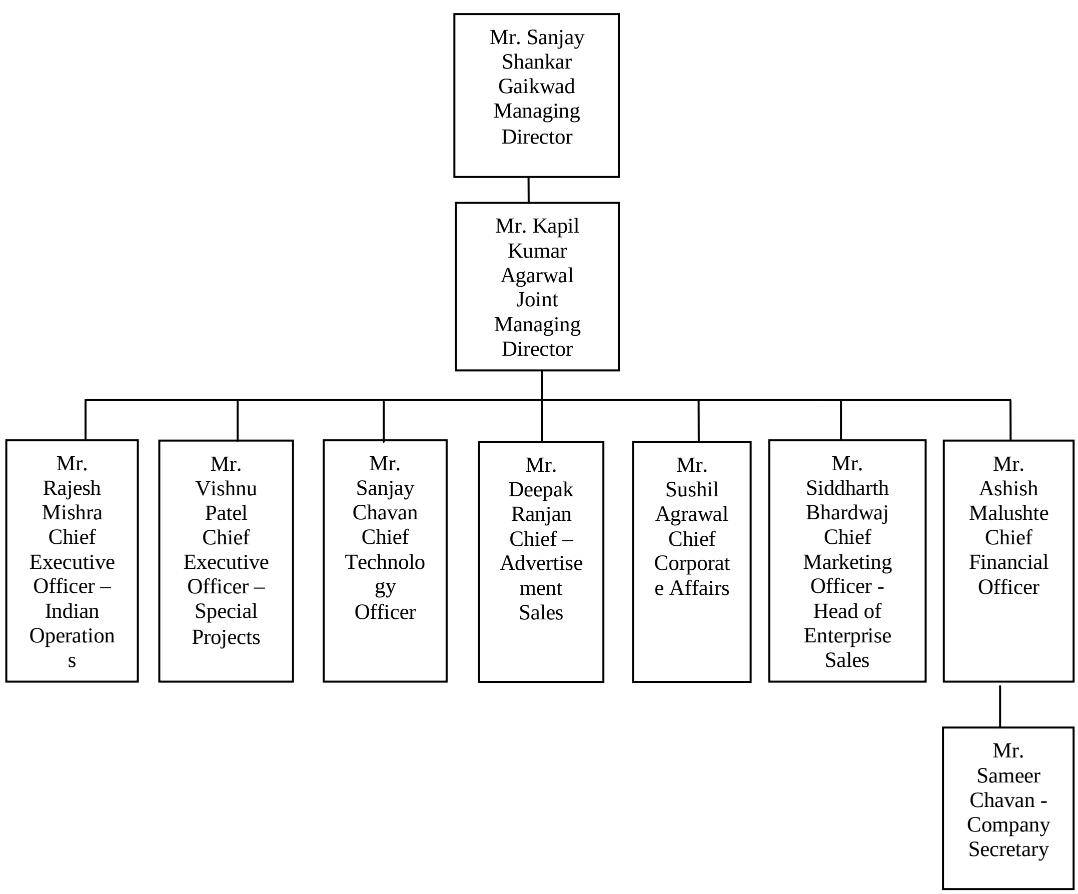
Except as stated hereinabove and in "*Our Promoters and Group Entities - Interest of our Promoters*" (solely with respect to our Director, Mr. Sanjay Shankar Gaikwad), on page 264 of this Prospectus, our Directors do not have any interest in the promotion of our Company or any other interest in our business.

Changes in the Board of Directors in the last three years

Name of the Director	Date of Appointment	Date of Cessation	Reason
Mr. Varun Laul	January 20, 2012	April 18, 2012	Appointment and resignation as an Alternate Director to Mr. John Carl Hahn
Mr. Varun Laul	April 22, 2012	August 10, 2012	Appointment and resignation as an Alternate Director to Mr. John Carl Hahn
Mr. Varun Laul	August 10, 2012	NA	Appointment as an Additional Director
Mr. Samir Rameshchandra Palod	August 10, 2012	November 10, 2014	Appointment and resignation as Director

Name of the Director	Date of Appointment	Date of Cessation	Reason
Mr. Manu Chandra	September 5, 2012	November 10, 2014	Appointment and Resignation as Director
Mr. Sainath Ramanathan	March 16, 2010	August 30, 2012	Appointment and Resignation
Mr. Tushar Gopalkrishna Agarwal	NA	October 31, 2014	Resignation
Mr. John Carl Hahn	NA	November 7, 2014	Resignation
Mr. Sanjeev Aga	November 20, 2014	NA	Appointment
Ms. Lynn Antionette De Souza	November 20, 2014	NA	Appointment
Mr. S. Madhavan	November 20, 2014	NA	Appointment

Management Organisation Structure



Key management personnel

The details of the key management personnel other than our Executive Directors, as on the date of this Prospectus, are set out below. All our employees are permanent employees.

Mr. Rajesh Mishra, aged 49, is the Chief Executive Officer (CEO) – Indian Operations of our Company. He holds a bachelor's degree in commerce from the University of Bombay and is a certified Chartered Accountant. He has been associated with our Company since 2006, the date of his joining our Company is April 1, 2006. He was previously associated with Mak Television Network Limited, Zee Telefilms Limited and Bennett Coleman & Co. Limited. During FY 2015, Mr. Mishra was paid an aggregate compensation of ₹ 7.49 million.

Mr. Vishnu Patel, aged 58 years, is the Chief Executive Officer – Special Projects. He holds a diploma in architecture from the Centre of Environmental Planning and Technology (CEPT), Ahmedabad and a masters's degree in science in broadcasting from Boston University, United States of America. He has been associated with our Company since 2006, the date of his joining our Company is April 1, 2006. Prior to joining our Company he was associated with Zee Telefilms Limited. During FY 2015, Mr. Patel was paid an aggregate compensation of ₹ 7.49 million.

Mr. Sanjay Chavan, aged 49 years, is the Chief Technology Officer of our Company. He holds a bachelor's degree in electronics engineering from the University of Bombay. He has been associated with our Company since 2005, the date of his joining our Company is January 5, 2005. Prior to joining our Company he joined the Indian Air Force as a commissioned officer in the year 1989, further he was associated with HCL Comnet Systems and Services Limited, Zee Telefilms Limited, Zee Interactive Multimedia Limited, Pan India Network Infravest Private Limited (formerly known as Playwin Infravest Private Limited). During FY 2015, Mr. Chavan was paid an aggregate compensation of ₹ 7.49 million.

Mr. Deepak Ranjan, aged 47 years, is the Chief – Advertisement Sales of our Company. He holds a bachelor's degree in science from the University of Delhi and a certificate course in advertising and marketing (basic) from the Xavier Institute of Communications. He has been associated with our Company since 2007, the date of his joining our Company is January 1, 2007. Prior to joining our Company he was associated with B4U Television Network (India) Private Limited, Integrated Technology Solutions Private Limited, Zee Telefilms Limited and Sahara India Media Communication Limited. During FY 2015, Mr. Ranjan was paid an aggregate compensation of ₹ 11.64 million including an incentive of ₹ 7.09 million.

Mr. Sushil Agrawal, aged 50, is the Chief – Corporate Affairs Officer of our Company. He holds a bachelor's degree in science from the University of Meerut and is a certified Chartered Accountant. He has been associated with our Company since 2010, the date of his joining our Company is January 8, 2010. Prior to joining our Company he was associated with Apollo International Limited, and Go Airlines (India) Private Limited. During FY 2015, Mr. Agarwal was paid an aggregate compensation of ₹ 5.71 million.

Mr. Siddharth Bhardwaj, aged 43 years, is the Chief Marketing Officer - Head of Enterprise Sales of our Company. He holds a bachelor's degree in mechanical engineering from Shivaji University, Kolhapur and a post graduate diploma in business management from Institute of Management Studies, Ghaziabad. He has been associated with our Company since 2012, his date of joining our Company is August 1, 2012. Prior to joining our Company he was associated with Bharti Cellular Limited, Adlabs Films Limited, Reliance Industries Limited, Reliance Fresh Limited and Totalfinaelf India Limited. During FY 2015, Mr. Bhardwaj was paid an aggregate compensation of ₹ 12.33 million, including an incentive of ₹ 5.31 million.

Mr. Ashish Malushte, aged 40, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from the University of Mumbai and is a certified Chartered Accountant. He has been associated with our Company since 2005, the date of his joining our Company is May 1, 2005. Prior to joining our Company he was associated with Voltas Limited, Global Telesystems Limited and BG Broadband India Private Limited. During FY 2015, Mr. Malushte was paid an aggregate compensation of ₹ 5.01 million.

Mr. Sameer Chavan, aged 31, is the Company Secretary of our Company. He holds a bachelor's degree in law and a master's degree in commerce from University of Mumbai and is a certified Company Secretary. He has experience in the field of corporate laws. He has been associated with our Company since 2013, the date of his joining our Company is October 29, 2013. Prior to joining our Company he was a management trainee in Godrej Industries Limited and was associated with Shreyas Relay Systems Limited and PAE Limited as a Company Secretary. During FY 2015, Mr. Chavan was paid an aggregate compensation of ₹ 0.92 million.

None of our key management personnel are related to each other. Further, none of our key management personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Shareholding of key management personnel

The shareholding of our Executive Directors is as disclosed in "-*Shareholding of our Directors in our Company*" above, as on the date of this Prospectus, the shareholding of our key management personnel in our Company is as follows:

Name of KMP	Number of Equity Shares held in the Company
Mr. Rajesh Mishra	29,892
Mr. Ashish Malushte	7,548
Mr. Sameer Chavan	Nil
Mr. Vishnu Patel	22,728
Mr. Sanjay Chavan	22,728
Mr. Sushil Agrawal	Nil
Mr. Deepak Ranjan	1,371
Mr. Siddharth Bhardwaj	Nil

Bonus or profit sharing plan of the key management personnel

None of our key management personnel are a party to any bonus or profit sharing plan. However, our key management personnel are paid discretionary incentive.

Employee stock option plans

For details of our Company's employee stock option plans, including employee stock options granted to the senior management personnel, please see the section "*Capital Structure*" on page 123 of this Prospectus. In addition, Mr. Sameer Chavan, the Company Secretary of our Company, holds 6,500 employee stock options of our Company.

Interests of key management personnel

Except as stated below, the key management personnel of our Company, other than our Executive Directors, do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and the reimbursement of expenses incurred by them during the ordinary course of business and any Equity Shares or employee stock options, held by them, or their relatives or the entities in which they are interested.

Mr. Vishnu Patel is interested to the extent 5,490 Equity Shares and 38,916 employee stock options held by his wife, Ms Mitalee Patel, who is an employee of our Company.

Changes in the key management personnel

The changes in the key management personnel in the last three years prior to the date of filing of this Prospectus are as follows:

Name	Designation	Date of change	Reason for change
Mr. Rajesh Mishra	Chief Executive Officer – Indian Operations	August 5, 2014	Appointment*
Mr. Ashish Malushte	Chief Financial Officer	August 5, 2014	Appointment*
Mr. Sameer Chavan	Company Secretary	November 7, 2013	Appointment
Mr. Siddharth Bhardwaj	Chief Marketing Officer – Head of Enterprise Sales	August 1, 2012	Appointment
Ms. Anjali Kedar Kulkarni	Company Secretary	September 19, 2013	Resignation

* *Re-appointment under the Companies Act, 2013.*

Payment or benefit to officers of our Company

Except for the Incentive Scheme for Enterprise Sales Team, the Regional Manager's Incentive Scheme, the UFO Ad Sales Incentive Scheme and other discretionary incentives available to certain employees of our Company, no non-salary related amount or benefit has been paid or given within two years from the date of this Prospectus, or is intended to be paid or given, to any of our Company's officers, including the Directors and the key managerial personnel.

Our Company has designed certain incentive schemes for FY 2015, namely the Incentive Scheme for Enterprise Sales Team, the Regional Manager's Incentive Scheme and the UFO Ad Sales Incentive Scheme. Pursuant to these schemes, we offer certain incentives based on the fulfilment of targets set out by the management of our Company. The employees are entitled to these performance based incentive schemes in addition to the remuneration received by them from our Company.

Appointment of any relatives of our Directors to an office or place of profit

Except for Ms. Apeksha Agarwal, a relative of Mr. Kapil Kumar Agarwal who has been appointed as Senior Executive – Enterprise Sales of our Company, none of the relatives of our Directors have been appointed to an office or place of profit in our Company.

OUR PROMOTERS AND GROUP ENTITIES

Our Promoters are Mr. Sanjay Gaikwad, Mr. Narendra Hete, Valuable Technologies Limited, Valuable Media Limited and Apollo International Limited.

Details of our individual Promoters

Mr. Sanjay Gaikwad

Passport Number: Z2709896 dated December 24, 2013
Aadhar Card No.: 6510 1836 7690
Driving License: Not Available
Voter ID: Not Available

Mr. Sanjay Gaikwad holds 329,773 Equity Shares and 263,797 stock options in our Company.

For a complete profile of Mr. Sanjay Gaikwad, *i.e.* his age, personal address, educational qualifications, experience, positions / posts held in the past and other directorships and special achievements, please refer to the section "*Our Management*" beginning on page 237 of this Prospectus.

Mr. Narendra Hete

Passport Number: Z2469873 dated October 30, 2012
Aadhar Card No.: 5609 3835 8654
Driving License: Not Available
Voter ID: Not Available
Address: Aashray Chambers, 201/202, Aashray Chambers,
North – South Road No. 5, JVPD Scheme,
Juhu, Vile Parle (West).
Mumbai 400056

Mr. Narendra Hete, aged 63 years, works across media, entertainment and technology verticals with 30 years of experience in these fields. He holds a bachelor's degree in arts and is a director on the board of certain of our corporate Promoters, being Valuable Technologies Limited and Valuable Media Limited. Mr. Narendra Hete was a director of our Company from June 14, 2004 to February 18, 2009.

Mr. Narendra Hete holds 134,724 Equity Shares in the Company.

For details of other ventures of our individual Promoters, please see "- *Group Entities*" on page 266 of this Prospectus.

Details of our corporate Promoters

Valuable Technologies Limited

Valuable Technologies Limited ("**Valuable Technologies**") was incorporated on May 19, 2006 under the provisions of the Companies Act, 1956. It is engaged in development and deployment of high technology solutions in the digital cinema space.

Mr. Sanjay Gaikwad and Mr. Narendra Hete are the promoters of Valuable Technologies. There has been no change in the control or management of Valuable Technologies in the three years preceding this Prospectus.

Valuable Technologies holds 3,071,745 Equity Shares in our Company.

Registered office: 53/1, Road No. 7, MIDC, Andheri (East) Mumbai, Maharashtra

Corporate Identity No.: U72200MH2006PLC161881
PAN: AACCV2732P

As of the date of this Prospectus, the equity shares of Valuable Technologies are not listed on any stock exchange.

Shareholding pattern as of March 31, 2015

Shareholders	No. of Shares	% of Shareholding
Equity shares		
Narendra Hete	26,788	7.02
Sanjay Gaikwad	79,673	20.89
Shailaja Gaikwad	21,154	5.55
Ameya Hete	53,229	13.96
Manjiri Hete	9,255	2.43
Aruna Hete	9,255	2.43
Pushpa and Priyanka Karnavat	5,226	1.37
Tushar Agarwal	5,751	1.51
Arun Rangachari	13,549	3.55
Prafulla Vaidya	250	0.07
Rajesh Mishra	250	0.07
Vishnu Patel	300	0.08
Sanjay Chavan	250	0.07
Chauras Satam	100	0.03
Pankaj Jaysingh	100	0.03
Kamalaksha Suvarna	100	0.03
Shankar Gaikwad	80	0.02
Chintan Dave	25	0.01
Vinay Suvarna	25	0.01
Uday Gaikwad	200	0.05
Syed Haroon Rashid	25	0.01
Eros International PLC	27,500	7.21
Dar Investments Limited	13,861	3.63
NR Media and Marketing Private Limited	26,100	6.84
Raaja Kanwar	4,350	1.14
Kapil Agarwal	2,200	0.58
Nifty Portfolio Services Private Limited	5,431	1.42
Nifty Portfolio Services Private Limited*	10,645	2.79
Neha Gaikwad	200	0.05
Advent Fiscal Private Limited	7,530	1.97

Shareholders	No. of Shares	% of Shareholding
Malav Jayant Shah	23,950	6.28
Jayant Hiralal Shah	23,950	6.28
Shilpi Jain	96	0.03
Valuable Destination Private Limited	6,644	1.74
Sharad Sanghi	2,733	0.72
Shyam Sanghi	642	0.17
Total No. of equity shares	**381,417**	**100.00**
Preference Shares		
Nisarg Building Art and Technology Private Limited	1,400,000	81.16
Valuable Ag-Bio Private Limited	325,000	18.84
Total No. of preference shares	**1,725,000**	**100.00**

* Beneficial ownership of these shares is with Aqua Capital

Board of Directors as of the date of this Prospectus

Name of the director	Designation
Sanjay Gaikwad	Managing Director
Narendra Hete	Director
Prafulla Vaidya	Director
Sunil S Patil	Director
Ameya Hete	Director

Financial Information

The financial details of Valuable Technologies Limited, derived from its audited accounts for its past three financial years are as follows:

(Amounts in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	3,814,170	3,814,170	3,771,670
Reserves and Surplus	1,836,547,810	1,927,069,804	1,963,782,410
Total Income	173,172,349	100,075,055	260,172,821
Profit/(Loss) after Tax	(90,521,995)	(121,670,105)	(44,480,726)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(239.94)	(322.59)	(117.93)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(239.94)	(322.59)	(117.93)
Net asset value per share	4,825.07	5,062.39	5,216.66

There are no significant notes of the auditors in relation to the aforementioned financial statements.

The details of the shareholding pattern of the following shareholders of VTL are as stated below:

A. Eros International PLC

As per the filing made with NYSE, the top 15 institutions/ top five insiders/ stakeholders of Class A shares of Eros International PLC, are as follows:

S. No.	Name of shareholder	Number of shares	Percentage (%)
Institutions*			
1.	Capital Research and Management Company (Global Investors)	3,175,000	10.5
2.	IBIS Capital Partners LLP	1,243,000	4.1
3.	Paradice Investment Management LLC	1,852,000	6.1
4.	TIAA-CREF Investment Management LLC	1,531,000	5.1
5.	Temasek Holdings Pte Ltd. (Investment Management)	1,376,000	4.6
6.	Investec Asset Management Ltd.	680,000	2.3
7.	BlackRock Fund Advisors	763,000	2.5
8.	Jupiter Asset Management Ltd.	519,000	1.7
9.	Columbia Management Investment Advisers LLC	723,000	2.4
10.	Teachers Advisors, Inc.	658,000	2.2
11.	Manatuck Hill Partners LLC	354,000	1.2
12.	New Jersey Division of Investment	488,000	1.6
13.	Kingdon Capital Management LLC	380,000	1.3
14.	Fullerton Fund Management Co. Ltd.	3,000,000	9.9
Insiders**			
15.	Deshpande Jyoti	1,940,000	6.4
16.	Beech Investments Ltd.	1,283,000	4.2
17.	Heffernan Andrew	147,000	0.5
18.	Sadhwani Surender	63,000	0.2
19.	Chandra Naresh Rama Kant	36,000	0.1

* Extracted from reports filed with the NYSE on December 31, 2014
** Extracted from reports filed with the NYSE on July 15, 2014

B. Dar Investments Limited

The shareholding pattern of Dar Investments Limited as on March 31, 2015, was:

S. No.	Name of shareholder	Number of shares	Percentage (%)
1.	Arun Rangachari	1	100
Total		**1**	**100.00**

C. NR Media and Marketing Private Limited

The shareholding pattern of NR Media and Marketing Private Limited as on March 31, 2015 was:

S. No.	Name of shareholder	Number of shares	Percentage (%)
1.	Mrs. Rekha Jindal	12,800	80.00
2.	Mr. Nikhil Jindal	100	0.63
3.	Ms. Mitali Jindal	3,001	18.75
4.	Mr. Vijay Gopal Jindal	98	0.61
5.	Mr. Rishi Jindal	1	Negligible
Total		**16,000**	**100.00**

D. Nifty Portfolio Services Private Limited

The shareholding pattern of Nifty Portfolio Services Private Limited as on March 31, 2015, was:

S. No.	Name of shareholder	Number of shares	Percentage (%)
Equity shares			
1.	Mr. Sanjay Shankar Gaikwad	918,000	51.00
2.	Mrs. Shailaja Sanjay Gaikwad	882,000	49.00
Total		**1,800,000**	**100.00**
Preference shares			
1.	Piramal Corporate Services Limited	45,000	75.00
2.	Alpex Holdings Private Limited	15,000	25.00
Total		**60,000**	**100.00**

E. Advent Fiscal Private Limited

The shareholding pattern of Advent Fiscal Private Limited as on March 31, 2015, was:

S. No.	Name of shareholder	Number of shares	Percentage (%)
Equity shares			
1.	Mr. Narendra Hete	918,000	51.00

2.	Mrs. Aruna Hete	882,000	49.00
Total		**1,800,000**	**100.00**
Preference shares			
1.	Piramal Corporate Services Limited	60,000	100.00
Total		**60,000**	**100.00**

F. Valuable Destination Private Limited

The shareholding pattern of Valuable Destination Private Limited as on March 31, 2015, was:

S. No.	Name of shareholder	Number of equity shares	Percentage (%)
1.	Mr. Narendra Hete	25,000	2.49
2.	Mr. Sanjay Shankar Gaikwad	25,000	2.49
3.	Valuable Infra-Tech Private Limited	454,500	45.25
4.	Thurles India Investment Limited	500,000	49.78
Total		**1,004,500**	**100.00**

Valuable Media Limited

Valuable Media Limited ("**Valuable Media**") was incorporated on November 19, 2007 under the provisions of the Companies Act, 1956. Valuable Media is engaged in the film distribution business and delivers, stores and plays movies in private theatres of select audiences.

Mr. Sanjay Gaikwad and Mr. Narendra Hete are the promoters of Valuable Media. There has been no change in the control or management of Valuable Media in the three years preceding this Prospectus.

Valuable Media holds 2,131,782 Equity Shares in our Company.

Registered office: Plot No. 53/1, Road No 7, M.I.D.C. Andheri (East) Mumbai 400093.
Corporate Identity No.: U92200MH2007PLC176018
PAN: AACCV5963G

As of the date of this Prospectus, the equity shares of Valuable Media are not listed on any stock exchange.

Shareholding pattern as on March 31, 2015

Shareholders	No. of equity shares	% of Shareholding
Ameya Hete	48,345	16.12
Sanjay Gaikwad	58,014	19.34
Shailaja Gaikwad	38,676	12.89
Narendra Hete	48,345	16.12
Pushpa and Priyanka Karnavat	4,965	1.66
Tushar Agarwal	4,965	1.66

Shareholders	No. of equity shares	% of Shareholding
Arun Rangachari	17,690	5.90
Dar Capital Limited	79,000	26.33
Total No. of Equity Shares	**300,000**	**100.00**

Board of directors as of the date of this Prospectus

Name of the director	Designation
Ameya Hete	Director
Prafulla Vaidya	Director
Sanjay Gaikwad	Director
Narendra Hete	Whole Time Director
Vidyadhar A Vaishampayan	Director
Arun Rangachari	Director

Financial Information

The financial details of Valuable Media, as derived from its audited accounts for the past three financial years are as follows:

(Amounts in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	3,000,000	3,000,000	3,000,000
Reserves and Surplus	772,972,500	804,460,185	837,380,803
Total Income	55,612,520	43,684,484	28,315,195
Profit/(Loss) after Tax	(31,487,686)	(32,920,618)	(43,174,814)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(104.96)	(109.74)	(143.92)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(104.96)	(109.74)	(143.92)
Net asset value per share	364.00	378.77	394.22

There are no significant notes of the auditors in relation to the aforementioned financial statements.

The shareholding pattern of Dar Capital Limited as on March 31, 2015, is as follows:

Sr. No.	Name of shareholder	Number of shares	Percentage (%)
1.	Mr. Arun Rangachari	300	100.00
	Total	**300**	**100.00**

Apollo International Limited

Apollo International Limited ("**Apollo International**") was incorporated on August 25, 1994 under the provisions of the Companies Act, 1956. Apollo International has ventured into different business segments such as international trading of tyres, various commodities, products and services, manufacturing and export of fashion leather garments, logistics business and digital cinema.

Apollo Finance Limited, holding more than 60% of the share capital of Apollo International, is the promoter of Apollo International. Mr. Raaja Kanwar, holding more than 15% of the equity share capital of Apollo International Limited, is the natural person in control of Apollo International.

There has been no change in the control and no significant change in the management of Apollo International in the three years preceding this Prospectus.

Apollo International holds 2,266,417 Equity Shares in our Company.

Registered office: Office No. 303, Third Floor, DLF Courtyard, Saket, New Delhi- 110017.
Corporate Identity No.: U74899DL1994PLC061080
PAN: AAACA6447N

Shareholding pattern as on March 31, 2015

Shareholders	No. of Equity Shares	% of Shareholding
Apollo Finance Limited	10,150,000	61.52
Mr. Raaja Kanwar	3,462,800	20.98
Mrs. Kamayani Singh Kanwar	200	0.00
Mr. Rakesh Gupta	100	0.00
Mr. Harish Bahadur	100	0.00
Mr. Kewal Krishan Malhotra	100	0.00
Amit Dyechem Private Limited	2,886,700	17.50
Total No. of equity shares	**16,500,000**	**100.00**

Board of Directors as on March 31, 2015:

Name of the director	Designation
Mr. Raaja Kanwar	Vice Chairman and Managing Director
Mr. Naveen Kapur	Whole Time Director
Mr. Vivek Bharati	Independent Director
Mr. Ugar Sain Anand	Independent Director
Mrs. Shivi Mohan Rastogi	Independent Director

Financial Information

The financial details of Apollo International, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹ millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	For the 9 month period ended March 31, 2012
Equity Capital	165.00	165.00	165.00
Reserves and Surplus	1,154.55	962.99	950.50

Total Income	3,406.60	1,300.33	1,554.86
Profit/(Loss) after Tax	191.56	12.50	-108.43
Earnings per share (basic) (₹) (Face Value ₹10/-)	11.61	0.76	-6.57
Earnings per share (diluted) (₹) (Face Value₹10/-)	11.61	0.76	-6.57
Net asset value per share	79.97	68.36	67.61

There are no significant notes of the auditors in relation to the aforementioned financial statements.

The shareholding pattern of Amit Dyechem Private Limited as on March 31, 2015 is as follows*:*

Sr. No.	Name of shareholder	Number of shares	Percentage (%)
1.	Mr. Raaja Kanwar	74,800	99.74
2.	Mr. Harish Bahadur	100	0.13
3.	Mr. Rakesh Gupta	100	0.13
4.	**Total No. of equity shares**	75,000	100.00

The shareholding pattern of Apollo Finance Limited as on March 31, 2015 is as follows:

Sr. No.	Name of shareholder	Number of shares	Percentage (%)
5.	Global Capital Ltd	5246517	24.32
6.	Sayush Consultants & Investment (P) Ltd	2827600	13.10
7.	Osiatic Consultants & Investments (P) Ltd	1462100	06.78
8.	Constructive Finance (P) Ltd	2100100	09.73
9.	Sunrays Properties & Investments Company (P) Ltd	10300	00.05
10.	Kenstar Investments & Finance (P) Ltd	3000	00.01
11.	Kewaldeep Consultants (P) Ltd	9000	00.04
12.	Taru Kanwar	9920000	45.97
13.	**Total No. of equity shares**	21578617	100

I. Other understandings and confirmations

Our Company confirms that the PAN, bank account numbers and passport number of each of its individual Promoters, and the PAN, bank account numbers and corporate identity number of each of its corporate Promoters as well as the address of the Registrar of Companies, where each of its corporate Promoters are registered, will be submitted to the Stock Exchanges at the time of filing this Prospectus with the Stock Exchanges.

Further, our Promoters, Group Entities, and relatives of the Promoters, have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority.

There are no violations of securities laws committed by our Promoters, relatives of our Promoters, Promoter Group or Group Entities in the past or currently pending against them. Further, none of our Promoters or members of our Promoter Group or any company of which they are promoters, directors or persons in control have been debarred, or restricted from accessing the capital markets for any reasons, by SEBI or any other authorities.

II. Interest of our Promoters

1. Interest in promotion of the Company

Our Company is promoted by Mr. Sanjay Gaikwad, Mr. Narendra Hete, Valuable Technologies Limited, Valuable Media Limited and Apollo International, who hold 329,773 Equity Shares, 134,724 Equity Shares, 3,071,745 Equity Shares, 2,131,782 Equity Shares, and 2,266,417 Equity Shares, respectively, as of the date of this Prospectus.

2. Interest in the property of our Company

Our Promoters do not have any interest in any property acquired by our Company within two years from the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

3. Interest as members of the Company

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company and any outstanding ESOPs that may be held by them. For further details in this regard, please refer to "*Capital Structure*" on page 123 of this Prospectus.

4. ***Other interests***

Except as stated in the section on "*Our Promoters and Group Entities- Interest of our Promoters"* beginning on page 264 and "*Our Promoters and Group Entities- Nature and extent of interest of Group Entities*" beginning on page 328 of this Prospectus, our Promoters are not directly or indirectly interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Except as stated in "*Financial Statements*" on page 336 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Company's Directors or our Promoters.

5. Payment of benefits to our Promoters and Promoter Group during the last two years

Other than in the normal course of business, there has been no payment of any amount of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of the Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of the Draft Red Herring Prospectus except as disclosed below. Pursuant to the Investment Agreement, our Company paid an aggregate consideration of ₹ 44.01 million (including a non-compete fee of ₹ 1 million) to VDSPL, Mr.Sanjay Gaikwad and Valuable Technologies for the first tranche, in lieu of the acquisition and subscription to 11,580 equity shares representing 80% of the issued and paid-up equity share capital of VDSPL. Further, the balance 20% of the paid up equity share capital of VDSPL is to be acquired on or before August 31, 2018 at the price determined in terms of the Investment Agrrement. For further details, please see "*Business – Recent Developments –Acquisition of Valuable Digital Screens Private Limited*" and

"*History and Certain Corporate Matters-Material Agreements- Agreements in relation to Valuable Digital Screens Private Limited - Investment agreement in relation to our Company's acquisition of Valuable Digital Screens Private Limited"* on page 186 and 221 of this Prospectus respectively. VDSPL was earlier a Group Entity, Pursuant to the investment in VDSPL, it has become our subsidiary.

(Amounts in ₹)

Nature of Transaction	For the period ended December 31, 2014	For the period ended March 31, 2014	For the period ended March 31, 2013
Advertisement revenue	8,730,452	-	-
Digitisation income	112,360	70,000	-
Expenses reimbursed	6,839,266	11,846,906	8,261,135
Operating direct cost - Other expenses	2,022,829	2,855,235	3,025,965
Purchase of Equipments	-	1,170,938	2,725,000
Rent paid	36,377,102	50,191,112	49,624,692
Security Deposit paid	-	1,680,740	-
Software development charges	2,642,400	3,568,200	5,595,700
Content Processing & Telecine Charges	1,837,002	2,588,000	2,252,999
Virtual Print Fees - Non - DCI (E-Cinema) - Income	269,720	-	-
Technical services (expense)	51,555,233	53,511,112	46,819,561
Remuneration	18,750,000	25,000,000	25,000,000
Consultancy fees & reimbursement of expenses	503,234	555,133	507,269
Sale of Equipments	-	-	2,323,065
Purchase of consumables/stores/spares	2,001,391	-	-
Bank Gaurantee given	10,000,000	-	-
Purchase of Investment	27,000,421	-	-
Other Income	868,201	-	-
Total	**169,509,611**	**153,037,376**	**146,135,386**

III. Disassociation by our Promoters in the last three years from the date of the DRHP

Except as stated below, none of our Promoters have disassociated from any company or firm in the three years preceding the date of the Draft Red Herring Prospectus.

Name of Promoter	Name of entity from which disassociated	Reason for disassociation	Date of disassociation in terms of shareholding
Mr. Narendra Hete	Spadeworx Software Services Private Limited	Sale of shares	July 22, 2013
Mr. Sanjay	Spadeworx Software Services Private	Sale of shares	July 22, 2013

Name of Promoter	Name of entity from which disassociated	Reason for disassociation	Date of disassociation in terms of shareholding
Gaikwad	Limited		
Valuable Technologies	Girikandra Holiday Homes and Resorts Private Limited	Sale of shares by Valuable Destinations Private Limited, a group company of Valuable Technologies Limited	March 31, 2012
Valuable Media Limited	Girikandra Holiday Homes and Resorts Private Limited	Sale of shares by Valuable Destinations Private Limited, a group company of Valuable Media Limited	March 31, 2012
Apollo International	CLS Logistics Private Limited	Apollo Logisolutions Limited, a subsidiary of Apollo International, transferred a majority of its shareholding in CLS Logistics Private Limited as a result of which it ceased to be a subsidiary of Apollo Logisolutions Limited and, therefore, of Apollo International	June 6, 2013

IV. Group Entities

Besides our Company, Subsidiaries, Joint Venture and Associates the following companies, firms, ventures, *etc.* have been promoted by the Promoters, irrespective of whether such entities are covered under the erstwhile Section 370 (1) (B) of the Companies Act, 1956, and form a part of our Group Entities. For details of our Subsidiaries, Joint Venture and Associates, please see the section on "*History and Certain Corporate Matters*" on page 222 of this Prospectus.

Unless otherwise specifically stated, none of the Group Entities described below (i) are listed on any stock exchange; (ii) have completed any public or rights issue since the date of its incorporation; (iii) have become a sick company; (iv) are under winding-up; (v) have become defunct; (vi) have made an application to the relevant registrar of companies in whose jurisdiction such Group Entity is registered, for striking off its name; or (vii) had negative net worth as of the date of their last audited financial statements.

A. Companies promoted by Apollo International

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
1.	Adsal Exim Private Limited	Adsal Exim Private Limited was incorporated on December 15, 2006 under the Companies Act, 1956 Its registered office is situated at Office No.	Adsal Exim Private Limited is a wholly owned subsidiary of Apollo International Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		303, Third Floor, DLF Courtyard, Saket, New Delhi - 110017. The main object of Adsal Exim Private Limited is to carry on the business of general trading, buy-sell, project exports-imports of all types of goods or merchandise of any description	

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo International Ltd.	9,994	99.94
Mr. Rakesh Gupta	1*	0.01
Mr. Pramendra Tomar	1*	0.01
Mr. Pravindra Kumar Agarwal	1*	0.01
Mr. Pradeep Chugh	1*	0.01
Mr. Rahul Agarwal	1*	0.01
Ms. Anju Maan	1*	0.01
Total	10,000	100

* *Beneficial interest in shares held by Apollo International Limited*.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
2.	AF Ferrari Secure Logitech Private Limited	AF Ferrari Secure Logitech Private Limited was incorporated on November 27, 2013 under the Companies Act, 1956 and Companies Act 2013, to the extent applicable. Its registered office is situated at Office No. 303, Third Floor DLF Courtyard, Saket New Delhi - 110017. The main object of the company is to carry all or any of the business of transport, cartage and handling contractors, garage proprietors, owners and charterers of road vehicles, ships and aircrafts of every description, carrying of goods and passengers from place to place by road, rail, water, air animal drawn vehicles and carriage contractors and agents etc.	AF Ferrari Secure Logitech Private Limited is a step-down subsidiary of Apollo International Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
M/s Apollo Fiege Integrated Logistics Private Limited	2,458,500	60.00
M/s MC Rush PTE Limited., Singapore	1,639,000	40.00
Total	4,097,500	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
3.	AL – Fayha Transport (LLC)	AL Fayha Transport LLC was incorporated on December 6, 1988 as a Limited Liability	Apollo International Limited indirectly holds more than 10%

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		Company under the commercial laws of the Sultanate of Oman. Its registered office is situated at PB no 110, Madinat Al Sultan Qaboos, PC-115, way # 7713, Sanayah, Mabelah, Sultanate of Oman. The main object of AL Fayha Transport LLC is engaging in trucking of freight, bulk liquid and equipment, motor vehicle services station, repairing, polishing and painting of motor vehicles, sea freight and coastal water transport overseas.	of paid share capital of AL - Fayha Transport (LLC)

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	105,000	70.00
Khalid Bin Hamed Bin Eissa Al Taie	45,000	30.00
Total	150,000	100.00

4.	ALS (FZE)	ALS (FZE) is a limited liability establishment incorporated and licensed at Sharjah Airport International Free Zone on August 26, 2014 pursuant to Emiri Decree No. 2 of 1995 and is registered with registration number 14196. Its registered office is situated at P.O. Box No. 8317 SAIF – Zone, Sharjah U.A.E. Its main object is carrying on manufacturing, general trading, export/ import and/ or other related activities.	ALS (FZE) is a step-down subsidiary of Apollo International Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo Logisolutions Limited	92	100.00
Total	92	100.00

5.	ALS Container Warehousing Limited	ALS Container Warehousing Limited was incorporated on July 26, 2011 under the Companies Act, 1956. The name of the company was changed from ALS Container Warehousing Private Limited to ALS Container Warehousing Limited. Its registered office is situated at Office No. 303, Third Floor, DLF Courtyard, Saket, New Delhi 110017.	ALS Container Warehousing Limited is a step-down subsidiary of Apollo International Limited.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		Its main object is setting up, running, operating and managing cargo handling terminals such as inland container depot, container freight station, dry ports, logistics centres, etc.	

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo Logisolutions Limited	3,499,994	99.99
Mr. Pramendra Tomar	1*	00.00
Mr. K.G. Gupta	1*	00.00
Mr. Pradeep Chugh	1*	00.00
Mr. Shiv Kumar	1*	00.00
Mr. Pravindra Kumar Agarwal	1*	00.00
Mr.Rahul Agarwal	1*	00.00
Total	3500000	100.00

**Beneficial interest in shares held by Apollo Logisolutions Limited*

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
6.	Apollo Clarion Logistics Consultancy FZCO	Apollo Clarion Logistics Consultancy FZCO, was registered as a Free Zone Company with limited liability pursuant to Law no. 16 of 2005 of Dubai and implementing Regulations issued there under by the Dubai Silicon Oasis Authority and was registered in FZCO records on September 29, 2014. Its registered office is situated at Office No. 1802, Palace Tower, Dubai Silicon Oasis, Dubai U.A.E.. Its main object is engaging in logistics consultancy.	Apollo Clarion Logistics Consultancy FZCO is a step-down subsidiary of Apollo International Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Mr. Kanti Mohan Parashar	1	0
ALS (FZE)	2,855	51
Mr. Kunju Kutty Aniyan Kunju	2,744	49
Total	5,600	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
7.	Apollo- Everest Kool Solutions Private Limited	Apollo-Everest Kool Solutions Private Limited was incorporated on March 13, 2008 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor, DLF Courtyard, Saket, New Delhi-110017.	Apollo-Everest Kool Solutions Private Limited is a step-down subsidiary of Apollo International Limited.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		Its main object is carrying on the business of operating, managing, buying, selling, repairing and maintenance or otherwise dealing in hiring, letting on hire cold stores, freezing, chilling and cooling plants, refrigeration units, refrigerated trucks or any other types of vehicles, *etc.*	

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
ALS Container Warehousing Limited	9,940	99.40
Mr. Rakesh Gupta	10*	0.1
Mr. Pramendra Tomar	10*	0.1
Mr. K.G. Gupta	10*	0.1
Mr. Pradeep Chugh	10*	0.1
Mr. Shiv Kumar	10*	0.1
Ms. Anu Kohli	10*	0.1
Total	10,000	100.00

**Beneficial interest in shares held by ALS Container Warehousing Limited.*

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
8.	Apollo Fiege Integrated Logistics Private Limited	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.
9.	Apollo International FZC, Sharjah	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.
10.	Apollo International Proex Limited	Apollo International Proex Limited was incorporated on May 30, 2014 under the Companies Act, 1956 and Companies Act, 2013, to the extent applicable. Its registered office is situated at Office No. 303, Third Floor DLF Courtyard, Saket New Delhi - 110017. Its main object is carrying on the business of general trading, buy-sell, exports-import and promote of all types of commodities, crops, minerals, products of the chemicals or allied Industries, plastics and articles thereof, rubber and article thereof, raw materials, semi and manufactured products, goods ware, plant, machinery tools, engineering goods, equipment, pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard, paper and paperboard and articles thereof, textile and textile articles, footwear, headgear, *etc.*	Apollo International Proex Limited is a wholly owned subsidiary of Apollo International Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo International Limited	699,994	99.99
Mr. Naveen Kapur*	1*	00.00
Mr. Rakesh Gupta*	1*	00.00
Mr. Tanuj Kumar*	1*	00.00
Mr. K.G. Gupta*	1*	00.00
Mr. Pramendra Tomar*	1*	00.00
Mr. Pradeep Chugh*	1*	00.00
Total	700,000	100.00

**Beneficial interest in shares held by Apollo International Limited*

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
11.	Apollo International Pte. Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
M/s Apollo International FZC, Sharjah	75,000	100.00
Total	75,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
12.	Apollo International Trading LLC, Dubai, U.A.E.	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.
13.	Apollo Logisolutions Limited	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus
14.	Apollo TTG East Africa Limited, Uganda	Apollo TTG East Africa Limited, Uganda was incorporated on April, 23, 2013 under the Companies Act, 1958 of Uganda, with Registration No.165874. Its registered office is situated at Plot No. 209, 6th Street Industrial Area, Kampala, Uganda. Its main object is carrying on and engaging in the business of distribution, wholesale, trading and retailing of auto parts, spare parts, tyres and batteries on its own or in association with any Ugandan or foreign agency, individuals, firm, company or government undertaking either in Uganda or abroad.	Apollo TTG East Africa Limited, Uganda is a step-down subsidiary of Apollo International Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo International FZC	249,500	99.80
Mr. Ashwin Jain	500	00.20
Total	250,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
15.	Apollo TTG East Africa Limited, Kenya	Apollo TTG East Africa Limited, Kenya, was incorporated on August 5, 2014 under the Companies Act (Cap. 486), Kenya. Its registered office is situated at L.R.No. 209/1907, 5th Floor, Avocado Towers, Muthithi Road, P.O. Box 45669, 00100 Nairobi. Its main object is carrying on the business of buying, selling, exchanging, merchanting, exporting, importing, manufacturing and general dealing in all kinds of tyres, tubes, rims and other articles, goods or things of a character similar to or analogous with the foregoing or connected therewith.	Apollo TTG East Africa Limited, Kenya is a step-down subsidiary of Apollo International Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo International (FZC)	20,895	99.50
Mr. Ashwin Jain	105	00.50
Total	21,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
16.	Apollo World Connect Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Kailash Shipping Services Private Limited	49,940	99.88
Mr. Sanjiv Kumar Kothari	10*	0.02
Mr. Pramendra Tomar	10*	0.02
Mr. Pravindra Kumar Agarwal	10*	0.02
Mr. Krishan Gopal Gupta	10*	0.02
Mr. Pradeep Chugh	10*	0.02
Mr.Rahul Agarwal	10*	0.02
Total	50,000	100

Beneficial interest in shares held by Kailash Shipping Services Private Limited.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
17.	Celestial Container Warehousing Private Limited	Celestial Container Warehousing Private Limited was incorporated on October 13, 2011 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor, DLF Courtyard, Saket, New Delhi-110017. Its main object is setting up, running, operating and managing cargo handling terminals such as inland container depot, container freight stations, dry ports, logistics centres etc.	Celestial Container Warehousing Private Limited is a step-down subsidiary of Apollo International Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	**No. of shares**	**Percentage (%)**
ALS Container Warehousing Limited	9,940	99.40
Mr. Pramendra Tomar	10*	0.1
Mr. Pravindra Kumar Agarwal	10*	0.1
Mr. Sanjiv Kothari	10*	0.1
Mr. Shiv Kumar	10*	0.1
Mr. Pradeep Chugh	10*	0.1
Mr. Rahul Agarwal	10*	0.1
Total	10,000	100

**Beneficial interest in shares held by ALS Container Warehousing Limited.*

18.	Clarion Al-Mada Shipping Services CO.(W.L.L.), Kuwait	Clarion Al-Mada Shipping Services Co. - W.L.L. was incorporated under a joint venture agreement, on October 10, 2007 and was converted into a limited liability company under reference No.8835/File 1 on December 28, 2008, which was amended by contract No.5496/File 1 on November 18, 2009 and the company was finally registered through contract No.298/File 1 dated January 16, 2012 The company was registered in the commercial register under Registration No. 330155 on January 15, 2009. Its registered address is at P.O. Box 213 – Farwaniya, Postal code 81013 – Sate of Kuwait. Its main object is engaging in outer passenger, cargo, marine freight, supply vessels, loading and uploading ships, air freight, import, export and commission agent and processing and packaging of goods.	Apollo International Limited indirectly controls Clarion AL-Mada Shipping Services Co. W.L.L. Kuwait

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	49	49
Al Mada Logistics Services Co.	51	51
Total	100	100

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
19.	Clarion International Shipping and Logistics Integrators Limited, Kenya	Clarion International Shipping and Logistics Integrators Limited was incorporated on September 23, 2009 as a Limited Liability Company under the commercial Laws of the Kenya. Its registered office is situated at CRP/2009/11135, TSS Towers 5th Floor Nkrumah Road Po. Box: 85436, GPO Mombasa. The main object of Clarion International Shipping and Logistics Integrators Limited is engaging in freight forwarding, sea freight, air freight and coastal water transport overseas warehousing, general transport and manufacturing.	Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion International Shipping And Logistics Integrators Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	35,000	70.00
Tricomp International Limited.	15,000	30.00
Total	50,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
20.	Clarion Logistics and Travel SPRL, DR. Congo	Clarion Logistics and Travel SPRL, DR. Congo is a Limited Liability Company incorporated on September 21, 2009 under the commercial Laws of the DR. Congo Africa. Its registered office is situated at, DR. Congo Africa. The main object of Clarion Logistics and Travel SPRL, DR. Congo is engaging in, sea freight, air freight, road transport for goods and labour, customs clearance for all kinds of cargo and all types of insurance.	Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion Logistics and Travel SPRL, DR. Congo.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	110,000	55.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Umesh KV	60,000	30.00
	Simon Massaad	15,000	7.50
	Maroun Masaad	15,000	7.50
	Total	200,000	100.00
21.	Clarion Shipping (Ghana) Limited, Ghana	Clarion Shipping (Ghana) Limited was incorporated on April 27, 2011 and is a Limited Liability Company registered under the commercial laws of the Ghana. Its registered office is situated at P.O. Box: 1840, 49, Kofo Abayomi Street, Appa, Lagos, Ghana. The main object of Clarion Shipping (Ghana) Limited is engaging in shipping agency and port handling services, sea and air cargo consolidation, warehousing and distribution services, freight forwarding services.	Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion Shipping (Ghana) Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	75,000	100.00
Total	75,000	100.00

22.	Clarion Logistics (Uganda) Limited, Uganda	Clarion Logistics (Uganda) Limited was incorporated on April 15, 2010 as a limited liability company under the commercial Laws of the Republic of Uganda. Its registered office is situated at PB no 31111, Kampala. The Republic Of Uganda. Its main object entails engaging in sea freight, air freight, road transport for goods and labour, and customs clearance for all kinds of cargo and warehousing.	Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion Logistics (Uganda) Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	75	75.00
Mr. Manoj Srekaanta	15	15.00
Mr. Patrick Kateihwaho.	10	10.00
Total	100	100.00

23.	Clarion Logistics Limited, Nigeria	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC	15,750,000	73.96
Age Facilities & Energy Mgt. Services Limited	5,545,650	26.04
Total	21,295,650	100.00

24.	Clarion Logistics USA, Inc.	Clarion Logistics USA, Inc. was incorporated on July 2, 2005 as a Limited Liability Company under the commercial Laws of the United States of America. Its registered office is situated at 7000 Peachtree, Dunwoody Road, Building 11, Suite 201, Atlanta, Fulton Country, Georgia 30043. Its main object is to conduct the business of shipping.	Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion Logistics USA .Inc

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	100,000	100.00
Total	100,000	100.00

25.	Clarion Shipping and Logistics Limited, Hong Kong	Clarion Shipping and Logistics Limited is a Limited Liability Company incorporated on September 30, 2004 under the commercial laws of Hong Kong. Its registered office is situated at Flat / Rm 1249, 12F Han Fung Centre, 264-298 Castle Peak Road Tsuen Wan, Hong Kong. The main object of Clarion Shipping and Logistics Limited to engage in trucking of freight, bulk liquid and equipment, sea freight and coastal water transport overseas.	Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion Shipping and Logistics Limited, Hong Kong

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	1,350,000	90.00
Cheung Oi Lai Virginia.	150,000	10.00
Total	1500000	100.00

26.	Clarion Shipping and Logistics Saudi Arabia	Clarion Shipping and Logistics Saudi Arabia Limited was incorporated on February 13,	Apollo International Limited indirectly holds more than 10%

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Limited, Saudi Arabia	2006 in Kingdom of Saudi Arabia. Its registered office is situated at P.O. Box. 351000, The Sulaiman Commercial Center 6th Floor, Room No: 613 Al- Batha, Riyadh 11382. Its main object is freight forwarding and land transport.	of paid share capital of Clarion Shipping and Logistics Saudi Arabia Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	2,000,000	100.00
Total	2,000,000	100.00

27.	Clarion Logistics India Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	594,000	99.00
Mr. Kunju Kutty Aniyan Kunju	6000	1.00
Total	600,000	100

28.	Clarion Shipping Services (LLC) Muscat	Clarion Shipping Services L.L.C. was incorporated on November 21, 2000. Clarion Shipping Services L.L.C. is a Limited Liability Company under the commercial Laws of the Sultanate of Oman. Its registered office is situated at PB No 546, PC 131, Hamriya, Sultanate of Oman. The main object of Clarion Shipping Services L.L.C. is being engaged as a shipping agent and providing shipping, clearing and forwarding services.	Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion Shipping Services L.L.C.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	105,700	70.00
Khalid Hamed Issa Al Taie	45,300	30.00
Total	151,000	100.00

29.	Clarion Shipping	Clarion Shipping Services W.L.L. is a	Apollo International Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Services (W.L.L.), Qatar	Limited Liability Company operating under the commercial registration No. 30455 dated April 27, 2005 issued by the Ministry of Economy and Commerce in the State of Qatar. Its registered office is located at P.O.Box No. 6255 Doha, Qatar. The main object of Clarion Shipping Services W.L.L. is freight forwarding and handling goods by air, sea and land.	indirectly controls Clarion Shipping Services (W.L.L.), Qatar.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Clarion Shipping Services LLC, U.A.E.	490	49.00
Abu Issa Trading LLC.	510	51.00
Total	1,000	100.00

30.	Clarion Shipping Services LLC, U.A.E.	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.	For further details, please see "- *Top Five Group Entities in terms of Turnover*" on page 303 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Flag Holding LLC	153	51.00
Apollo Clarion Logistics Consultancy FZCO	147	49.00
Total	300	100.00

31.	Cosmic Investments Limited	Cosmic Investments Limited was incorporated on July 22, 1998 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor, DLF Courtyard, Saket, New Delhi-110017. The main object of the company is to promote the formation and mobilisation of capital, to manage capital saving and investment, to promote all types of instruments, to carry on business of investments and to acquire, invest in, or hold securities of all kinds with limited or unlimited liability.	Cosmic Investments Limited is a subsidiary of Apollo International Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
M/s Apollo International Limited	4,80,001	99.99

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Mr. Rakesh Gupta	1*	00.00
	Mr. Pravindra Kumar Agarwal	1*	00.00
	Mr. K.M. Parashar	1*	00.00
	Mr. Pramendra Tomar	1*	00.00
	Mr. K.G. Gupta	1*	00.00
	Mr. Pradeep Chugh	1*	00.00
	Total	4,80,007	100.00

**Beneficial interest in shares held by Apollo International Limited.*

32.	Encorp E-Service Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shares		
Apollo International Limited	25,99,994	100.00
Mr. Kapil Kumar Agarwal	1*	0.00
Mr. P. S. S. Prasad	1*	0.00
Mr. Rakesh Gupta	1*	0.00
Mr. K. G. Gupta	1*	0.00
Mr. Pramendra Tomar	1*	0.00
Mr. Pradeep Chugh	1*	0.00
Total	26,00,000	100.00
Preference Shares		
Metalrod Limited	140,000	28.58
RCI Industries and Technologies Limited	99,900	20.40
Aseem Buildwell Limited (formerly known as Nakodaji Buildwell Limited)	150,000	30.62
Eeshan Corporation Limited (Formerly known as Shivalik Myco Foods and Industries Limited)	50,000	10.20
Shoveller Infracon Limited (Formerly known as Amarsaria Impex Limited)	50,000	10.20
Total	489,900	100.00

****Beneficial interest in shares held by Apollo International Limited.***

33.	Glassdoor Entertainment Limited	Glassdoor Entertainment Limited was incorporated on February 27, 2007 under the Companies Act, 1956.	Glassdoor Entertainment Limited is a step-down subsidiary of Apollo International Limited.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		Its registered office is situated at Office No. 303, Third Floor DLF Courtyard, Saket New Delhi - 110017. The main object of Glassdoor Entertainment Limited is to carry on the business of production of feature films, television serials, video films, ad-films, documentary films, digital video films, corporate films etc.	

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
ALS Container Warehousing Limited	49,950	99.99
Mr. K. M. Parashar	10*	00.00
Mr. Pramendra Tomar	10*	00.00
Mr. K. G. Gupta	10*	00.00
Mr. Rakesh Gupta	10*	00.00
Mr. Pradeep Chugh	05*	00.00
Mr. Shiv Kumar	05*	00.00
Total	50,000	100.00

Beneficial interest in shares held by ALS Container Warehousing Limited.

34.	Kailash Shipping Services Private Limited	Kailash Shipping Services Private Limited was incorporated on October 25, 1985 under the Companies Act, 1956. Its registered office is situated at No: 23, Rajaji Salai, P.T.Lee Chengalvaraya Naicker Maaligai, II Floor, Chennai, Tamil Nadu - 600001. Its main objects entail carrying on the business of rendering container freight station, customs house agent, warehousing, transportation and allied services.	Kailash Shipping Services Private Limited is a step-down subsidiary of Apollo International Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
M/s Apollo Logisolutions Limited	44,99,994	100.00
Mr. Srisivaprasad Pisipati	1*	0.00
Mr. Ajay Milhotra	1*	0.00
Mr. Pramendra Tomar	1*	0.00
Mr. Pradeep Chugh	1*	0.00
Mr.Ravichandran Ramadass	1*	0.00
Mr. Vijay Kumar Chugh	1*	0.00
Total	45,00,000	100.00

*Beneficial interest in shares held by Apollo Logisolutions Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
35.	Kashipur Infrastructure and Freight Terminal Private Limited	Kashipur Infrastructure and Freight Terminal Private Limited was incorporated on November 11, 2011 under the Companies Act, 1956. Its registered office is situated at 408, Akashdeep Building 26 A, Barakhamba Road New Delhi - 110001. Its main objects entail carrying on the business of providing rail transportation services, road transportation services, sea transportation services, multi-modal logistics solutions, air cargo services, warehousing services, cargo consolidation services, cold chain services, port terminal services, third party logistics and to act as a logistics service provider.	Kashipur Infrastructure and Freight Terminal Private Limited is a step-down subsidiary of Apollo International Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
India Glycols Limited	24,44,993	49.00
Apollo Logisolutions Limited	25,50,000	51.00
Facit Commosales (P) Limited	1	0.00
Mayur Barter (P) Limited	1	0.00
J Boseck & Co. (P) Limited.	1	0.00
JB Commercial Co. (P) Limited.	1	0.00
Ajay Commercial Co. (P) Limited	1	0.00
Uma Shankar Bhartia	1	0.00
Gobind Ram Goenka	1	0.00
Fourcee Infrastructure Equipments Private Limited	5,000	0.10
Total	50,00,000	100.00

36.	Modal Container Services Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo Logisolutions Limited	9,999	99.99
Mr. Rakesh Gupta	1*	00.01
Total	10,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding

***Beneficial interest in shares held by Apollo Logisolutions Limited.**

37.	Vinayak Infosys Private Limited	Vinayak Infosys Private Limited was incorporated on April 23, 1999 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor, DLF Courtyard, Saket, New Delhi-110017. The main object of Vinayak Infosys Private Limited is to carry on the business of assembling, buying, selling, reselling, exchanging, importing, exporting, hiring and to engineer, develop, design, and to act as agents, sub-agents, distributers, representatives, and otherwise deal in all types of computer hardware, computer printers, fax cards, fax machines, telex cards, telex machines, laser printers, data communication equipment, plotters, modems, digitizers, and other peripheral products and articles related thereto.	Vinayak Infosys Private Limited is a step-down subsidiary of Apollo International Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Cosmic Investments Limited	1,49,800	99.87
Mr. Pramendra Tomar	200*	0.13
Total	1,50,000	100.00

***Beneficial interest in shares held by Cosmic Investments Limited**

38.	Trend Container Services Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Apollo Logisolutions Limited	9,999	99.99
Mr. Rakesh Gupta	1*	00.01
Total	10,000	100.00

***Beneficial interest in shares held by Apollo Logisolutions Limited.**

B. Companies promoted by Valuable Group

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
1.	Advent Fiscal Private Limited	Advent Fiscal Private Limited was incorporated on December 19, 1995 under the Companies Act, 1956.	Mr. Narendra Hete has interest in Advent Fiscal Private Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is investing into Valuable Group companies.	

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shares		
Narendra Hete	918,000	51.00
Aruna Hete	882,000	49.00
Total	1,800,000	100.00
Preference Shares		
Piramal Corporate Services Limited	60,000	100.00
Total	60,000	100.00

2.	Asiastar City Holdings Private Limited	Asiastar City Holdings Private Limited was incorporated on June 4, 2009 under the Companies Act, 1956. Its registered office is situated at 602, Centre Point, J.B. Nagar, Andheri-Kurla Road, Andheri-East, Mumbai. Its main object is conducting real estate and infrastructure business.	Mr. Sanjay Gaikwad and Mr. Narendra Hete own more than 10% holding in this company through their group company called Valuable Infra-Tech Private Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Valuable Infra-Tech Private Limited	168,000	30.00
Asiastar City Holdings PTE. Singapore	168,000	30.00
C. S. Balachandran	224,000	40.00
Total	560,000	100.00

3.	Blue Martini Private Limited	Blue Martini Private Limited was incorporated on March 19, 2012 under the Companies Act, 1956. Its registered office is situated at 1/1 Daryavihar Union Park, Off Carter Road Khar West, Mumbai. Its main object is engaging in the real estate and infrastructure business.	Mr. Narendra Hete owns more than 10% holding in this company through their trust called Valuable Family Trust

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Sunil Shamrao Patil	3,500	35.00
	Valuable Family Trust (nominee Narendra Hete)	4,500	45.00
	Tushar Agarwal	2,000	20.00
	Total	10000	100.00
4.	Dusane Infotech (India) Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus

Shareholding pattern as on March 31, 2015

Name of shareholder	**No. of shares**	**Percentage (%)**
Equity Share Capital		
Niranjan Dusane	5,000	10.31
Sonia Dusane	5,000	10.31
Shailaja Gaikwad	6,388	13.17
Manjiri Hete	3,194	6.59
Narendra Here	3,194	6.59
Valuable Technologies Ltd	21,900	45.15
Narendra Karnavat	329	0.68
Reena Agarwal	329	0.68
Arun Rangachari	1,166	2.40
Saajan Nair	2,000	4.12
Total Equity shareholding	48,500	100.00
Preference Share Capital		
Valuable Technologies Ltd	222,500	100.00
Total Preference Shareholding	222,500	100.00

5.	Crown Infotainment Limited	Crown Infotainment Limited was incorporated on July 23, 2001 under the Companies Act, 1956. Its registered office is situated at 602, Centre Point, J.B. Nagar, Andheri-Kurla Road, Andheri-East, Mumbai. Its main objects entail distribution of different types of media rights.	Mr.Sanjay Gaikwad and Mr. Narendra Hete own more than 10% holding in this company through their group company called Valuable Infra-Tech Private Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	**No. of shares**	**Percentage (%)**
Advent Fiscal Private Limited	18,999	18.999
Nifty Portfolio Services Private Limited	18,999	18.999
Valuable Infra-Tech Private Limited	60,000	60.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Tushar Agarwal	500	0.50
	Narendra Karnavat	500	0.50
	Sanjay Gaikwad	1	0.00
	Narendra Hete	1	0.00
	Mr. & Mrs. Kapil Agarwal	1,000	1.00
	Total	100,000	100.00
6.	Cway Builders and Developers Private Limited	Cway Builders and Developers Private Limited was incorporated on December 1, 2009 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is engaging in the real estate and infrastructure businesses.	Mr. Narendra Hete owns more than 10% holding in Cway Builders and Developers Private Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Narendra Hete	5,000	50.00
Prafulla Vaidya	5,000	50.00
Total	10,000	100.00

7.	Dima E – Solutions Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity shareholders		
Selvakumar Jawahar	5,500	10.84
Valuable Media Ltd	40,000	78.82
Chandrashekha Machindranath Gite	750	1.48
Rehan Khan	750	1.48
Prashant Tukaram Dhumal	750	1.48
Madhavendra Sharma	750	1.48
Amol Natekar	750	1.48
Ravindra Athare	750	1.48
Pulin Agarwal	750	1.48
Total equity shareholding	50,750	100.00
Preference shareholders		
Valuable Media Ltd	19,600	100.00
Total preference shareholding	19,600	100.00

8.	Gananath	Gananath Developers Private Limited was	Mr. Narendra Hete and Mr.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Developers Private Limited	incorporated on June 29, 2007 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is in the real estate and infrastructure businesses.	Sanjay Gaikwad own more than 10% holding in Gananath Developers Private Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shareholders		
Narendra Hete	3350	33.50
Sanjay Gaikwad	3350	33.50
Geetanjali Jagtap	3300	33.00
Total	10000	100.00
Preference Shareholders		
Valuable Infrastructure Private Limited	35,000	100.00
Total	35,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
9.	Goldencrest Financial Services Private Limited	Goldencrest Financial Services Private Limited was incorporated on March 3, 1993 under the Companies Act, 1956. Its registered office is situated at 602, Centre Point, J.B. Nagar, Andheri-Kurla Road, Andheri-East, Mumbai. This company is registered as a NBFC with Reserve Bank of India and this company does lending to different ventures and charges interest on that fund.	Mr. Sanjay Gaikwad and Mr. Narendra Hete own more than 10% holding in this company through their group company called Advent Fiscal Private Limited and Nifty Portfolio Services Private Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Ameya N. Hete	126,000	6.00
Sanjay S. Gaikwad	126,000	6.00
Advent Fiscal Private Limited	1,000,000	44.00
Nifty Portfolio Services Private Limited	1,000,000	44.00
Total	2,252,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
10.	Impact Media Exchange Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	Valuable Technologies Limited has more than 10% in the Equity Capital of Impact Media Exchange Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shareholders		
Ameya Hete	15,378	8.75
Sanjay Gaikwad	18,454	10.50
Valuable Technologies Ltd	105,450	60.00
Shailaja Gaikwad	12,302	7.00
Narendra Hete	15,378	8.75
Narnedra Karnavat	1,582	0.90
Tushar Agarwal	1,582	0.90
Arun Rangachari	5,624	3.20
Total	175,750	100.00
Preference Shareholder		
Valuable Technologies Ltd	100,000	100.00
Total preference shares	100,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
11.	Infinity Systems Inc.	Infinity Systems Inc. was incorporated on May 16, 2007 under the law of British Virgin Island. Its registered office is situated at 263 Main Street, P O Box 2196 Road Town, Tortola, British Virgin Islands. Its main object is real estate and infrastructure business through direct investment and indirect investment in such companies.	Mr.Sanjay Gaikwad owns more than 10% holding in this company.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Sanjay Gaikwad	765	51.00
Shailaja Gaikwad	735	49.00
Total	1,500	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
12.	Lynx Developers Private Limited	Lynx Developers Private Limited was incorporated on March 20, 2013 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is engaging in the real estate and infrastructure businesses.	Mr. Narendra Hete and Mr. Sanjay Gaikwad own more than 10% in the equity capital of this company.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Narendra Hete	5,000	50.00
	Sanjay Gaikwad	5,000	50.00
	Total	10,000	100.00
13.	M5 Media Investments Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Valuable Infrastructure Private Limited	5,000	50.00
N.R. Media Marketing Private Limited	5,000	50.00
Total	10,000	100.00

14.	Nifty Portfolio Services Private Limited	Nifty Portfolio Services Private Limited was incorporated on December 19, 1995 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is engaging in the business of investment and finance.	Mr.Sanjay Gaikwad has interest in Nifty Portfolio Services Private Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shareholders		
Sanjay Gaikwad	918,000	51.00
Shailaja Gaikwad	882,000	49.00
Total equity shares	1,800,000	100.00
Preference Shareholders		
Piramal Corporate Services Limited	45,000	75.00
Alpex Holdings Private Limited	15,000	25.00
Total preference shares	60,000	100.00

15.	Nisarg Building Art and Technology Private Limited	Nisarg Building Art and Technology Private Limited was incorporated on June 28, 2007 under the Companies Act, 1956. Mumbai. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East),	Mr.Sanjay Gaikwad and Mr.Narendra Hete have interest in Nisarg Building Art and Technology Private Limited through their group company called Valuable Infra-Tech Private Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		Mumbai. Its main object is engaging in the real estate and infrastructure businesses.	

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Valuable Infra-Tech Private Limited	95,500	47.75
Naksh Land Developers Private Limited	31,750	15.88
Pushpa and Priyanka Karnavat	4,500	2.25
Tushar Agarwal	4,500	2.25
DAR Nisarg Limited	47,750	23.88
G04 Travel.com Private Limited	10,000	5.00
Florance Distributor Private Limited	6,000	3.00
Total	200,000	100

16.	Omniscient Consultancy Services Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Sanjay Gaikwad	3350	33.50
Masood Babar Zaidi	3350	33.50
Narendra Hete	3300	33.00
Total	10,000	100

17.	Qwik Entertainment India Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shareholders		
Sanjay Gaikwad	100,000	9.21
Narendra Hete	45,000	4.14
Advent Fiscal Private Limited	315,000	29.01
Name of shareholder	**No. of shares**	**Percentage (%)**
Nifty Portfolio Services Private Limited	315,000	29.01
Shailaja Gaikwad	77,500	7.14
Aruna Hete	43,750	4.03
Ameya Hete	45,000	4.14
Manjiri Hete	43,750	4.03

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Glance Capital Advisors LLP	45,000	4.14
	Vivek Rane	2,500	0.23
	Krishnakant Bobhate	2,500	0.23
	Prasad Mahadkar	2,500	0.23
	Karan Multimedia P Ltd	10,000	0.92
	Sainath Ramanathan	5,000	0.46
	Sharad Sanghi	10,345	0.95
	Narendra Karnavat & Vaibhav Karnavat	1,306	0.12
	Tushar Agarwal& Reena Agarwal	1,306	0.12
	Reena Agarwal & Tushar Agarwal	2,611	0.24
	Neelam Kumari Gupta	2,500	0.23
	Cranganore Sangameshwaran Balachandran	2,500	0.23
	Ulhas Potnis	1,930	0.18
	Ishwar Shandilya	1,474	0.14
	Sanjay Peer	421	0.04
	Prafulla Vaidya	7,898	0.73
	Sharad Kalmegh	860	0.08
	Total equity shares	**1,085,651**	**100.00**
	Preference Shareholders		
	Optionally Convertible Preference Shares		
	Name of shareholder	**No. of shares**	**Percentage (%)**
	Sharad Sanghi	600,010	63.17
	Salasar Silk Mills Private Limited	49,996	5.26
	Florence Distributors Private Limited	99,992	10.53
	Anurag Commercials Private Limited	149,988	15.79
	Sharad Kalmegh	49,880	5.25
	Total optionally convertible preference shares	**949,866**	**100.00**
	9% Non-Cumulative Redeemable Preference Shares		
	Valuable Destinations Pvt Ltd	1,244,160	70.38
	Valuable Infotainment Pvt Ltd	45,000	02.55
	Name of shareholder	**No. of shares**	**Percentage (%)**
	Valuable Technologies Ltd	281,000	15.89
	Valuable Infra-Tech Pvt Ltd	20,000	01.13
	Valuable Innovations Pvt Ltd	80,000	04.53
	Sharad Wamanrao	97,500	05.52

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Kalmegh		
	Total 9% Non-Cumulative Redeemable Preference Shares	**1,767,660**	**100.00**
18.	Square1 Global Inc.	Square1 Global Inc. was incorporated on May 16, 2007 under Law of British Virgin Islands. Its registered office is situated at 263 Main Street, P O Box 2196 Road Town, Tortola, British Virgin Islands. Its main object is engaging in the real estate and infrastructure businesses through direct investment and indirect investment in such companies.	Mr.Narendra Hete owns more than 10% in Square 1 Global Inc.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Narendra Hete	765	51.00
Aruna Hete	735	49.00
Total	1,500	100.00

19.	Systemax Technology Private Limited	Systemax Technology Private Limited was incorporated on June 4, 2010 under the Companies Act, 1956. Its registered office is situated at 602, Centre Point, J.B. Nagar, Andheri-Kurla Road, Andheri-East, Mumbai. Its main object is development and deployment of high technology solutions.	Mr.Narendra Hete owns more than 10% in the equity capital of Systemax Technology Private Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Narendra Hete	5,000	50.00
Prafulla Vaidya	5,000	50.00
Total	10,000	100.00

20.	Sky N Land Video Networks Private Limited	Sky N Land Video Networks Private Limited was incorporated on March 31, 2007 under the Companies Act, 1956. Its registered office is situated at 2nd Floor (North Side), Block B 2, Phase I, Nirlon Knowledge Park, Goregaon (East), Mumbai. Its main object is development of high end software for digital cinema content.	Valuable Technologies Limited owns more than 10% in the equity capital of Sky N Land Video Networks Private Limited.

Shareholding pattern as on March 31, 2015

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Name of shareholder	**No. of shares**	**Percentage (%)**
	Valuable Technologies Limited	3,670,800	99.00
	Mohan Tambe	30,000	1.00
	Total	3,700,800	100.00
21.	Spadeworx Software Services private Limited	Spadeworx Software Services Private Limited was incorporated on March 31, 2007 under the Companies Act 1956. Its registered office is situated at 2nd Floor (North Side), Block B 2, Phase I, Nirlon Knowledge Park, Goregaon (East), Mumbai. The object of Spadeworx Software Services Private Limited is providing customized solutions and specializing in software product lifecycle services.	Valuable Technologies Limited owns more than 10% in the equity share capital of Spadeworx Software Services Private Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity shares		
Mandar Vaman Bhagwat	3,300	0.73
Mandar Vaman Bhagwat	50,700	11.27
Anilkumar Nimba Pagar	3,400	0.76
Anilkumar Nimba Pagar	50,600	11.24
Jitendra Wase	3,300	0.73
Jitendra Wase	38,700	8.60
Narendra Karnavat	2,430	0.54
Arun Rangachari	480	0.11
Arun Rangachari	8,160	1.81
Valuable Technologies Limited	138,930	30.87
Icon	150,000	33.33
Total equity shares	450,000	100.00
Preference shares		
Valuable Technologies Limited	407,763	46.94
Icon	352,887	40.62
Mandar Vaman Bhagwat	36,000	4.14
Anilkumar Nimba Pagar	39,000	4.49
Jitendra Wase	33,000	3.80
Total preference shares	868,650	100.00

22.	Titbit Interactive Systems Private	For further details, please see "- *Group Entities with negative net worth*" on page	For further details, please see "- *Group Entities with*

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Limited	310 of this Prospectus.	*negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	**No. of shares**	**Percentage (%)**
Ameya Hete	8,000	80.00
Kaustubh Cholkar	2,000	20.00
Total	10,000	100.00
Preference shares		
Naksh Land Developers Private Limited	65,000	5.68
Advent Fiscal Pvt Ltd	1,080,000	94.32
Total Preference Shares	1,145,000	100

23.	V2 Infrastructure Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	**No. of shares**	**Percentage (%)**
Valuable Media Limited	7,500	25.00
Opes Ventures & Consultant Private Limited	2,500	8.33
Valuable Infrastructure Private Limited	20,000	66.67
Total	30,000	100.00

24.	Valuable Advertising Networks Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	**No. of shares**	**Percentage (%)**
Valuable Technologies Limited	9,999	99.99
Sanjay Gaikwad & Valuable Technologies Limited	1	0.01
Total	10,000	100.00

25.	Valuable Ag-Bio Private Limited	Valuable AG- Bio Private Limited was incorporated on March 13, 2008 under the Companies Act 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near	Mr.Narendra Hete and Mr.Sanjay Gaikwad own more than 10% holding in Valuable Ag-Bio Private Limited through their group company called Valuable Infra-Tech

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		Akruti Trade Centre, Andheri (East), Mumbai. The object of the company involves agriculture and agro-ecology-tourism and agricultural research and tourism.	Private Limited (Valuable Infra-Tech Private Limited holds 63.67% equity shares capital In Valuable Infra-tech, Mr.Narendra Hete holds 26% and Mr.Sanjay Gaikwad Holds 38% equity share capital)

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Valuable Infra-Tech Private Limited	63,670	63.67
Pushpa and Priyanka Karnavat	2,250	2.25
Tushar Agarwal	2,250	2.25
Dar Ventures Limited	31,830	31.83
Total	100,000	100.00

26.	Valuable Design Studio Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Sanjay Gaikwad	5,000	50.00
Ameya Hete	5,000	50.00
Total	10,000	100.00

27.	Valuable Destination Private Limited	Valuable Destination Private Limited was incorporated on May 16, 2007 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is engaging in the real estate and infrastructure businesses through direct investment and indirect investment in such companies.	Mr.Sanjay Gaikwad and Mr.Narendra Hete own more than 10% holding in Valuable Destination Private Limited through their group company called Valuable Infra-Tech Private Limited (Valuable Infra-Tech Private Limited holds 60% equity shares capital, In Valuable Infra-Tech, Mr.Narendra Hete holds 26% and Mr.Sanjay Gaikwad holds 38% equity share capital)

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Narendra Hete	25,000	2.49
Sanjay Gaikwad	25,000	2.49
Valuable Infra-Tech Private Limited	454,500	45.25
Thurles India Investment Ltd	500,000	49.78
Total	1,004,500	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
28.	Valuable Edutainment Private Limited	Valuable Edutainment Private Limited was incorporated on November 28, 2007 under the Companies Act 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Nr. Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail development of innovative distance learning solutions.	Promoter Mr.Sanjay Gaikwad own more than 10% holding in Valuable Edutainment Private Ltd

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Sanjay Gaikwad	5,000	50 .00
Ameya Hete	5,000	50.00
Total	10,000	100.00

29.	Valuable Energy Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Narendra Hete	5000	50 .00
Sanjay Gaikwad	5000	50 .00
Total	10000	100.00

30.	Valuable Impressions Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Valuable Technologies Limited	30,000	60.00
Image Engineering Private Limited	20,000	40.00
Total	50,000	100.00

31.	Valuable Infotainment Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Valuable Media Limited	75,000	33.08
NR Media & Marketing Private Limited	25,000	0.42
Total	100,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
32.	Valuable Infrastructure Private Limited	Valuable Infrastructure Private Limited was incorporated on May 24, 2006 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail engaging in the real estate and infrastructure businesses.	Mr.Sanjay Gaikwad has interest through a group company called Ve-Comm Software Services Private Limited (VeComm Software Private Limited holds 90% Equity Share Capital of Valuable Infrastructure Private Limited and Mr.Sanjay Gaikwad Holds 50% Equity Shares in Ve-Comm Software Private Ltd)

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Shailaja Gaikwad	5,000	5.00
Aruna Hete	5,000	5.00
Ve-Comm Softwares Private Limited	90,000	90.00
Total	100,000	100

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
33.	Valuable Infra-Tech Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity shares		
Narendra Hete	27,500	26.26
Sanjay Gaikwad	40,000	38.20
Shailaja Gaikwad	10,000	9.55
Ameya Hete	12,500	11.94
Aruna Hete	5,000	4.78
Manjiri Hete	5,000	4.78
Tushar Agarwal	4,712	4.50
Total equity shares	104,712	100.00
Preference shares		
Valuable Infrastructure Private Limited	504,000	24.84
Advent Fiscal Private Limited	250,000	12.32
Nifty Portfolio Services Private Limited	450,000	22.18
Valuable Innovations Private Limited	650,000	32.04
Florance Distributors Private Limited	250,00	1.23
Salasar Silk Mills Private Limited	100,000	4.93
Snowcem Traders Private Limited	500,00	2.46
Total preference	2,029,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	shares		
34.	Valuable Innovations Private Limited	Valuable Innovations Private Limited was incorporated on November 28, 2011 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail engaging in the advertisement business.	Mr.Sanjay Gaikwad and Mr.Narendra Hete have interest in Valuable Innovations Private Limited through their group company called Advent Fiscal Private Limited and Nifty Portfolio Services Private Limited

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Ameya Hete	5,000	0.90
Sanjay Gaikwad	5,000	0.90
Advent Fiscal Private Limited	120,000	21.54
Nifty Portfolio Services Private Limited	120,000	21.54
Advent Fiscal Private Limited	150,000	26.93
Nifty Portfolio Services Private Limited	150,000	26.93
EROS International PLC	7,100	1.27
Total	557,100	100.00

35.	Valuable Reserves India Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Ameya Hete	10	1.00
Clement Ventures	280	28.00
Narendra Hete	290	29.00
Sanjay Gaikwad	290	29.00
Masood Zaidi	130	13.00
Total	1,000	100.00

36.	Valuable Technologies Inc.	Valuable Technologies Inc. was incorporated on May 08, 2008 under the Delaware General Corporation Law. Its registered office is situated at 259-263, Goffle Road, Hawthorne, NJ., 07506. The object of this company is to provide a low-cost on-demand high definition video on	Mr.Sanjay Gaikwad and Mr.Narendra Hete own more than 10% holding in Venera Technologies Private Limited through their group company called Valuable Innovations Private Limited

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
		demand service for the US Hospitality sector to enhance the entertainment options available to their guests.	

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Valuable Technologies Limited	4,60,400	69.72
Sanjay Gaikwad	36,529	5.53
Shailaja Gaikwad	35,096	5.31
Infinity Systems Inc	23,875	3.62
Narendra Hete	18,265	2.77
Aruna Hete	17,548	2.66
Ameya Hete	18,264	2.77
Manjiri Hete	17,548	2.66
Square1 Global Inc	23,875	3.62
Pushpa Narendra Karnavat	4,500	0.68
Tushar Agarwal	4,500	0.68
Total	6,60,400	100.00

37.	Ve-Comm Software Private Limited	Ve-Comm Software Private Limited was incorporated on October 6, 2014 under the Companies Act 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Nr. Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail carrying out the technology and software related businesses.	Promoter Mr.Sanjay Gaikwad and Mr.Narendra Hete own more than 10% holding in this company.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shareholders		
Ameya Hete	3,000	30.00
Aruna Hete	1,000	10.00
Manjiri Hete	1,000	10.00
Sanjay Gaikwad	5,000	50.00
Total	10,000	100.00
Preference Shareholder		
Valuable Infrastructure Private Limited	62,000	100.00
Total	62,000	100.00

38.	Venera Technologies Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Vikas Singhal	12,209	16.48
Sourav Choudhary	12,559	16.95
Rajarshi Mukhopadhyay	3,000	4.05
Deepak Sharma	13,959	18.84
Shekhar Madnani	5,123	6.91
Bharat Soni	1,750	2.36
Jonaki B Ghosh	1,250	1.69
Soumen Chouwdhary	1,400	1.89
Valuable Innovation Private Limited	22,843	30.83
Total	74,093	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
39.	Vspark Hotels Private Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Narendra Hete	5,000	50.00
Prafulla Vaidya	5,000	50.00
Total	10,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
40.	VT Entertainment Parks Limited	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Narendra Hete	5,000	50.00
Sanjay Gaikwad	5,000	50.00
Total	10,000	100.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
41.	Zeus Entertainment Private Limited	Zeus Entertainment Private Limited was incorporated on November 21, 2011 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail engaging in the real estate and infrastructure business through direct investment and indirect investment in such companies.	Mr.Narendra Hete owns more than 10% holding in Zeus Entertainment Private Limited.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Sunil Shamrao Patil	5,000	50.00

Sr. No.	Group Entity	Brief Description	Interest of the Promoters in terms of shareholding
	Narendra Hete	4,990	49.90
	Narendra Arora	10	0.10
	Total	10,000	100.00
42.	Magikwand Media Private Limited	For further details, please see "- Group Entities with negative net worth" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus.

Shareholding pattern as on March 31, 2015

Name of shareholder	No. of shares	Percentage (%)
Equity Shares		
Valuable Media Private Limited	5,00,000	42.78
Zara Buildcon Private Limited	2,70,000	23.10
Mr. P.S. S. Prasad	25,000	2.14
Mr. Rakesh Gupta	25,000	2.14
Mr. Vivek Rangachari	62,500	5.35
Aditya Prakash Entertainment Private Limited.	1,06,300	9.09
Ms. Priti Singla	90,000	7.70
Ms. Monika Singla	90,000	7.70
Total	11,68,800	100.00
Preference Shares		
Valuable Media Private Limited	4,50,000	52.17
Zara Buildcon Private Limited	43,000	4.99
Mr. Kapil Agarwal	1,62,000	18.78
Mr. P.S. S. Prasad	22,500	2.61
Mr. Vivek Rangachari	62,500	7.25
Aditya Prakash Entertainment Private Limited	1,00,078	11.60
Mr. Rakesh Gupta	22,500	2.61
Total	8,62,578	100

C. Partnership firms promoted by Valuable Group

Sr. No.	Group Entity	Brief Description	Interest of the Promoters
1.	Aqua Capital	Aqua Capital was constituted as a partnership under the Indian Partnership Act 1932. The partnership registration number is applied for. The office of the partnership is situated at 602, Centre Point, J.B. Nagar, Andheri Kurla Road, Andheri (East),	Mr. Narendra Hete and Mr. Sanjay Gaikwad have a share of more than 10% in Aqua Capital.

Sr. No.	Group Entity	Brief Description	Interest of the Promoters
		Mumbai- 400059. Aqua Capital is engaged in the business of commission agents, selling agents, financiers, dealers in all kind of commodities, investment in shares, moveable and immoveable properties.	

The partners of Aqua Capital are as follows:

Name of Partners	Partner's Sharing Ratio
Advent Fiscal Private Limited	50%
Nifty Portfolio Services Private Limited	50%

2.	Jeevangani Films	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus	For further details, please see "- *Group Entities with negative net worth*" on page 310 of this Prospectus

The partners of Jeevangani Films are as follows:

Name of Partners	Partner's Sharing Ratio
Manjiri Hete	33.33%
Shailaja Gaikwad	33.33%
Prashant Mahadkar	33.34%

3.	Media Infotek Park	Media Infotek Park was constituted as a partnership under applicable laws. Its office is situated at 602, Centre Point, J.B.Nagar, Andheri Kurla Road, Andheri (East), Mumbai- 400059. Media Infotek Park is engaged in the business of trading and investment in shares, securities, derivatives, investment in mutual funds, financing business, giving the premises on leave and license.	Mr.Sanjay Gaikwad and Mr.Narendra Hete have a share of more than 10% in this firm through relatives

The partners of Media Infotek Park are as follows:

Name of Partners	Partner's Sharing Ratio
Shailaja Gaikwad	40%
Aruna Hete	40%
Manijiri Hete	10%
Sanjay Gaikwad – HUF	10%

D. Trusts promoted by Valuable Group

Sr. No.	Group Entity	Brief Description	Interest of the Promoters
1.	Valuable Family Trust	Valuable Family Trust was constituted as a trust under applicable laws and the trust registration number is applied for. Its office is situated at 602, Centre Point, J. B. Nagar, Andheri Kurla Road, Andheri (East), Mumbai- 400059. The objects of Valuable Family Trust entail empowering people to lead a better life through promotion of entrepreneurship, education, vedic science and sports, improving healthcare and environment.	Mr.Sanjay Gaikwad and Mr.Narendra have promoted Valuable Family Trust
2.	Valuable Life Foundation	Valuable Life Foundation was constituted as a trust under applicable laws. Its office is situated at 602, Centre Point, J.B.Nagar, Andheri Kurla Road, Andheri (East), Mumbai- 400059. The objects of Valuable Life Foundation entail promotion of entrepreneurship, education and sports, improving healthcare and environment.	Mr.Narendra Hete and Mr.Sanjay Gaikwad have promoted Valuable Life Foundation.
3.	Valuable Sporting Club	Valuable Sporting Club was constituted as a trust on January 28, 2010, and is registered with registration number E5770 Its office is situated at 5th Floor, Sambhav IT Park, Plot No.B-5, MIDC, Thane. The objects of Valuable Sporting Club entail promotion, organisation, management and sponsor of various outdoor and indoor games.	Mr.Narendra Hete has promoted Valuable Sporting Club.

Top Five Group Entities in terms of Turnover

1. Apollo International FZC

Corporate information

Apollo International FZC was incorporated on September 4, 2002 under Emiri Decree Law No. 2 of 1995. Its registered office is situated at Office No. Z1/68, Executive Suit, 5th Floor, P.O. Box 8602, Sharjah Airport International Free Zone, Sharjah, U.A.E.
Its main object is general trading and all other accessories and activities as are incidental and related or necessary to general trading business.

Shareholding pattern

The shareholding pattern as on March 31, 2015 is as follows:

S.No.	Name of the Shareholder	No. of Shares	Face Value per share (AED.)	Amount (AED.)	% of Shares	Type of Share
1	Apollo International Limited	1,098	1,000	10,98,000	99.82	Equity
2	Mr. Kanti Mohan Parashar	2	1,000	2,000	0.18	Equity
	Total	1,100		11,00,000	100.00	

Board of Directors

The board of directors of Apollo International FZC as on March 31, 2015 is as follows:

Name of the director	Position
Apollo International Limited	Director
Mr. Kanti Mohan Parashar	Director

Interests of the Promoters in terms of shareholding

Apollo International FZC is a subsidiary of Apollo International Limited

Financial Performance

Brief financial details of Apollo International FZC Sharjah, derived from its audited accounts for the past three financial years are as follows:

(*Figures in million except share data*)

Particulars	March 31, 2014 (AED)	March 31, 2014 (₹)	March 31, 2013 (AED)	March 31, 2013 (₹)	March 31, 2012 (AED)	March 31, 2012 (₹)
Equity Capital	1.10	17.89	1.10	16.26	1.10	15.24

Reserve Surplus	74.39	1,209.51	66.93	989.28	63.56	880.33
Total Income / Revenue	270.05	4,391.09	289.65	4,281.01	406.76	5,633.58
Profit/(Loss) after Tax	11.13	181.00	10.72	158.41	5.89	81.52
Earning per share (basic)/(Face Value)	10,119.45	1,64,542.21	9,743.61	1,44,010.62	5,351.00	74,111.30
Earning per share (Diluted)/(Face Value)	10,119.45	1,64,542.21	9,743.61	1,44,010.62	5,351.00	74,111.30
Net asset value per share	68,623.18	11,15,812.89	61,848.91	9,14,126.85	58,783.48	8,14,151.16

1. The figures presented in AED are converted into INR at the prevailing exchange rates at the respective Balance Sheet date.

2. In 2014 an amount of AED 3.68 million is paid as dividend for the year 2013 out of retained earnings of previous years.

3. In 2013 an amount of AED 7.34 million was paid as dividend.

Sufficient appropriate audit evidence to ascertain the existence and impairment of unquoted investments available for the sale of AED 22.64 million could not be obtained.

2. Clarion Shipping Services LLC., U.A.E

Corporate information

Clarion Shipping Services L.L.C was incorporated on January 3, 1996 as a Limited Liability Company (LLC) in the Emirate of Dubai in compliance with the Commercial Companies Law No (8) of 1988 as amended by Law No. 13 of 1988, and the Ministerial Decrees. Its registered office is situated at P.O. Box 43030 Dubai, U.A.E.
Its main objects entail sea cargo shipping and forwarding, cargo clearing, packaging, ship chartering and operating, tug chartering and operating.

Shareholding pattern

The shareholding pattern as on March 31, 2015 is as follows:

S.No.	**Name of the Shareholder**	**No. of Shares**	**Face Value per share (AED)**	**Amount (AED)**	**% of Shares**	**Type of Share**
1.	Flag Holding LLC	153	1000	153,000	51%	Equity
2.	Apollo Clarion Logistics Consultancy FZCO	147	1000	147,000	49%	Equity

	Total			300,000	100.00	

Board of Directors

The board of directors of Clarion Shipping Services LLC. U.A.E. as on March 31, 2015 is as follows:

Name of the director	Position
Mr. Kunju Kutty Aniyan Kutty	Director
Mr.Ashwin Jain	Director
Mr. Kanti Mohan Parashar	Director

Interests of the Promoters in terms of shareholding

Apollo International Limited indirectly holds more than 10% of the paid share capital of Clarion Shipping Services LLC. U.A.E.

Financial Performance

Brief financial details of Clarion Shipping Services LLC. U.A.E., Dubai, derived from its audited accounts for the past three financial years are as follows:

(Amount in millions except per share data)

Particulars	Year ended Dec 31, 2013	Year ended Dec 31, 2013	Year ended Dec 31, 2012	Year ended Dec 31, 2012	Year ended Dec 31, 2011	Year ended Dec 31, 2011
	AED	₹	AED	₹	AED	₹
Equity Capital	0.30	5.05	0.30	4.48	0.30	4.34
Reserves and Surplus	67.85	1,142.59	62.30	930.14	55.19	797.50
Total Income	141.96	2,390.61	120.34	1,796.68	101.94	1,473.03
Profit/(Loss) after Tax	4.71	79.32	7.12	106.30	7.05	101.87
Earnings per share (basic) (Face Value AED 1000/- each)	15,700	264,388	23,733	354,339	23,500	339,575
Earnings per share (diluted) (Face Value AED 1000/- each)	15,700	264,388	23,733	354,339	23,500	339,575
Net asset value per share	201,067	3,385,963	208,667	3,115,393	184,967	2,672,768

Note:-The audited Figures presented in AED are converted into INR at the prevailing exchange rates at the balance sheet date.

There are no significant notes of the auditors in relation to the aforementioned financial statements.

3. Apollo International Trading LLC. Dubai

Corporate information

Apollo International Trading L.L.C. was incorporated on November 2, 2002 under U.A.E Commercial Companies Law No. 8 of 1984 (as amended by Law No. 13 of 1988) with the registrar of companies Department of Economic Development, Dubai, U.A.E. Its registered office is situated at Office No. 1, Plot No. 118 – 119, Al Ghazi Building, Al Maktoum Hospital Road, Deira, Dubai, U.A.E.
Its main object is trading in auto spare parts and components, auto accessories, tyres and rims, batteries, workshop hardware and tools.

Shareholding Pattern

The shareholding pattern as on March 31, 2015 is as follows:

S.No.	Name of the Shareholder	No. of Shares	Face Value per share (AED)	Amount (AED)	% of Shares	Type of Share
1.	Mr. Fahad Abdulwahid Ahmed Kabital	153	1,000	1,53,000	51	Equity
2.	Apollo International FZC	147	1,000	1,47,000	49	Equity
	Total	300		3,00,000	100.00	

Board of Directors

The Board of Directors of Apollo International Trading L.L.C as on March 31, 2015 is as follows:

Name of the director	Position
Mr. Sri Siva Prasad Pisipati	Managing Director
Mr. Kanti Mohan Parashar	Managing Director
Mr. Rajat Garg	Managing Director

Interests of the Promoters in terms of shareholding

Apollo International Limited. Indirectly owns more than 10% in the paid up capital of Apollo International Trading L.L.C

Financial Performance

Brief financial details of Apollo International Trading L.L.C., derived from its audited accounts for the past three financial years are as follows:

(Figures in million except share data)

LLC	31.03.2014 (AED)	31.03.2014 (₹)	31.03.2013 (AED)	31.03.2013 (₹)	31.03.2012 (AED)	31.03.2012 (₹)
Equity Capital	0.30	4.88	0.30	4.43	0.30	4.16

Reserve Surplus	1.53	24.95	1.51	22.30	2.63	36.45
Total Income / Revenue	92.08	1,497.22	88.73	1,311.40	115.51	1,599.84
Profit/(Loss) after Tax	0.03	0.42	(1.12)	(16.59)	0.04	0.61
Earning per share (basic)/(Face Value)	85.24	1,386.00	(3,742.36)	(55,312.13)	146.26	2,025.75
Earning per share (Diluted)/(Face Value)	85.24	1,386.00	(3,742.36)	(55,312.13)	146.26	2,025.75
Net asset value per share	6,114.28	99,418.25	6,029.04	89,109.26	9,771.41	1,35,333.98

Note:-The audited Figures presented in AED are converted into INR at the prevailing exchange rates at the balance sheet date.

There are no significant notes of the auditors in relation to the aforementioned financial statements.

4. Apollo Fiege Integrated Logistics Private Limited

Corporate information

Apollo Fiege Integrated Logistics Private Limited was incorporated on October 31, 2012 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor DLF Courtyard, Saket New Delhi - 110017.
Its main objects entail rendering end to end logistics services comprising activities related to consolidation of cargo, transportation, freight forwarding and customs clearance services of its customers.

Shareholding Pattern

The shareholding pattern as on March 31, 2015 is as follows:

S. No.	Name of the Shareholder	No. of Shares	Face Value per share (₹)	Amount (₹)	% of Shares	Type of Share
1	Apollo Logisolutions Limited	11,166,838	10	111,668,380	60	Equity
2	Fiege International Beteiligungs Gmbh	7,444,572	10	74,445,720	40	Equity
3	Mr. Sanjiv Kumar Kothari	1*	10	10	0.00	Equity
4	Mr. Pravindra Kumar Agarwal	1*	10	10	0.00	Equity
5	Mr. Pramendra Tomar	1*	10	10	0.00	Equity
6	Mr. Pradeep Chugh	1*	10	10	0.00	Equity
7	Mr. Rahul Agarwal	1*	10	10	0.00	Equity
	Total	18,611,415		18,611,4150	100.00	

*Note: *Beneficial interest in shares held by Apollo Logisolutions Limited.*

Board of Directors

The board of directors of Apollo Fiege Integrated Logistics Private Limited as on March 31, 2015 is as follows:

Name of Directors	Position
Mr. Srisiva Prasad Pisipati	Director
Mr. Ajay Milhotra Kumar	Director and Manager
Mr. Jan Hugo Josef Fiege	Director
Mr.Vivek Bharati	Independent Director
Mr.Ugar Sain Anand	Independent Director

Interests of the Promoters in terms of shareholding

Apollo Fiege Integrated Logistics Private Limited is a step-down subsidiary of Apollo International Limited.

Financial Performance

Brief financial details of Apollo Fiege Integrated Logistics Private Limited, derived from its audited accounts for the past three financial years are as follows:

(₹ in million except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	156.11	81.58	N.A.
Reserves and Surplus	(68.51)	25.02	N.A.

Total Income	1216.53	59.43	N.A.
Profit/(Loss) after Tax	(168.07)	(51.56)	N.A.
Earnings per share (basic) (₹) (Face Value ₹10)	(15.10)	(29.02)	N.A.
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(15.10)	(29.02)	N.A.
Net asset value per share	5.61	13.07	N.A.

There are no significant notes of the auditors in relation to the aforementioned financial statements.

5. Apollo Logisolutions Limited

Corporate information

Apollo Logisolutions Limited was incorporated on February 20, 1989 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor DLF Courtyard, Saket, New Delhi - 110017. Its main objects entail undertaking and carrying on the business of storage, handling, loading, unloading, warehousing, transporting and repairing of marine containers, developing and operating a container freight station and entering into contracts and arrangements of all kinds with shippers, ship owners, containers owners, container lessees and lessors, shipping agents and transporters.

Board of Directors

The board of directors of Apollo Logisolutions Limited as on March 31, 2015 is as follows:

Name of Directors	Position
Mr. Raaja Kanwar	Managing Director
Mr. Srisivaprasad Pisipati	Whole-time Director
Mr. Onkar S Kanwar	Director
Mr. Vivek Bharati	Independent Director
Mr. Ahmed Ali Mohamed Abdelaziz Al Sarkal	Director
Mr. Sanjib Sen	Independent Director

Shareholders

The shareholding pattern as on March 31, 2015 is as follows:

S.No.	Name of the Shareholder	No. of Shares	Face Value per share (₹)	Amount (₹)	% of Shares	Type of Share
1	Apollo International Limited	10,364,490	10	103,644,900	81.35	Equity
2	Apollo International FZC	852,091	10	8,520,910	6.69	Equity
3	Dusk Valley Technologies Limited	2,50,000	10	2,500,000	1.96	Equity
4	Flag Asia Limited, Mauritius	1,274,066	10	12,740,660	10	Equity
5	Rakesh Gupta	3*	10	30	0.00	Equity
6	K. M. Parashar	3*	10	30	0.00	Equity
7	K. G. Gupta	3*	10	30	0.00	Equity
8	Pramendra Tomar	3*	10	30	0.00	Equity
9	Pradeep Chugh	1*	10	10	0.00	Equity
10	Shiv Kumar	1*	10	10	0.00	Equity
	Total	**12,740,661**		**127,406,610**	**100.00**	

*Note: *Beneficial interest in shares held by Apollo International Limited*

Interests of the Promoters in terms of shareholding

Apollo Logisolutions Limited is a subsidiary of Apollo International Limited.

Financial Performance

Brief financial details of Apollo Logisolutions Limited, derived from its audited accounts for the past three financial years are as follows:

(₹in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	124.85	102.99	115.08
Reserves and Surplus	1465.91	617.13	306.51
Total Income	895.29	754.82	640.34
Profit/(Loss) after Tax	35.53	16.90	60.32
Earnings per share (basic) (₹) (Face Value ₹ 10)	2.96	2.13	102.09
Earnings per share (diluted) (₹) (Face Value ₹ 10)	2.96	2.13	63.33
Net asset value per share	127	85.65	53.42

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Group Entities with negative net worth

1. M5 Media Investments Private Limited
2. Impact Media Exchange Limited

3. Omniscient Consultancy Services Private Limited
4. Qwik Entertainment India Limited
5. V2 Infrastructure Private Limited
6. Valuable Impressions Private Limited
7. Valuable Infotainment Private Limited
8. Valuable Reserves India Private Limited
9. Vspark Hotels Private Limited
10. VT Entertainment Parks Limited
11. Dima E – Solutions Private Limited
12. Dusane Infotech (India) Private Limited
13. Valuable Design Studio Private Limited
14. Valuable Energy Private Limited
15. Jeevangani Films
16. Venera Technologies Private Limited
17. Titbit Interactive Systems Private Limited
18. Apollo World Connect Limited
19. Modal Container Services Private Limited
20. Trend Container Services Private Limited
21. Clarion Logistics India Private Limited
22. Clarion Logistics Limited, Nigeria
23. Valuable Advertising Networks Private Limited
24. Valuable Infra-Tech Private Limited
25. Encorp E-Service Limited
26. Apollo International Pte Limited
27. Magikwand Media Private Limited

1. M5 Media Investments Private Limited

Corporate Information

M5 Media Investments Private Limited was incorporated on August 25, 2008 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is to conduct the media business using different innovative media initiatives.

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad owns more than 10% holding in M5 Media Investments Private Limited through their group company called Valuable Infrastructure Private Limited

Financial Performance

Brief financial details of M5 Media Investments Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000	100,000	100,000
Reserves and Surplus	(653,809)	(605,112)	(584,907)
Total Income	15,669	4,762	48,894
Profit/(Loss) after Tax	(48,697)	(20,205)	(17,816)
Earnings per share (basic) (₹) (Face	(4.87)	(2.00)	(2.00)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Value ₹10)			
Earnings per share (diluted) (₹) (Face Value ₹10)	(4.87)	(2.00)	(2.00)
Net asset value per share	(55.38)	(51.50)	(48.49)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

2. Impact Media Exchange Limited

Corporate Information

Impact Media Exchange Limited was incorporated on November 29, 2007 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail installation of computerized ticketing systems with very small aperture terminal connectivity in theatres to make sales data accessible real time to all stakeholders in the film industry.

Interests of the Promoters in terms of shareholding

Valuable Technologies Limited owns more than 10% in the equity capital of Impact Media Exchange Limited.

Financial Performance

The financial details of Impact Media Exchange Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1,757,500.00	1,757,500.00	1,757,500.00
Reserves and Surplus	(121,731,620)	(116,151,057.00)	(104,575,918.00)
Total Income	2,249,496	1,811,033.00	1,371,957.00
Profit/(Loss) after Tax	(5,580,563)	(11,575,139)	(11,429,035)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(31.75)	(65.86)	(65.03)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(31.75)	(65.86)	(65.03)
Net asset value per share	(682.64)	(650.89)	(585.03)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

3. Omniscient Consultancy Services Private Limited

Corporate Information

Omniscient Consultancy Services Private Limited was incorporated on September 6, 2004 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near

Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail engaging in the real estate and infrastructure businesses.

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad and Mr. Narendra Hete owns more than 10% of the equity share capital of Omniscient Consultancy Services Private Limited

Financial Performance

Brief financial details of Omniscient Consultancy Services Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000	100,000	100,000
Reserves and Surplus	(403,485)	(352,421)	(336,161)
Total Income	0	2,000	0
Profit/(Loss) after Tax	(51,064)	(16,260)	(273,118)
Earnings per share (basic) (₹) (Face Value ₹10)	(5.11)	(1.63)	(27.31)
Earnings per share (diluted) (₹) (Face Value ₹10)	(5.11)	(1.63)	(27.31)
Net asset value per share	(30.35)	(25.24)	(23.62)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

4. Qwik Entertainment India Limited

Corporate Information

Qwik Entertainment India Limited was incorporated on February 5, 2010 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail provision of a video-on-demand platform streaming high-definition content through existing cable network.

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad and Mr.Narendra Hete owns more than 10% holding in Qwik Entertainment India Limited through their group company called Advent Fiscal Private Limited and Nifty Portfolio Services Private Limited

Financial Performance

Brief financial details of Qwik Entertainment India Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	10,856,510	10,530,680	100,000

Reserves and Surplus	(136,451,440)	(10,129,805)	(57,231)
Total Income	341,883	33,978	0
Profit/(Loss) after Tax	(126,384,550)	(10,072,574)	(13,964)
Earnings per share (basic) (₹) (Face Value ₹10)	(121.43)	(14.69)	(1.40)
Earnings per share (diluted) (₹) (Face Value ₹10)	(121.43)	(12.99)	0.00
Net asset value per share	(115.69)	0.38	4.28

The following is the emphasis of matter of auditors in their auditors report on financial statements of Qwik Entertainment India Limited:

Without qualifying our opinion, we draw attention to Note 30 in the financial statements which indicates that the Company incurred a net loss of ₹. 126,384,550 during the year ended March 31, 2014 and, as of that date; the Company's accumulated loss is ₹136,514,355, while the share capital and reserves aggregate ₹30,608,330 at that date. These conditions, along with other matters as set forth in Note 30, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

5. V2 Infrastructure Private Limited

Corporate Information

V2 Infrastructure Private Limited was incorporated on July 1, 2007 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail engaging in the real estate and infrastructure businesses.

Interests of the Promoters in terms of shareholding

Valuable Media Limited holds more than 10% interest in the equity share capital of V2 Infrastructure Private Limited.

Financial Performance

Brief financial details of V2 Infrastructure Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	300,000	300,000	300,000
Reserves and Surplus	(542,330)	(435,294)	(400,187)
Total Income	0	0	0
Profit/(Loss) after Tax	(107,036)	(35,106)	(57,074)
Earnings per share (basic) (₹) (Face Value ₹10)	(3.57)	(1.17)	(1.90)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Earnings per share (diluted) (₹) (Face Value ₹.10)	(3.57)	(1.17)	(1.90)
Net asset value per share (₹)	(8.08)	(4.51)	(3.34)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

6. Valuable Impressions Private Limited

Corporate Information

Valuable Impressions Private Limited was incorporated on November 22, 2007 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail undertaking the advertisement business.

Interests of the Promoters in terms of shareholding

Valuable Technologies Limited owns more than 10% in the Equity Capital of Valuable Impressions Private Limited

Financial Performance

Brief financial details of Valuable Impressions Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	500,000	500,000	500,000
Reserves and Surplus	(15,863,082)	(15,752,053)	(12,235,829)
Total Income	0	0	0
Profit/(Loss) after Tax	(111,029)	(3,516,224)	(165,525)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2.22)	(70.32)	(3.31)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2.22)	(70.32)	(3.31)
Net asset value per share	(307.26)	(305.04)	(234.72)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

7. Valuable Infotainment Private Limited

Corporate Information

Valuable Infotainment Private Limited was incorporated on August 12, 2008 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail engaging in integrated retailing and infotainment centres for providing information, entertainment and retailing services under one roof including multi-screen digital cinema exhibition centre.

Interests of the Promoters in terms of shareholding

Valuable Media Limited owns more than 10% holding in Valuable Infotainment Private Limited

Financial Performance

Brief financial details of Valuable Infotainment Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1,000,000	1,000,000	1,000,000
Reserves and Surplus	(22,507,210)	(5,169,218)	(3,089,524)
Total Income	6,396,359	6,530,529	5,705
Profit/(Loss) after Tax	(17,337,992)	(2,079,695)	(2,911,909)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(173.38)	(20.80)	(29.12)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(173.38)	(20.80)	(29.12)
Net asset value per share	(215.07)	(41.69)	(20.90)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

8. Valuable Reserves India Private Limited

Corporate Information

Valuable Reserves India Private Limited was incorporated on July 23, 2001 under the Companies Act, 1956. Its registered office is situated at 602, Centre Point, J.B. Nagar, Andheri-Kurla Road, Andheri-East, Mumbai. Its main objects entail engagement in the online lottery distribution and related technologies businesses.

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad and Mr.Narendra Hete hold more than 10% holding in Valuable Reserves India Private Limited.

Financial Performance

Brief financial details of Valuable Reserves India Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000	100,000	100,000
Reserves and Surplus	(550,424)	(33,968)	(87,387)
Total Income	200,019	204,465	196,720
Profit/(Loss) after Tax	398,590	53,418	(1,471,305)
Earnings per share (basic) (₹) (Face	39.86	53.00	(1,471)

Value ₹ 10)			
Earnings per share (diluted) (₹) (Face Value ₹ 10)	39.86	53.00	(1,471)
Net asset value per share	(45.04)	6.60	1.26

There are no significant notes of the auditors in relation to the aforementioned financial statements.

9. Vspark Hotels Private Limited

Corporate Information

Vspark Hotels Private Limited was incorporated on July 23, 2001 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is to do real estate and hotel businesses.

Interests of the Promoters in terms of shareholding

Mr.Narendra Hete owns more than 10% holding in Vspark Hotels Private Limited

Financial Performance

Brief financial details of Vspark Hotels Private Limited, derived from its audited accounts for the past three financial years are as follows:

(*Amount in ₹)*

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000	100,000	100,000
Reserves and Surplus	(125,156)	(67,420)	(56,450)
Total Income	0	0	0
Profit/(Loss) after Tax	(57,736)	(10,970)	(16,200)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(5.77)	(1.10)	(1.62)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(5.77)	(1.10)	(1.62)
Net asset value per share	(2.52)	3.26	4.36

There are no significant notes of the auditors in relation to the aforementioned financial statements.

10. VT Entertainment Parks Limited

Corporate Information

VT Entertainment Parks Limited was incorporated on August 12, 2008 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Its main object is to do business of real estate and construction of amusement, theme parks.

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad and Mr.Narendra Hete own more than 10% holding in VT Entertainment Parks Limited.

Financial Performance

Brief financial details of VT Entertainment Parks Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000	100,000	100,000
Reserves and Surplus	(370,203)	(343,753)	(310,071)
Total Income	0	0	348
Profit/(Loss) after Tax	(26,405)	(33,682)	(58,984)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2.65)	(3.37)	(5.90)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2.65)	(3.37)	(5.90)
Net asset value per share	(27.02)	(24.38)	(21.00)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

11. Dima E – Solutions Private Limited

Corporate Information

Dima E – Solutions Private Limited was incorporated on June 2, 2008 under the Companies Act, 1956. Its registered office is situated at Citi Point, J.B.Nagar, Andheri Kurla Road, Andheri East, Mumbai - 400059. The main object of this company to provide technology research and development services for set top box and digital cinema technology.

Interests of the Promoters in terms of shareholding

Valuable Media Limited holds more than 10% in Dima E Solutions Private Limited

Financial Performance

Brief financial details of Dima E Solutions Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	507,500	500,000	500,000
Reserves and Surplus	12,695,386	16,459,347	18,095,070
Total Income	37,624,859	35,436,540	33,481,650
Profit/(Loss) after Tax	(3,626,375)	(1,498,137)	(437,815)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(71.46)	(29.96)	(8.76)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(71.46)	(29.96)	(8.76)
Net asset value per share	260.16	339.19	371.90

There are no significant notes of the auditors in relation to the aforementioned financial statements.

12. Dusane Infotech (India) Private Limited

Corporate Information

Dusane Infotech (India) Private Limited was incorporated on September 18, 2006 under the Companies Act 1956 with the Registrar of Companies, Mumbai. Its registered office is situated at 5 Sambhav IT Park, Plot No. B-5, MIDC, Wagle Industrial Area, Thane (W). Dusane Infotech (India) Private Limited. Its main object is technology consulting and development with focus on middleware engineering services in the media and entertainment space.

Interests of the Promoters in terms of shareholding

Valuable Technologies Limited owns more than 10% in Dusane Infotech (India) Private Limited

Financial Performance

Brief financial details of Dusane Infotech (India) Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	485,000	485,000	485,000
Reserves and Surplus	(10,777,372)	(7,374,944)	(6,162,604)
Total Income	61,882,372	71,154,659	48,959,427
Profit/(Loss) after Tax	(3,402,428)	(1,212,340)	168,378
Earnings per share (basic) (₹) (Face Value ₹ 10)	(70.15)	(25.00)	0.00
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(70.15)	(25.00)	0.00
Net asset value per share	(212.21)	(142.06)	(117.06)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

13. Valuable Design Studio Private Limited

Corporate Information

Valuable Design Studio Private Limited was incorporated on November 27, 2007 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, near Akruti Trade Centre, Andheri (East), Mumbai. Its main objects entail development and provision of exclusive screening service of prime Bollywood and regional Indian movies to premium clubs, public venues, auditoriums, residential complexes, and corporate houses.

Interests of the Promoters in terms of shareholding

Mr. Sanjay Gaikwad owns more than 10% in the Equity Capital of Valuable Design Studio Private Limited

Financial Performance

Brief financial details of Valuable Design Studio Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000	100,000	100,000
Reserves and Surplus	(210,675)	(183,149)	(148,025)
Total Income	0	0	393
Profit/(Loss) after Tax	(27,526)	(35,124)	(26,759)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2.75)	(3.51)	(2.68)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2.75)	(3.51)	(2.68)
Net asset value per share	(11.07)	(8.31)	(4.80)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

14. Valuable Energy Private Limited

Corporate *Information*

Valuable Energy Private Limited was incorporated on September 15, 2008 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. The main object of the company is to engage in the energy related business

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad and Mr. Narendra Hete owns more than 10% in the equity capital of Valuable Energy Private Limited

Financial Performance

Brief financial details of Valuable Energy Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000	100,000	100,000
Reserves and Surplus	(943,681)	(504,728)	(86,609)
Total Income	13,490	30,613	0
Profit/(Loss) after Tax	(438,953)	(418,119)	(17,211)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(43.90)	(41.81)	(1.72)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(43.90)	(41.81)	(1.72)
Net asset value per share	(84.37)	(40.47)	(76.60)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

***15.* Jeevangani Films**

Corporate Information

Jeevangani Films was constituted as a partnership firm under applicable laws. Its office is situated at 53/1, Valuable Techno Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Jeevangani Films is engaged in the business of film production, distribution, editing, advertising, public relations activities, script writing, photography, sound, marketing, promotion of films, film lab services, any other services, television programmes.

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad and Mr.Narendra Hete have interest in Jeevangani Films through relatives.

Financial Performance

The financials of Jeevangani Films for the past three fiscal years are set forth below:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Total income	0	0	0
Profit/loss after tax	(1,058,071)	0	0
Partners' capital account	100,000	0	0

16. Venera Technologies Private Limited

Corporate Information

Venera Technologies Private Limited was incorporated on April 24, 2003 under the Companies Act, 1956. Its registered office is situated at K-31/14A, First Floor, Model Town III, Delhi. Its main objects entail development and implementation of innovative digital cinema technologies and video solutions.

Interests of the Promoters in terms of shareholding

Mr.Sanjay Gaikwad and Mr.Narendra Hete own more than 10% holding in Venera Technologies Private Limited through their group company Valuable Innovations Private Limited

Financial Performance

The financial details of Venera Technologies Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	740,930	740,930	740,930
Reserves and Surplus	(22,411,906)	(4,824,023)	(60,181)
Total Income	14,402,467	16,420,231	17,559,416
Profit/(Loss) after Tax	(17,587,883)	(4,763,843)	(4,389,300)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(237.38)	(64.30)	(59.24)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(237.38)	(64.30)	(59.24)
Net asset value per share	(292.48)	(55.11)	9.19

There are no significant notes of the auditors in relation to the aforementioned financial statements.

17. Titbit Interactive Systems Private Limited

Corporate Information

Titbit Interactive Systems Private Limited was incorporated on February 7, 2011 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. The main objects of Titbit Interactive Systems Private Limited entail engaging in the hospitality industry.

Interests *of the Promoters in terms of shareholding*

Mr.Narendra Hete owns more than 10% holding in Titbit Interactive Systems Private Limited through his Son.

Financial Performance

The financial details of Titbit Interactive Systems Private Limited, derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	**Year ended March 31, 2014**	**Year ended March 31, 2013**	**Year ended March 31, 2012**
Equity Capital	100,000.00	100,000.00	100,000.00
Reserves and Surplus	(52,119,382.72)	(30,166,262.00)	(9,425,568.00)
Total Income	7,515,211.19	3,258,042.00	1,115,208.00
Profit/(Loss) after Tax	(21,953,118.60)	(20,740,694.00)	(9,181,368.00)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2,195.31)	(2,074.07)	(918.14)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2,195.31)	(2,074.07)	(918.14)
Net asset value per share	(5,201.94)	(3,006.63)	(932.56)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

18. Apollo World Connect Limited

Corporate Information

Apollo World Connect Limited was incorporated on September 3, 2012 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor, DLF Courtyard, Saket, New Delhi-110017. Its main objects is carrying on the businesses of transport, cartage and handling contractors, garage proprietors owners and charterers of vehicles ships and aircrafts of every description, carriers of goods and passengers from place to place by road, rail, water, air, *etc.*

Interests of the Promoters in terms of shareholding

Apollo World Connect Limited is a wholly owned subsidiary of Kailash Shipping Services Private Limited. Kailash Shipping Services Private Limited is a wholly owned subsidiary of Apollo Logisolutions Limited Apollo International Limited holds 81.35% equity shares of Apollo Logisolutions Limited. Therefore, Apollo World Connect Limited is a step-down subsidiary of Apollo International Limited as per the provisions of the Companies Act, 2013.

Financial Performance

The financial details of Apollo World Connect Limited, derived from its audited accounts for the past three financial years are as follows:

(₹ in million except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.50	0.50	N.A.
Reserves and Surplus	(4.70)	(1.66)	N.A.
Total Income	NIL	NIL	N.A.
Profit/(Loss) after Tax	(3.05)	(1.66)	N.A.
Earnings per share (basic) (₹) (Face Value ₹ 10)	(60.98)	(33.11)	N.A.
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(60.98)	(33.11)	N.A.
Net asset value per share	(84.08)	(23.11)	N.A.

There are no significant notes of the auditors in relation to the aforementioned financial statements.

19. Modal Container Services Private Limited

Corporate Information

Modal Container Services Private Limited was incorporated on August 2, 1999 under the Companies Act, 1956. Its registered office is situated at Indira Steel Yardmulund - Goregaon Link Road, Nahur Village Mulund (W), Mumbai, Maharashtra - 400080. Its main objects entail undertaking and carrying on the businesses and trades of freight and transport containers, haulers, warehousemen, wharfingers, cargo and marine surveyors, ship chandlers, container owners, container lessors, container leasing agents, cargo and freight forwarding agents, ship managers, ship brokers, ship insurance brokers, repairs and refurnishes of refrigerated and dry cargo containers and to undertake and provide services, all ancillary services for transport and cargo management including providing the services of tally clerks.

Interests of the Promoters in terms of shareholding

Modal Container Services Private Limited is a step-down subsidiary of Apollo International Limited as per the provisions of the Companies Act, 2013

Financial Performance

The financial details of Modal Container Services Private Limited, derived from its audited accounts for the past three financial years are as follows:

(₹ in million except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.1	0.1	0.1
Reserves and Surplus	(0.445)	(0.337)	(0.253)
Total Income	1.32	3.30	3.19
Profit/(Loss) after Tax	(0.11)	(0.08)	(0.18)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(10.80)	(8.37)	(17.50)
Earnings per share (diluted) (₹) (Face Value ₹	(10.80)	(8.37)	(17.50)

10)			
Net asset value per share	(34.51)	(23.71)	(15.34)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

20. Trend Container Services Private Limited

Corporate *Information*

Trend Container Services Private Limited was incorporated on August 2, 1999 under the Companies Act, 1956. Its registered office is situated at Indira Steel Yard, Mulund-Goregaon Link Rd, Nahur Village Mulund (W), Mumbai, Maharashtra - 400080. Its main objects entail undertaking and carrying on the business and trades of freight and transport containers, haulers, warehousemen, wharfingers, cargo and marine surveyors, ship chandlers, container owners, container lessors, container leasing agents, cargo and freight forwarding agents, ship managers, ship brokers, ship insurance brokers, repairs and refurnishers of refrigerated and dry cargo containers and to undertake and provide services, all ancillary services for transport and cargo management including providing the services of tally clerks.

Interests *of the Promoters in terms of shareholding*

Trend Container Services Private Limited is a step-down subsidiary of Apollo International Limited as per the provisions of the Companies Act, 2013.

Financial Performance

The financial details of Trend Container Services Private Limited, derived from its audited accounts for the past three financial years are as follows:

(₹ in million except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.1	0.1	0.1
Reserves and Surplus	(1.87)	(1.89)	(1.94)
Total Income	1.09	2.70	3.51
Profit/(Loss) after Tax	0.02	0.05	(0.30)
Earnings per share (basic) (₹) (Face Value ₹ 10)	1.69	4.57	(29.94)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	1.69	4.57	(29.94)
Net asset value per share	(177.34)	(179.03)	(183.60)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

21. Clarion Logistics India Private Limited

Corporate Information

Clarion Logistics India Private Limited was incorporated on February 6, 2014 under the Companies Act 1956. Its registered office is situated at B / 106, Ansa Industrial Estate, Sakivihar Road, Andheri (East), Mumbai, Maharashtra. The main object of the company is logistics business.

Interests *of the Promoters in terms of shareholding*

Apollo International Limited indirectly holds more than 10% of paid share capital of Clarion Logistics India Private Limited

Financial *Performance*

The financial details of Clarion Logistics India Private Limited, derived from its audited accounts for the past three financial years are as follows:

(₹ in million except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	6.00	6.00	6.00
Reserves and Surplus	(34.35)	(27.77)	(23.84)
Total Income	29.55	41.04	140.35
Profit/(Loss) after Tax	(6.59)	(3.92)	(7.04)
Earnings per share (basic) (₹) (Face Value ₹ 10 each)	(10.99)	(6.54)	(11.73)
Earnings per share (diluted) (₹) (Face Value ₹ 10 each)	(10.99)	(6.54)	(11.73)
Net asset value per share	(47.25)	(36.28)	(29.73)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

22. Clarion Logistics Limited, Nigeria

Corporate Information

Clarion Logistics Limited was incorporated on November 6, 2009 in Nigeria. Its registered office is situated at 49, Kofo Abayomi Street P.O. Box. 1840 Appapa, Lagos Nigeria. Its main objects entail freight forwarding, NVOCC agency, vessel handling agency, import export consolidation, ship chandelling services, cross country port operations and general marine services.

Interests of the Promoters in terms of shareholding

Apollo International Limited holds more than 10% of paid share capital of Clarion Logistics Limited

Financial Performance

The financial details of Clarion Logistics Limited, Nigeria, derived from its audited accounts for the past three financial years are as follows:

(In million except per share data)

Particulars	Year ended December 31st					
	2013		2012		2011	
	(NGN)	(₹)	(NGN)	(₹)	(NGN)	(₹)
Equity Capital (Issued and Paid up)	21.30	8.26	21.30	7.50	21.30	6.96
Reserves and Surplus	(30.97)	(12.00)	(22.70)	(7.99)	(10.33)	(3.38)
Total Income	32.36	12.54	15.56	5.48	27.32	8.93
Profit/(Loss) after Tax	(8.27)	(3.21)	(12.37)	(4.36)	(3.11)	(1.02)

Particulars	Year ended December 31st					
	2013		2012		2011	
	(NGN)	(₹)	(NGN)	(₹)	(NGN)	(₹)
Earnings per share (basic) (NGN) (Face Value NGN 1/- each)	(0.39)	(0.15)	(0.58)	(0.20)	(0.15)	(0.05)
Earnings per share (diluted) (NGN) (Face Value NGN 1/- each)	(0.39)	(0.15)	(0.58)	(0.20)	(0.15)	(0.05)
Net asset value per share	(0.45)	(0.18)	(0.07)	(0.02)	0.52	0.17

Note:-*The audited Figures presented in Nigerian Naira ("**NGN**") is converted into Rupees at the prevailing exchange rates at the Balance Sheet date*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

23. Valuable Advertising Networks Private Limited

Corporate *Information*

Valuable Advertising Networks Private Limited was incorporated on December 1, 2005 under the Companies Act, 1956. Its registered office is situated at 602, Centre Point, J.B. Nagar, Andheri-Kurla Road, Andheri-East, Mumbai. Its main objects entail provision of kiosk based advertisements

Interests *of the Promoters in terms of shareholding*

Valuable Technologies Limited owns more than 105 in the equity capital of Valuable Advertising Networks Private Limited.

Financial *Performance*

Brief financial details of Valuable Advertising Networks Private Limited derived from its audited accounts for the past three financial years are as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	100,000.00	100,000.00	100,000.00
Reserves and Surplus	(14,784,994.00)	(14,916,649.00)	(14,351,604.00)
Total Income	28,209.00	9,643.00	82,027.00
Profit/(Loss) after Tax	(268,346.00)	(165,045.00)	(18,00,076.00)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(26.83)	(16.50)	(180.01)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(26.83)	(16.50)	(180.01)
Net asset value per share	(1,468.50)	(1,481.66)	(1,425.16)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

24. Valuable Infra-Tech Private Limited

Corporate *Information*

Valuable Infra-Tech Private Limited was incorporated on May 18, 2007 under the Companies Act, 1956. Its registered office is situated at 53/1, Media Info Tech Park, Road No. 7, Near Akruti Trade Centre, Andheri (East), Mumbai. Valuable Infra-Tech Private Limited operates in the real estate business and invests in different real estate companies including certain group real estate and infrastructure companies.

Interests *of the Promoters in terms of shareholding*

Mr.Narendra Hete and Mr.Sanajay Gaikwad holds own more than 10% holding in this company through their relatives.

Financial *Performance*

Brief financial details of Valuable Infra-Tech Private Limited derived from the audited accounts for the past three years are as follows:

(₹ in million except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1,047,120.00	10,47,120.00	10,47,120.00
Reserves and Surplus	(2,281,928.16)	597,272.05	764,287.00
Total Income	75.00	0.00	0.00
Profit/(Loss) after Tax	(2,879,200.21)	(167,015.30)	(165,069.00)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(27.50)	(1.59)	(1.58)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(27.50)	(1.59)	(1.58)
Net asset value per share	(11.79)	15.70	17.30

There are no significant notes of the auditors in relation to the aforementioned financial statements.

25. Encorp E-Service Limited

Corporate *Information*

Encorp E-Service Limited was incorporated on April 7, 2003 under the Companies Act, 1956. Its registered office is situated at Office No. 303, Third Floor DLF Courtyard, Saket, New Delhi - 110017. Its main object is to carry out and conduct the business of rendering all types of e-services, internet services, e-transaction processing (POS), business process outsourcing, call centre operations, software development, gaming, entertainment services, stored values cards, all other types of services for consideration, whether in electronic mode or otherwise, broadcasting and publishing of newspapers and periodicals.

Interests *of the Promoters in terms of shareholding*

Apollo International Limited holds 100 % of the equity share capital of Encorp E-Service Limited

Financial Performance

Brief financial details of Encorp E-Service Limited derived from the audited accounts for the past three years are as follows:

(₹ in million)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	74.99	74.99	74.99
Reserves and Surplus	(314.82)	(313.60)	(307.98)
Total Income	0.33	0.26	1.03
Profit/(Loss) after Tax	(1.22)	(5.62)	1.15
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.47)	(2.16)	0.44
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.05)	(0.23)	0.05
Net asset value per share	(92.24)	(91.77)	(89.61)

There are no significant notes of the auditors in relation to the aforementioned financial statements.

26. Apollo International Pte Limited

Corporate Information

Apollo International Pte Limited, Singapore was incorporated on May 21, 2008 under the Companies Act (Cap 50) Singapore. Its registered office is situated at 1 Coleman Street #10-10 The Adelphi, Singapore 179803. Its main objects entail general wholesale trade including general importers and exporters.

Interests of the Promoters in terms of shareholding

Apollo International Pte. Limited, Singapore is a step-down subsidiary of Apollo International Limited as per the provisions of the Companies Act, 2013

Financial Performance

Brief financial details of Apollo International Pte. Limited, derived from the audited accounts for the past three years are as follows:

(Figures in ₹ million except share data)

Particulars	As at and for the period ended March 31					
	2014		2013		2012	
	(USD)	(₹)	(USD)	(₹)	(USD)	(₹)
Equity Capital	0.08	4.49	0.08	4.07	0.08	3.82
Reserve Surplus	(0.29)	(17.30)	(0.23)	(12.67)	(0.15)	(7.68)
Total Income / Revenue	4.41	264.36	2.40	130.31	6.36	323.38
Profit/(Loss) after Tax	(0.06)	(3.32)	(0.08)	(4.47)	(0.25)	(12.47)
Earnings per share (basic)/(Face Value)	(0.74)	(44.26)	(1.10)	(59.59)	(3.27)	(166.21)
Earnings per share (Diluted)/(Face Value)	(0.74)	(44.26)	(1.10)	(59.59)	(3.27)	(166.21)
Net asset value per share	(2.85)	(170.77)	(2.11)	(114.63)	(1.01)	(51.58)

There are no significant notes of the auditors in relation to the aforementioned financial statements

27. Magikwand Media Private Limited

Corporate Information

Magikwand Media Private Limited was incorporated on June 13, 2008 under the Companies Act, 1956. Its registered office is situated at 101, Citi Point, J.B.Nagar, Andheri – Kurla Road, Andheri (East), Mumbai. Its main objects entail engaging in outdoor media services.

Interests of the Promoters in terms of shareholding

Valuable Media Limited owns more than 10% in Magikwand Media Private Limited

Financial Performance

Brief financial details of Magikwand Media Private Limited, derived from the audited accounts for the past three years are as follows:

(*Amount in* ₹)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1,16,88,000	1,16,88,000	1,16,88,000
Reserves and Surplus	(10,97,52,404)	(11,70,44,207)	(98,053,770)
Total Income	1,41,11,357	2,03,937	3,37,76,022
Profit/(Loss) after Tax	72,91,803	(1,89,90,437)	(2,59,48,795)
Earnings per share (basic) (₹.) (Face Value ₹.10)	0.07	(0.19)	(22.20)
Earnings per share (diluted) (₹.) (Face Value ₹.10)	0.07	(0.19)	(0.26)
Net asset value per share	(83.90)	(90.14)	(73.89)

There are no significant notes of the auditors in relation to the aforementioned financial statements

Nature and extent of interest of Group Entities

(a) In the promotion of our Company

Except to the extent of Equity Shares held by certain Group Entities in our Company, none of the Group Entities have any interest in the promotion of our Company.

(b) In the properties acquired by our Company in the past two years before filing the Draft Red Herring Prospectus or proposed to be acquired by our Company.

The Group Entities have no interest in any property acquired by our Company in the past two years from the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

(c) In transactions for acquisition of land, construction of building and supply of machinery

Except for transactions entered into with our Subsidiaries, the following are the transactions for acquisition of land, construction of building and supply of machinery by our Company with our Group Entities for the financial year ended March 31, 2013, March 31, 2014 and nine month period ended December 31, 2014:

(In ₹)

Nature of Transaction	For the period ended December 31, 2014	For the period ended March 31, 2014	For the period ended March 31, 2013
Purchase of Equipments	-	1,170,938	-
Sale of Equipments	-	-	2,323,065
Sale of goods to Associate Enterprises	201,193	4,652,397	8,256,524
Sale of Fixed Assets to Associate Enterprises	-	1,610,190	-
Total	**201,193**	**7,433,525**	**10,579,589**

Common pursuits between the Group Entities, Subsidiaries and Associate, and our Company

Our Promoters are interested in other companies that may compete with us. Certain of our Subsidiaries, Joint Venture and our Associates are engaged in lines of businesses that are similar and/ or synergistic to our Company. In addition to these, certain of our Group Entities including M5 Media Investments Private Limited, Impact Media Exchange Limited, Qwik Entertainment India Limited, Sky N Land Video Networks Private Limited, Valuable Impressions Private Limited, Valuable Infotainment Private Limited, Crown Infotainment Limited, Jeevangani Films, Venera Technologies Private Limited and Valuable Innovations Private Limited are authorized to carry out businesses and/ or are engaged in businesses which are similar to those carried out by our Company. For further details please see section on "*Our Promoters and Group Entities*" on page 266 of this Prospectus.

Pursuant to the amendment and termination agreement to the SHA dated November 20, 2014, our Promoters have undertaken that they shall not, unless agreed to in writing by the Board, among others, carry on, own, manage, operate, join, assist, invest in, lend money to, have an interest or control in, engage in, participate in, provide advice to or otherwise benefit economically from any business/ business entity engaged in a competing business, solicit any business or customers or solicit any customer, distributor, supplier, dealer or agent with respect to (i) the digital cinema business, (ii) the exhibition business, (iii) cinema ticketing and settlement platform business and/ or (iv) such other business conducted by the Company by mutual written consent of certain parties to the SHA, including our Promoters, subject to certain exceptions as stated in the SHA. Further the restriction is valid from a period of three years from the date on which Apollo International or the Valuable Group, as the case may be, ceases to individually or together with their respective affiliates hold at least 5% of the equity share capital of the Company or if any of Apollo International Limited or the Valuable Group, as the case may be, ceases to be a promoter or part of the promoter group of the Company, whichever is later.

Further in terms of the investment agreement dated December 18, 2014, entered into between our Company, Valuable Technologies Private Limited, Mr. Sanjay Gaikwad, Mr. Narendra Hete and VDSPL, Valuable Technologies Private Limited, Mr. Sanjay Gaikwad, Mr. Narendra Hete have, pursuant to payment of a non-compete fee of ₹ 1 million, agreed to not compete directly or indirectly, in India or any other part of the world, to the extent of Caravan Talkies and Club Cinema businesses but excluding the business of Club X and certain other businesses as per the investment agreement, with effect from the completion of the acquisition of the equity shates by our Company in the first tranche until they continue to hold at least 5% of the issued equity capital of our Company or are our Promoters, whichever is later.

For further details on the risks involved due to conflict of interest due to common pursuits between our Company and its Subsidiaires, Joint Venture and Associates, please see section on "*Risk Factors - Certain other ventures of our Promoters are authorised to engage in a similar line of business*" on page 45 of this Prospectus. For further details in relation to this investment agreement, please see "*History and Certain Corporate Matters- Material Agreements- Agreements in relation to Valuable Digital Screens Private*

Limited - Investment agreement in relation to our Company's acquisition of Valuable Digital Screens Private Limited" on page 221 of this Prospectus

Related business transactions and business interest of Group Entities in our Company

Except for the transactions entered into with our Subsidiaries, the following are the related business transactions and business interest of Group Entities in our Company for the financial years ended March 31, 2013 and March 31, 2014 and nine month period ended December 31, 2014:

(Amount in ₹)

Nature of Transaction	For the period ended December 31, 2014	For the year ended March 31, 2014	For the year ended March 31, 2013
Advertisement revenue	8,730,452	-	-
Digitisation income	112,360	70,000	-
Expenses reimbursed	6,839,266	19,630,753	7,588,634
Operating direct cost - Other expenses	1,915,951	2,800,690	2,302,053
Purchase of Equipment	-	1,170,938	-
Rent paid	32,937,817	46,334,258	44,524,692
Security Deposit paid	-	1,680,740	-
Software development charges	2,642,400	3,568,200	5,595,700
Content Processing & Telecine Charges	19,098,653	16,266,450	4,378,099
Sale of Equipment	-	-	2,323,065
Virtual Print Fees - Non - DCI (E-Cinema) - Income	269,720	-	-
Sale of goods to Associate Enterprises	201,193	4,652,397	8,256,524
Investment in Shares of Associate Enterprises	-	42,436,753	-
Loan Given to Associate Enterprises	-	9,289,519	972,704
Loan Repaid to Associate Enterprises	-	11,746,482	-
Interest Income from Associate Enterprises	-	670,985	1,101,383
Delivery Distribution Income from Associate Enterprises	18,081,495	18,790,500	11,580,000
Miscellaneous expenses	525,107	895,920	-
Sale of Fixed Assets to Associate Enterprises	-	1,610,190	-
Installation &		30,000	-

Nature of Transaction	For the period ended December 31, 2014	For the year ended March 31, 2014	For the year ended March 31, 2013
Miscellaneous Income from Associate Enterprises	3,280,444		
Dividend Income from Associate Enterprises	7,117,668	-	-
Share Application Money given	-	-	15,500,000
Advance Repaid	-	-	2,188,150
Other Income	868,201	-	-
Performance Guarantee given to Associate Enterprises	316,657,500	-	-
Total	**419,278,227**	**181,644,775**	**106,311,004**

Sale/Purchase between Group Entities and our Company exceeding 10% of the total sales or purchases of our Company

Except for the sales / purchases between our Subsidiaries, Southern Digital Screenz India Private Limited and Scrabble Entertainment Limited, and our Company, as set out in "*History and Certain Corporate Matters – Sales or Purchases*" on page 235 of this Prospectus, there are no transactions between our Company and Group Entities which exceed 10% (ten per cent) of the total sales or purchases of our Company.

Loss making Group Entities

The following Group Entities have incurred a loss in the immediately preceding financial year:

Sr. No.	Entity	Loss incurred in FY 2014 (in ₹ million)
1.	AF Ferrari Secure Logitech Private Limited	1.42
2.	ALS Container Warehousing Limited	0.32
3.	Apollo- Everest Kool Solutions Private Limited	0.06
4.	Apollo Fiege Integrated Logistics Private Limited	168.07
5.	Apollo World Connect Limited	3.05
6.	Celestial Container Warehousing Private Limited	0.06
7.	Clarion Logistics India Private Limited	6.59
8.	Cosmic Investments Limited	0.04
9.	Encorp E-Service Limited	1.22
10.	Glassdoor Entertainment Limited	0.06
11.	Kashipur Infrastructure and Freight Terminal Private Limited	0.08
12.	Modal Container Services Private Limited	0.11
Sr. No.	**Entity**	**Loss incurred in FY 2014 (in ₹)**
13.	Advent Fiscal Private Limited	134,030
14.	Asiastar City Holdings Private Limited	1,728,981
15.	Blue Martini Private Limited	12,192
16.	Dusane Infotech (India) Private Limited	3,402,428
17.	Crown Infotainment Limited	5,618
18.	Cway Builders and Developers Private Limited	26,732
19.	Dima E – Solutions Private Limited	3,626,375

20.	Gananath Developers Private Limited	35,095
21.	Impact Media Exchange Limited	5,580,563
22.	Lynx Developers Private Limited	8,520
23.	M5 Media Investments Private Limited	48,697
24.	Nisarg Building Art and Technology Private Limited	279,768
25.	Omniscient Consultancy Services Private Limited	51,064
26.	Qwik Entertainment India Limited	126,384,550
27.	Systemax Technology Private Limited	9,500
28.	Sky N Land Video Networks Private Limited	179,908
29.	Spadeworx Software Services Private Limited	15,480,200
30.	Titbit Interactive Systems Private Limited	21,953,118
31.	V2 Infrastructure Private Limited	107,036
32.	Valuable Advertising Networks Private Limited	268,346
33.	Valuable Destination Private Limited	111,877
34.	Valuable Design Studio Private Limited	27,526
35.	Valuable Energy Private Limited	438,953
36.	Valuable Impressions Private Limited	111,029
37.	Valuable Infotainment Private Limited	173,37,992
38.	Valuable Infra-Tech Private Limited.	2,879,200.21
39.	Valuable Infrastructure Private Limited.	11,646,828
40.	Ve-Comm Software Private Limited	125,284
41.	Venera Technologies Private Limited	17,587,883
42.	Vspark Hotels Private Limited	57,736
43.	VT Entertainment Parks Limited	26,405
44.	Zeus Entertainment Private Limited	29,043
45.	Jeevangani Films	1,058,071
Sr. No.	**Entity**	**Loss incurred in FY 2014 (in USD)**
46.	Square 1 Global Inc.	3037
47.	Infinity Systems Inc.	2690
48.	Valuable Technologies Inc.	2,081,296

Sr. No.	**Entity**	**Loss incurred in the year ended December 31, 2013 (in million)**	
		Reporting currency	**Amount**
49.	Clarion Logistics Limited, Nigeria	NGN	3.21
50.	Clarion Almada Shipping Services CO.(W.L.L.), Kuwait	KWD	6.57
51.	Apollo TTG East Africa Limited, Uganda	UGX	1.63
52.	Apollo International Pte. Limited	USD	3.32

Sr. No.	**Entity**	**Loss incurred in FY 2014 (in million)**	
		Reporting Currency	**Amount**
1.	V N Films Private Limited	₹	1.28
2.	Edridge Limited	USD	0.03
3.	United Film Organisers Nepal Private Limited	NPR	0.71
4.	UFO International Limited.	USD	0.15
5.	United Film Organisers (UFO) (Mauritius) Private Limited.	MUR	0.06

Sr. No.	Entity	Loss incurred in FY 2014 (in million)	
6.	UFO Lanka Private Limited.	LKR	0.17
7.	Scrabble Entertainment (Lebanon) Sarl*	LBP	23.39
8.	Scrabble Digital Inc	USD	0.50
9.	Scrabble Venture LLC	USD	1.37
10.	Scrabble Ventures, S. de R.L. de C.V, Mexico	MXP $	20.35
11.	Mukta V N Films Private Limited	₹	0.03
12.	Valuable Digital Screens Private Limited	₹	5.40

* The financial year for Scrabble Entertainment (Lebanon) Sarl ends on December 31 of each year. Accordingly the loss shown is as of December 31, 2014

For further details, please see the section on "*Risk Factors - Certain of our Subsidiaries, Associates, and Group Entities and our Joint Venture have incurred losses during recent financial years.*" on page 46 of this Prospectus.

Sick or Defunct Companies

Neither our corporate Promoters nor any of the companies forming part of our Group Entities have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1985 and or are under winding up. Further, none of our Group Entities have become defunct and no application has been made in respect of any of them, to the respective registrar of companies where they are situated, for striking off their names, in the five years immediately preceding the date of the Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our Company's profits, capital requirements and overall financial condition.

Our Company has not declared any dividends on the Equity Shares in the last five fiscal years.

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.

FINANCIAL STATEMENTS

Report of auditors on the restated summary statement of assets and liabilities as at December 31, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and profits and losses and cash flows for the nine months period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 of UFO Moviez India Limited (collectively, the "Restated Unconsolidated Summary Statements")

The Board of Directors
UFO Moviez India Limited
Valuable Techno Park,
Plot No 53/1, Road no 07,
Marol MIDC,
Andheri East,
Mumbai- 400093.

Dear Sirs,

1. We have examined the restated unconsolidated summary statements of UFO Moviez India Limited (the "Company") as at December 31, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and for the nine months ended December 31, 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 financial information taking into consideration:

   a. the terms of our engagement agreed with you vide our engagement letter dated February 6, 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 by offer for sale by certain shareholders' existing 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 unconsolidated interim financial statements of the Company as at and for the nine months period ended December 31, 2014, which have been approved by the board of directors March 4, 2015 and audited by us;
   b) the unconsolidated financial statements of the Company, as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010, prepared in accordance with accounting

principles generally accepted in India at the relevant time and which have been approved by the board of directors on August 5, 2014, on August 2, 2013, on September 5, 2012 , on July 10, 2011 and on July 29, 2010 respectively and audited by us. The Company has also provided us with the other financial and other records of the Company in relation to the years ended March 31, 2011 and 2010, to the extent considered necessary, for the presentation of the Restated Financial Information under the requirements of the Schedule III of the Companies Act, 2013 and/or Revised Schedule VI of the Companies Act, 1956, as the case may be. .

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We have issued auditors' report dated March 4, 2015 on the interim standalone financial statements of the Company as at and for the nine months ended December 31, 2014. We have also issued auditors' report dated August 5, 2014, August 2, 2013, September 5, 2012 , July 10, 2011 and on July 29, 2010 on the standalone financial statements of the Company as at and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 respectively.

5. 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 above, we have examined the Restated Unconsolidated Financial Information as at and for the nine month period ended December 31, 2014 and as at and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 as set out in Annexures I to III.

6. Based on our examination and the audited financial statements of the Company for the nine month period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012 , 2011 and 2010, we report that:

   a) The restated unconsolidated 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 section 1, 2 and 3 of Annexure IV(B) to this report;

   b) There are no changes in accounting policy in the financial statements as at and for the nine month period ended December 31, 2014. The impact arising on account of changes in accounting policies adopted by the Company as at and for the year ended March 31, 2013 is 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 nine months ended December 31, 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 Financial Information; and

   f) Other audit qualifications included in the annexure to the audit report on the financial statements for the years ended March 31, 2011 and 2010, which do not require any corrective adjustment in the financial information, are as follows.

      A. For the year ended March 31, 2011

      Clause (ix)(a)

      Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *though there has been a slight delay in a few cases.* Undisputed dues of value added tax *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 and excise duty are not applicable to the Company.

Clause (xxi)

We have been informed that an employee of the Company has misappropriated funds amounting to Rs 154,120 during the year under audit from collections received from clients. The Company has taken legal action against the employee and his services are terminated and the amount has been written off. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that except foregoing, no fraud on or by the Company has been noticed or reported during the year.

B. For the year ended March 31, 2010

Clause (xxi)

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit *except two instances of employees misappropriating Rs 6.04 lacs from which Rs 4.75 lacs has been recovered or is recoverable and the balance amount has been written off*.

7. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 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 December 31, 2014.

Other Financial Information:

8. 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 nine month period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010:

    i. Restated Unconsolidated Statement of Reserves & Surplus, enclosed as Annexure V
    ii. Restated Unconsolidated Statement of Long term borrowings enclosed as Annexure VI
    iii. Restated Unconsolidated Statement of Other Noncurrent Liabilities and Long Term Provisions, enclosed as Annexure VII
    iv. Restated Unconsolidated Statement of Short term borrowings enclosed as Annexure VIII
    v. Restated Unconsolidated Statement of Trade Payables, Other current liabilities and Short term Provisions, enclosed as Annexure IX
    vi. Restated Unconsolidated Statement of Long Term Investments, enclosed as Annexure X
    vii. Restated Unconsolidated Statement of Long term Loans and Advances and Other Non-Current Assets, enclosed as Annexure XI

viii. Restated Unconsolidated Statement of Non-current Trade Receivables, enclosed as Annexure XII
ix. Restated Unconsolidated Statement of Current Investments , enclosed as Annexure XIII
x. Restated Unconsolidated Statement of Current Trade Receivables, enclosed as Annexure XIV
xi. Restated Unconsolidated Statement of Short term Loans and Advances and Other Current Assets, enclosed as Annexure XV
xii. Restated Unconsolidated Statement of Revenue, enclosed as Annexure XVI
xiii. Restated Unconsolidated Statement of Other Income and finance income, enclosed as Annexure XVII
xiv. Restated Unconsolidated Statement of Operating Direct Cost, enclosed as Annexure XVIII
xv. Restated Unconsolidated Statement of Employee Benefits Expense, enclosed as Annexure XIX
xvi. Restated Unconsolidated Statement of Other expense, enclosed as Annexure XX
xvii. Restated Unconsolidated Statement of Accounting Ratios based, enclosed as Annexure XXI
xviii. Capitalization statement, as appearing in Annexure XXII
xix. Restated Unconsolidated Tax Shelter Statement, enclosed as Annexure XXIII
xx. Restated Unconsolidated Statement of Related Party Transactions, as appearing in Annexure XXIV

9. 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 Annexure IVC, and after making adjustments and regroupings as considered appropriate and disclosed in Annexures IVA and IV B, have been prepared in accordance with the relevant provisions of the Act and the Regulations.

10. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. This report is intended solely for your information and for inclusion in the offer document in connection with the proposed public offer 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 Govind Ahuja
Partner
Membership No: 48966
Mumbai
March 4, 2015

UFO Moviez India Limited

Annexure I - Restated unconsolidated Summary Statement of Assets and Liabilities

Rs. in million

Particulars		Annexures	As at 31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	**Equity and Liabilities**							
	Shareholder's Funds							
	Equity share capital		258.98	258.98	258.98	258.98	201.50	186.59
	Reserves and surplus	V	3,652.14	3,449.81	3,100.38	2,848.58	1,238.71	1,089.01
	Total of Shareholder's Funds		**3,911.12**	**3,708.79**	**3,359.36**	**3,107.56**	**1,440.21**	**1,275.60**
B	Share Application money		-	-	-	-	440.00	-
C	**Non-current liabilities**							
	Long-term borrowings	VI	512.07	715.47	655.22	471.33	330.17	350.50
	Other long-term liabilities	VII	551.54	459.90	472.37	241.96	102.03	195.95
	Total of Non-Current liabilities		**1,063.61**	**1,175.37**	**1,127.59**	**713.29**	**432.20**	**546.45**
D	**Current liabilities**							
	Short-term borrowings	VIII	242.44	8.59	168.07	-	-	-
	Non-current Trade payables	IX	208.06	164.20	117.97	102.93	142.96	62.87
	Other current liabilities	IX	995.79	903.23	975.62	791.90	486.10	332.22
	Short-term provisions	IX	24.82	23.37	19.94	14.41	10.08	6.80
	Total of Current liabilities		**1,471.11**	**1,099.39**	**1,281.60**	**909.24**	**639.14**	**401.89**
	Total A + B + C+ D		**6,445.84**	**5,983.55**	**5,768.55**	**4,730.09**	**2,951.55**	**2,223.94**
	Assets							
E	**Non-current assets**							
	Fixed assets							
	Tangible assets		2,424.62	2,659.17	2,366.30	1,618.71	1,142.58	1,095.84
	Intangible assets		2.14	2.59	3.49	10.55	15.63	20.22
	Capital work-in-progress		120.82	106.62	294.94	496.09	63.68	72.97
			2,547.58	**2,768.38**	**2,664.73**	**2,125.35**	**1,221.89**	**1,189.03**
	Non-current investments	X	2,106.39	1,713.47	1,758.47	1,550.81	694.48	17.21
	Deferred tax assets (net)		140.81	104.62	-	-	-	-
	Long-term loans and advances	XI	256.50	260.83	192.46	130.55	286.07	531.62
	Non- current Trade receivables	XII	-	22.15	75.80	-	-	-
	Other non-current assets	XI	0.68	0.01	56.58	0.47	8.44	0.42
	Total of Non-current assets		**5,051.96**	**4,869.46**	**4,748.04**	**3,807.18**	**2,210.88**	**1,738.28**
F	**Current assets**							
	Current investments	XIII	-	35.43	97.69	-	-	-
	Inventories		50.15	62.45	59.43	65.14	29.97	31.51
	Trade receivables	XIV	740.89	557.69	438.93	319.32	381.49	137.07
	Cash and bank balances		279.49	344.17	262.22	377.66	170.03	150.88
	Short-term loans and advances	XV	199.96	69.63	146.47	152.60	126.14	133.62
	Other current assets	XV	123.39	44.72	15.77	8.19	33.04	32.58
	Total of Current assets		**1,393.88**	**1,114.09**	**1,020.51**	**922.91**	**740.67**	**485.66**
	Total E + F		**6,445.84**	**5,983.55**	**5,768.55**	**4,730.09**	**2,951.55**	**2,223.94**

Notes:

The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature: Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: March 04, 2015

UFO Moviez India Limited

Annexure II - Restated unconsolidated Summary Statement of Profits and Losses

Rs. in million

Particulars	Annexures	Nine month period ended 31-Dec-14	For the year ended				
			31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Income from operations							
Revenue from operations	**XVI**	2,253.69	2,690.58	2,131.74	1,460.02	1,084.69	720.84
Other income	**XVII**	3.85	8.57	14.68	8.78	11.69	3.08
Total revenue		**2,257.54**	**2,699.15**	**2,146.42**	**1,468.80**	**1,096.38**	**723.92**
Expenses							
Operating direct cost	**XVIII**	706.21	801.67	515.55	406.30	356.92	293.27
Employee benefits expense	**XIX**	333.09	416.26	349.71	256.85	197.43	150.32
Other expenses	**XX**	383.13	493.27	451.85	361.76	318.76	259.90
Total expenses		**1,422.43**	**1,711.20**	**1,317.11**	**1,024.91**	**873.10**	**703.49**
Restated Earnings before interest, tax, depreciation and amortisation		**835.11**	**987.95**	**829.31**	**443.89**	**223.27**	**20.43**
Depreciation and amortisation expense		437.73	546.43	466.51	341.81	248.99	191.54
Finance costs		117.35	154.24	133.72	79.48	51.03	62.90
Finance income	**XVII**	(31.80)	(23.31)	(22.73)	(61.68)	(23.01)	(38.58)
Restated profit/(loss) before tax		**311.83**	**310.59**	**251.81**	**84.28**	**(53.74)**	**(195.43)**
Tax expense/(credit)							
Current tax		142.71	66.65	25.38	-	-	-
MAT credit entitlement		-	(0.88)	(25.38)	-	-	-
Net Current Tax		**142.71**	**65.77**	**-**	**-**	**-**	**-**
Deferred tax (credit)		(35.18)	(104.62)	-	-	-	-
Total tax expense/(credit)		**107.53**	**(38.85)**	**-**	**-**	**-**	**-**
Restated profit/(loss) for the period / year		**204.30**	**349.44**	**251.81**	**84.28**	**(53.74)**	**(195.43)**

Notes:

The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature: Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: March 04, 2015

UFO Moviez India Limited

Annexure III - Restated unconsolidated Summary Statement of Cash Flows

Rs. in million

Particulars	Nine month period ended 31-Dec-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 /(loss) before taxation (as restated)	**311.83**	**310.59**	**251.81**	**84.28**	**(53.74)**	**(195.43)**
Adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expenses	437.73	546.43	466.51	341.81	248.99	191.55
Foreign exchange loss (net)	0.05	0.01	1.12	7.00	0.82	61.38
Loss on sale and write off of fixed assets	4.02	9.84	4.22	1.32	9.17	5.32
Bad debts written-off	3.38	1.39	1.78	8.33	8.59	6.44
Provision for doubtful debts	11.21	3.64	16.64	1.99	2.21	6.63
Provision for compensated absences	1.21	5.58	5.13	3.70	3.14	-
Provision for gratuity	3.82	3.82	3.71	3.49	2.43	-
Provision for diminution in value of fixed assets	1.44	1.93	6.56	-	-	-
Provision for diminution in value of investment		5.00	-	-	8.60	-
Sundry credit balances written back	(2.10)	(1.02)	(5.44)	(2.45)	(7.76)	(0.01)
Profit on sale of current investments	-	-	-	(10.11)	-	-
Dividend income	(1.04)	(2.76)	(3.17)	(2.96)	-	-
Interest Income	(30.76)	(20.55)	(19.56)	(48.62)	(23.01)	(38.58)
Interest expense	116.18	143.25	128.96	60.64	39.20	48.10
Operating profit before working capital changes (as restated)	**856.97**	**1,007.15**	**858.27**	**448.42**	**238.64**	**85.40**
Movements in Working Capital						
Decrease / (increase) in trade payables	43.86	102.65	56.67	(40.13)	(16.60)	4.22
Increase / (decrease) in short-term provisions	(3.57)	(5.97)	(3.31)	(2.85)	(2.28)	1.17
Increase / (decrease) in other current liabilities	56.14	21.10	(279.15)	(3.27)	124.32	105.20
Increase / (decrease) in other long-term current liabilities	(8.36)	(12.46)	345.16	139.92	45.62	(24.56)
Decrease / (increase) in trade receivables	(175.68)	(70.14)	(211.00)	49.02	(255.21)	(12.67)
(Increase) / decrease in inventories	12.31	(3.02)	5.71	(35.17)	1.54	(13.79)
Decrease / (increase) in short-term loans and advances	(55.84)	75.97	(22.08)	10.30	23.14	(16.63)
Decrease / (increase) in other current assets	(74.27)	(27.81)	(8.85)	(6.89)	(8.46)	(6.24)
Decrease / (increase) in long-term loans and advances	0.01	(46.34)	31.34	185.78	-	-
Cash flow from operations	**651.57**	**1,041.13**	**772.76**	**745.13**	**150.71**	**122.10**
Direct tax paid (including fringe benefit tax) (net of refunds)	(164.18)	(75.78)	(57.45)	(35.29)	(30.41)	(519.39)
Net cash generated from/ (used in) operating activities (A)	**487.39**	**965.35**	**715.31**	**709.84**	**120.30**	**(397.29)**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of fixed assets including intangible, capital work-in progress and capital advances	(290.27)	(825.48)	(1,090.29)	(1,007.54)	(385.38)	(368.31)
Investment in subsidiary	-	(117.39)	-	(578.36)	(1.50)	(2.24)
Purchase of shares of subsidiary	(164.92)	-	(90.27)	(277.97)	-	-
Loans given to subsidiary	(74.50)	-		-	-	-
Redemption of preference share in subsidiary	-	40.00	-	-	-	-
Loan repaid by subsidiary	-	-	-	-	-	490.49
Purchase of current investment including dividend reinvestment	(222.04)	(352.73)	(198.26)	(550.00)	(195.46)	-
Proceeds from sale of current investment	257.48	415.00	100.57	560.11	-	-
Advance for purchase of investment	20.00		-	-	-	-
Refund of advance paid for purchase of Investment	-	(20.00)	-	-	-	-
Advance for investment in subsidiaries	-	-	-	-	(201.00)	-
Proceeds from sale of fixed assets	13.53	8.64	11.97	13.95	14.75	7.22
Interest received	26.37	19.40	20.83	47.47	11.34	16.94
Dividend received	1.04	2.76	3.17	2.96	-	-
(Placement)/Maturity of bank deposits having original maturity of more than 3 months (net)	(34.98)	(21.03)	196.15	(349.59)	35.38	0.31
Net cash generated from/ (used in) investing activities (B)	**(468.29)**	**(850.83)**	**(1,046.13)**	**(2,138.97)**	**(721.87)**	**144.41**

C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES

Proceeds from long-term borrowings	192.57	919.76	769.44	326.67	143.40	310.94
Repayment of long-term borrowings	(426.15)	(728.39)	(346.48)	(107.29)	(99.85)	(114.81)
Proceeds/(repayment) of short-term borrowings (net)	233.85	(159.47)	168.07	-	-	(189.97)
Proceeds from issuance of equity shares	-	-	-	0.05	250.00	250.00
Share issue expenses	-	-	-	-	(31.66)	-
Share application money	-	-	-	-	440.00	-
Interest paid	(118.39)	(142.06)	(123.36)	(59.23)	(37.73)	(46.48)
Proceeds from issuance of preference share capital	-	-	-	1,143.00	-	-
Net cash generated from/(used in) financing activities (C)	**(118.12)**	**(110.16)**	**467.67**	**1,303.20**	**664.16**	**209.68**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(99.02)**	**4.36**	**136.85**	**(125.93)**	**62.59**	**(43.20)**
Cash and cash equivalents at the beginning of the period/year	**170.84**	**166.48**	**29.64**	**155.57**	**92.98**	**136.18**
Total Cash and cash equivalents at the end of the period/year	**71.82**	**170.84**	**166.48**	**29.64**	**155.57**	**92.98**

Components of Cash and Cash Equivalents	Nine month period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Cash on hand	0.23	0.29	0.16	0.15	0.27	0.23
Balance with scheduled banks :						
Current account	71.59	157.92	145.76	28.65	120.58	13.79
Fixed deposit account with original maturity of less than 3 months	-	12.63	20.56	0.84	34.72	78.96
	71.82	**170.84**	**166.48**	**29.64**	**155.57**	**92.98**

Notes:

1) Figures in brackets indicate cash outflow

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature: Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: March 04, 2015

Annexure IVA: Notes on Material Adjustments

The summary of adjustments made in the audited unconsolidated summary statements for the respective period/years and its impact on the profit/ (loss) of the Company is as follows

Rs. in million

Particulars	Nine month period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(A) Net Profit/(loss) as per audited financial statements	**204.30**	**349.44**	**251.71**	**84.25**	**(53.78)**	**(164.00)**
Adjustments due to changes in accounting policies						
Increase in value of inventory due to change in method (Refer Note (1) of Annexure IVB)	-	-	0.10	0.03	0.04	0.21
Other Adjustments						
Reversal of prior year adjustments due to the expense recognition in the year to which it relates. (Refer Note (2) of Annexure IVB)	-	-	-	-	-	(31.64)
(B) Total Adjustments	-	**-**	0.10	0.03	0.04	(31.43)
Restated Profit (A + B)	**204.30**	**349.44**	**251.81**	**84.28**	**(53.74)**	**(195.43)**

Notes:

1) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVB & IVC.

Annexure IVB

1. Change in accounting policy

During the year ended March 31, 2013, the Company had changed its accounting policy for valuation of inventories from the first in first out (FIFO) basis to weighted average cost basis. The management believes that such change will result in a more appropriate presentation of inventories.

For the purpose of restated unconsolidated summary statements, this change in accounting policy has been appropriately adjusted in the respective years.

2. Prior period items

In the financial year ended March 31, 2010, excess depreciation charge during the year ended March 31, 2009 has been identified as prior period adjustments. These adjustments were recorded in the year when identified. However, for the purpose of restated summary statements, such prior period adjustment has been adjusted in the respective year to which the transaction pertains.

3. Restatement adjustments made in the audited opening balance figure in the net surplus in the Statement of Profit and Loss for the year ended March 31, 2010

		Rs. in million
Net surplus in the Statement of Profit and Loss as at April 1, 2009 as per audited financial statements		(458.15)
Adjustment:		
Depreciation (Refer note 2 above)	31.64	31.64
Change in inventory from FIFO to weighted average Cost (Refer note 1 above)	0.38	(0.38)
Net surplus in the Statement of Profit and Loss as at April 1, 2009 (as restated)		**(426.89)**

4. Material Regrouping

W.e.f, April 1 2014, schedule III of the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. The adoption of 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.

Appropriate adjustments have been made in the Restated unconsolidated Summary Statements of assets and liabilities, profit and losses and cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at and for the nine month period ended December 31, 2014, prepared in accordance with Schedule III of the Companies Act, 2013.

5. Non-adjusting items

Certain qualifications in the Annexure to the Auditor's report on the unconsolidated financial statements of the Company for the years ended March 31, 2011 and March 31, 2010 which do not require any quantitative adjustment in the restated unconsolidated summary statements are as follows:

(i) The annexure to the audit report for the years ended March 31, 2011 and March 31, 2010 included a qualification in respect of delayed deposit of certain statutory dues.

(ii) The annexure to the audit report for the year ended March 31, 2011 included a qualification in respect of a fraud that was noticed by the Company wherein an employee of the Company had misappropriated funds amounting to Rs 154,120. The Company had taken legal action against the employee and his services are terminated and the amount has been written off.

(iii) The annexure to the audit report for the year ended March 31, 2010 included a qualification in respect of a fraud that was noticed by the Company wherein two employees of the Company had misappropriated funds amounting to Rs 604,000 from which Rs 475,000 has been recovered or is recoverable and balance amount had been written off.

ANNEXURE IVC: Notes to the restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows for the nine months period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010:

1. Corporation information

UFO Moviez India Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of providing digital cinema services.

2. Basis of preparation

a. The Restated unconsolidated Summary Statement of Assets and Liabilities of the Company as at December 31, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and the related Restated unconsolidated Summary Statement of Profits and Losses and Cash Flows Statement for the nine month ended December 31, 2014 and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (herein collectively referred to as ('Restated unconsolidated Summary Statements') have been compiled by the management from the Interim unconsolidated financial statements for the nine months period ended December, 2014 and from the unconsolidated financial statements of the Company for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010.

b. The Interim unconsolidated Financial Statements of the Company for the nine months period ended December 31, 2014 and unconsolidated Financial Statements of the Company for the year ended March 31, 2014, 2013, 2012, 2011 and 2010 have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Unconsolidated Financial Statements to comply in all material respects with the accounting standards. The Unconsolidated 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 and are consistent with those used in the previous year.

c. Restated unconsolidated summary statements relate to the Company and have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed Initial public offering.

d. These Restated unconsolidated Summary Statements have been prepared by the Company to comply in all material respects 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 Companies Act, 2013 ("the Act") read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

3 Summary of significant accounting policies

3.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgment, estimates and assumptions that affect the reported amounts of revenue, expenses assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon 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.

3.2 Change in accounting estimate

Pursuant to Companies Act, 2013 being effective from 1 April 2014, the Company has revised the depreciation rates on computer and office equipments fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act. As a result of this change, the depreciation charge for the nine months period ended 31 December 2014 is higher by 5.27 million. In respect of assets whose useful life is already exhausted as on 1 April 2014, depreciation of Rs.1.97 million (net of deferred tax impact of Rs.1.01 million) has been adjusted in surplus in statement of profit and loss in accordance with the requirement of Schedule II of the Act.

3.3 Tangible Fixed Assets

Tangible fixed assets are stated at cost, net accumulated depreciation and accumulated impairment losses if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

3.4 Intangible 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 losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life.

3.5 Depreciation on tangible and amortisation of intangible assets

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, (from April, 1 2014) and at higher of the rates prescribed under Schedule XIV of the Companies Act, 1956 or rate as per useful life estimated by management (from April 1, 2009 to March 31, 2014).

The Company has used the following rates to provide deprecation on its fixed assets

	Rates as per management's estimate of useful lives from April, 1 2014 (SLM)	**Rates as per management's estimate of useful lives for the period from April 1,2009 to March 31, 2014 (SLM)**
Exhibition Equipment	9.50% - 25%	9.50% - 25%
Plant and Machinery	16.21%	16.21%
Computer	33.33% *	16.21%
Furniture and Fixtures	16.67%	16.67%
Office Equipments	33.33%*	16.67%
Vehicles	20.00%	20.00%

*****Rate of depreciation are different from rates prescribed under schedule II in some cases. These rates are based on evaluation of useful life by internal technical expert.

Leasehold improvements are written off over the period of lease or over a period of 4 years whichever is lower.

Intangible assets are amortised over their estimated useful life as follows.

	Rates as per management's estimate of useful lives (SLM)
Computer Software	16.21%

3.6 Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

3.7 Leases

Where the Company is 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 recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the 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 given on operating leases are included in fixed assets. Lease income 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. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

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. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

3.9 Inventories

Inventories comprise of stores and spares and are valued at cost or at net realisable value whichever is lower. Cost is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.10 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from Services

- Advertisement Income is recognised in the period during which advertisement is displayed.
- Virtual Print Fees received from distributors of the films (D-Cinema and VPF E-Cinema income) is recognised in the period in which the services are rendered.
- Lease rental income on equipment is recognised as mentioned in Note 3.7 above.
- Income from digitization charges is recognized on rendering of services.

- Registration fee is recognised in the period in services are rendered.

- Technology service fee is recognised in the period in which services are rendered.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax.

The Company recognizes revenue from sales of equipment and stores as and when these are dispatched/issued to customers.

Interest

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

3.11 Foreign Currency Translation

Foreign currency transactions and balances

(i) 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.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

3.12 Retirement and other benefits

Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the employees render related services. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The Company has an Employees' Gratuity Fund managed by the Life Insurance Corporation of India (LIC).

Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. The company presents the compensated absence as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

3.13 Income Taxes

Tax expense comprises of 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. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised 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 Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised 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.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

3.14 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. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares)

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 that have changed the number of equity shares outstanding, without a corresponding change in resources.

3.15 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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3.16 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.

3.17 Employee Stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis. 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 period and is recognized in employee benefits expense.

3.18 Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3.19 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

3.20 Measurement of EBITDA

As permitted by the *Guidance Note 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/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, finance income and tax expense.

4. Capital and other commitments

Rs. in million

Particulars	Nine months period ended December 31, 2014	Year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Capital commitments	27.57	51.27	34.47	57.86	107.07	15.98
(estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances))						
Repairs & Maintenance	2.33	14.46	-	-	-	-
Other Commitments	12.32	10.16	5.80	-	-	-

a) As at December 31, 2014, March 31, 2014 and March 31, 2013, the Company has issued a letter of comfort to a bank for term loan of Rs 300 million and Cash credit facility of Rs 30 millon taken by subsidiary company as at December 2014, assuring that it will take all necessary steps so that the repayment of the loan by the subsidiary is honored as and when due and payable.
b) As explained in note 5 to Annexure X, the Company will acquire the remaining 20% equity of Valuable Digital Screen Private Limited from Valuable Technologies Limited in the financial year 2017-18 for a further consideration to be calculated in accordance with the terms of the investment agreement.

5. Contingent Liabilities

Rs in million

Particulars	As at 31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Dividend on 4,885,925 - 6% Cumulative Convertible Preference Shares of Rs. 100/- each.	31.00	31.00	31.00	31.00	31.00	31.00
Corporate Guarantee to a bank on behalf of Joint venture of Subsidiary (Refer Note a)	70.00	-	-	-	-	-
Corporate Guarantee to a bank on behalf of enterprises owned or significantly influenced by Key management personnel or their relatives (Refer Note b)	10.00	-	-	-	-	-
TDS matters	24.61	2.62	1.90	1.90	1.90	-
Income Tax Matters	0.72	-	-	-	-	-
West Bengal, VAT matters	4.20	4.20	4.20	4.23	2.50	0.73
Andhra Pradesh, VAT matters	0.63	0.63	3.14	2.10	-	-
Bihar, VAT matters	5.30	5.30	-	-	-	-
Custom matters	-	-	-	174.82	174.82	174.82
Service Tax matters (Refer Note c)	233.20	-	-	-	-	-
Total Contingent liabilities	**379.66**	**43.75**	**40.24**	**214.05**	**210.22**	**206.55**

Notes

a) During the period ended December 31, 2014, the Company has provided Corporate guarantee to bank for Overdraft facility of Rs 70,000,000 taken by joint venture of subsidiary assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable.

b) During the period ended December 31, 2014, the Company has provided bank guarantee of Rs 10,000,000 to Chief Secretary, Revenue Department, Government of Maharashtra on behalf of Impact Exchange Media Private Limited, for declaring it as approved satellite based computer ticketing system provider in Maharashtra.

c) The Company has received show cause notices from service tax authorities challenging the qualification of Digital Cinema Equipments as 'capital goods' under the Cenvat Credit legislation, and accordingly denying the Cenvat Credit availed on procurement of such goods which have been leased out to various theatres / third parties. The Company has filed its responses to the authorities. In an event, any liability crystallising on the Company, the Company will consider capitalising the CENVAT credit.

d) The Company had made downstream investments and being a foreign owned or controlled company, there have been delays in filings to be made with the regulators within the specified period as required by exchange control regulations. The ultimate outcome of these delays in filing cannot be estimated currently on the company's financial position and results of operations for the nine months period ended December 31, 2014.

The Company is contesting the demand/matter relating to VAT, Income Tax and Service Tax listed above and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

6. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense recognized in the employee cost

Rs. in million

Particulars	Nine months period ended December 31, 2014	Gratuity 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current service cost	3.68	2.48	2.07	1.76	1.18	0.92
Interest cost on benefit obligatior	1.54	1.05	0.77	0.52	0.30	0.21
Expected return on plan assets	(1.40)	(1.09)	(0.84)	(0.60)	(0.26)	(0.18)
Net actuarial (gain) / loss recognized in the yea	-	1.38	1.53	1.07	1.20	(0.03)
Net benefit expense	3.82	3.82	3.52	2.75	2.42	0.92
Actual return on plan assets	1.40	1.09	0.84	0.60	0.26	0.18

Balance sheet
Benefit asset/ liability

Present value of defined benefit obligatior	22.68	17.58	13.17	9.57	6.47	3.79
Fair value of plan assets	21.32	16.31	9.75	7.30	4.88	2.70
Plan (asset) / liability	1.36	1.28	3.42	2.27	1.58	1.09

Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligatior	17.58	13.17	9.57	6.47	3.79	2.69
Current service cost	3.68	2.48	2.07	1.76	1.18	0.21
Interest cost	1.54	1.05	0.77	0.52	0.30	0.92
Benefits paid	(0.12)	(0.50)	(0.77)	(0.24)	-	-
Actuarial (gains) / losses on obligatior	-	1.38	1.53	1.07	1.20	0.03
Closing defined benefit obligation	22.68	17.58	13.17	9.57	6.47	3.79

Changes in the fair value of plan assets are as follows:

Opening fair value of plan assets	16.31	9.75	7.30	4.88	2.70	1.30
Expected return	1.40	1.09	0.84	0.60	0.26	0.18
Contributions by employer	3.74	5.97	2.37	2.06	1.92	1.22
Benefits paid	(0.12)	(0.50)	(0.77)	(0.24)	-	-
Actuarial gains / (losses)	-	-	-	-	-	-
Closing fair value of plan assets	21.33	16.31	9.75	7.30	4.88	2.70

The principal assumptions used in determining gratuity as shown below:

	Gratuity					
	Nine months period ended December 31, 2014	**31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Expected rate of return on assets	8.75%	8.75%	9.15%	9.15%	9.15%	5.00%
Employee turnover	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age

Amounts for the current and previous five periods are as follows: **Rs. in million**

	31 Dec 2014	**31 March 2014**	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
Gratuity						
Defined benefit obligation	22.68	17.58	13.17	9.57	6.47	3.79
Plan assets	21.32	16.31	9.75	7.30	4.88	2.70
Surplus / (deficit)	1.36	1.28	3.42	2.27	1.58	1.09
Experience adjustments on plan liabilities	-	1.38	1.53	1.07	1.20	0.03
Experience adjustments on plan assets	-	-	-	-	-	-

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

The Company expects to contribute Rs 4,982,134/- to gratuity in the next year (31 March 2014: 5,973,113/-)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	**Nine months period ended December 31, 2014**	**Gratuity**				
		31 March 2014	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
Investments with insurer	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

7. Leases

Operating lease : Company as lessee

The Company's significant leasing arrangements are in respect of operating leases taken for office premises, stores & digital equipments. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the office lease generally is for 11 to 36 months. The initial tenure of the digital equipments on lease generally is for 36 to 72 months.

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Lease payments for the period/year	61.52	81.01	78.73	78.49	57.25	30.88

Operating lease commitments – Company as lessor

The Company has leased out Digital Cinema Equipment to theaters, franchisees and subsidiary companies on operating lease arrangement. The lease term is generally for 5 to 10 years. The Company as well as the theaters franchisees and subsidiaries have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement.

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Gross carrying amount	3,435.06	3,200.62	2,717.77	1,716.55	1,598.39	1,352.81
Accumulated Depreciation	1,107.59	724.77	487.96	296.47	553.95	354.40
Depreciation recognized in the statement of Profit and Loss	314.02	368.13	304.46	164.49	205.99	155.49

8. Deferred tax assets (net)

The following are the components of deferred tax assets **Rs. in million**

Particulars	Nine months period ended December 31, 2014	Year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Deferred tax asset						
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged	119.51	87.47	46.95	26.34	-	-
Carry forward of losses		-	77.88	132.83	138.22	131.96
Provision for doubtful debts	12.86	9.20	9.73	4.44	3.86	3.11
Provision for gratuity and compensated absences	8.44	7.94	6.47	4.90	3.43	4.59
Deferred expenses/other difference	-	-	-	0.21	0.02	0.04
Share Issue Expenses	-	-	-	-	8.61	-
Gross deferred tax asset (A)	140.81	104.62	141.03	168.72	154.14	139.71
Deferred tax liability						
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	-	-	-	-	0.05	18.10
Others	-	-	0.01	0.01	0.06	0.02
Gross deferred tax liability (B)	-	-	0.01	0.01	0.11	18.12
Net deferred tax asset (A)-(B)	**140.81**	**104.62**	**141.02**	**168.71**	**154.03**	**121.59**
Net deferred tax asset recognised	**140.81**	**104.62**	**-**	**-**	-	-

9. Earnings per share (EPS)

The calculations of earnings per share are based on the net profit/ (loss) and number of shares as computed below

Rs. in million

Particulars	Nine months period ended December 31, 2014	Year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Net profit/(loss) as restated	204.30	349.44	251.81	84.28	(53.74)	(195.43)
Less: Dividends on convertible preference shares & tax thereon	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)
Net profit /(loss) for calculation of basic EPS	173.30	318.44	220.80	53.28	(84.74)	(226.43)
Weighted number of equity shares for calculating basic EPS	25,897,669	25,897,669	25,897,669	20,197,817	19,452,623	16,972,602
Basic EPS	6.69	12.30	8.53	2.64	(4.36)	(13.34)
Weighted number of equity shares for calculating diluted EPS	26,906,342	26,082,089	26,594,722	26,498,247	19,452,623	16,972,602
Diluted EPS	6.44	12.21	8.30	2.01	(4.36)	(13.34)

Note: There were potential equity shares as on March 31,2010 and March 31, 2011 in the form of stock Options granted to employees and warrants as on March 31,2010 and March 31, 2011. As these are anti-dilutive, the diluted earnings per share is same as basic earnings per share.

10. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company does not have suppliers who are registered as micro or small enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at December 31, 2014, March 31, 2014, 2013, 2012, 2011, and 2010 The information regarding micro or small enterprises has been determined on the basis of information available with the management.

11. Segment reporting

The Company is engaged in the business of Digital Cinema Services and sale of digital cinema equipments ancillary to sale of services, which are subject to same risk and rewards and the financial statements reflect the result of this business segment, which is the primary segment in accordance with the requirement of Accounting Standard 17 on Segment Reporting. The Company's operations are based in India.

12. Employee stock option plans

a) ESOP 2006

The Company had granted 9,700 Options under the Employee Stock Option Plans – 2006 Scheme ('the Scheme') which was approved by the Board of Directors at its meeting held on December 22, 2006 and by Members at the Extra Ordinary General meeting held on December 22, 2006. As per the Scheme, an adjustment in the number of options or the exercise price or both would be made if the Company issues bonus.

Pursuant to the amalgamation of UFO Moviez Limited with the Company, the Scheme is now operated and administered by UFO Moviez India Limited. As per the Scheme of Amalgamation, the eligible employees were eligible to receive 915 options for every 100 options held, accordingly the revised number of options stood at 88,741.

The Scheme provided the vesting of the options by March 31, 2009 and exercise by March 31, 2010. Pursuant to the amalgamation, the Scheme was revised whereby 30% of the options were vested by September 30, 2009 and the balance 70% by December 31, 2009 and the exercise period was extended up to June 15, 2011.

Pursuant to bonus issue by the Company in the Ratio of 2:1 during the year ended March 31, 2009, the compensation committee of the Board has made the following adjustments in the existing ESOP holdings:

Each outstanding option got adjusted as three outstanding options and exercise price per option got revised from Rs.300.55 to Rs.100.18

During the financial year 2010-11, the Company granted 10,960 options under the ESOP Scheme 2006 (ESOP Grant 2010) to eligible employees at an exercise price of Rs.100.18 per equity share.

The Shareholders of the Company in their Annual General Meeting held on August 17, 2011 had revised the terms and conditions of the Exercise Period of the Options granted under ESOP Scheme 2006 to make it in consonance with ESOP Scheme 2010. The salient features with respect to the revised terms and conditions of the Exercise Period are as follows:

i) For the employees while in employment of the Company: All options vested can be exercised within a period of one year from the date on which the shares of the Company get listed on a Recognized Stock Exchange.

ii) For the retired employees, termination due to permanent disability, death: All vested options may be exercised immediately after but in no event later than six months from the date of listing with a recognised stock exchange.

b) ESOP 2010

The Compensation Committee recommended the new ESOP Scheme 2010 and the Board approved the new ESOP Scheme 2010 at its meeting held on October 15, 2010 and Shareholders approved this ESOP Scheme 2010 at its meeting held on November 22, 2010.

Under ESOP Scheme 2010 a total number of 1,413,497 options were granted in the year ended March 31, 2011 at an exercise price of Rs. 161.87 per share. As per the ESOP Scheme 2010, 25% of the options shall vest at the end of each year from the date of grant. The exercise period for the same is within a period of two years from the date on which the shares of the Company get listed on a Recognized Stock Exchange

During the year 2013-14, Company granted a total number of 174,157 options at an exercise price of Rs.178.18 per share to certain employees and key managerial personnels of the company and certain employees of subsidiaries. Out of the options granted, in respect of 82,157 options 25% vest equally over a period of 4 years from the date of grant and in respect of 92,000 options entire options vest at the end of one year from the date of grant.

Excerise period for options under ESOP 2010 is as follows:

i) For the employees while in employment of the Company: All options vested can be exercised within a period of one year from the date on which the shares of the Company get listed on a Recognized Stock Exchange.

ii) For the retired employees, termination due to permanent disability, death: All vested options may be exercised immediately after but in no event later than six months from the date of listing with a recognised stock exchange.

c) ESOP 2014

The Compensation Committee recommended the new ESOP Scheme 2014 and the Board approved the new ESOP Scheme 2014 at its meeting held on November 11, 2014 and Shareholders approved this ESOP Scheme 2014 at its meeting held on November 20, 2014.

Under ESOP Scheme 2014,the aggregate number of options to be granted is such number of stock options exercisable into 1,150,000 Equity Shares. Each option granted under the ESOP 2014 is convertible into one Equity Share. During the period 932,500 options were granted at an exercise price of Rs. 600 per share. As per the ESOP Scheme 2014, 25% of the options shall vest at the end of each year from the date of grant.

The exercise period for options under ESOP 2014 is as follows:

i) For the employees while in employment of the Company : All options vested can be exercised within a period of two years from the date of Vesting of the respective Employee Stock Options.

ii) For the retired employees, termination due to permanent disability, death: All vested options may be exercised immediately after but in no event later than six months from the date of retirement, termination due to physical disability and death respectively.

a) The details of activity under the ESOP scheme 2006 with weighted average exercise price of Rs.100.18 have been summarised below

Particulars	Number of options					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding at the beginning of the period/year	211,324	211,597	212,968	216,808	209,412	71,450
Granted during the period/year	-	-	-	-	10,960	-
Exercised during the period/year	-	-	-	549	-	-
Forfeited during the period/year	(273)	(273)	(1,371)	(3,291)	(3,564)	(1,646)
Bonus adjustment (2:1)	-	-	-	-	-	139,608
Outstanding at the end of the period/year	211,051	211,324	211,597	212,968	216,808	209,412
Exercisable at the end of the period/year	211,051	211,324	211,597	212,968	216,808	209,412
Weighted average remaining contractual life (in months)	-	-	-	-	12	-

Weighted average fair value of options granted on date of grant was Rs. 53.80

b) The details of activity under the ESOP scheme 2010 with weighted average exercise price of Rs.161.87 to 178.17 have been summarised below

Particulars		Number of options				
	31-Dec-14	**31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	31-Mar-10
Outstanding at the beginning of the period/year	1,505,489	1,363,865	1,395,679	1,413,497	-	-
Granted during the period/year		174,157	-	-	1,413,497	-
Exercised during the period/year		-	-	-	-	-
Forfeited during the period/year	(2,000)	(32,533)	(31,814)	(17,818)		-
Outstanding at the end of the period/year	1,503,489	1,505,489	1,363,865	1,395,679	1,413,497	-
Exercisable at the end of the period/year	1,327,332	1,004,722	681,933	348,920		-
Weighted average remaining contractual life (in months)	-	9	19	31	43	-

Weighted average fair value of options granted on date of grant was Rs 63.11

c) The details of activity under the ESOP scheme 2014 with weighted average exercise price of Rs.600 have been summarised below

Particulars		Number of options				
	31-Dec-14	**31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	31-Mar-10
Outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the period/year	932,500	-	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Forfeited during the period/year	(2,750)	-	-	-	-	-
Outstanding at the end of the period/year	929,750	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-
Weighted average remaining contractual life (in months)	54	-	-	-	-	-

Weighted average fair value of options granted on date of grant was Rs 315.08

2. Impact on the reported net profit and earnings per share by applying the fair value based method

As per guidance note on 'Accounting for Employees Share Based Payments' issued by the Institute of Chartered Accountants of India, the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements on the reported net profit and earnings per share would be as follows:

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Profit / (loss) as per unconsolidated restated financials	204.30	349.44	251.81	84.28	(53.74)	(195.43)
Less: Dividends on convertible preference shares & tax thereon	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)
Less: Employee stock compensation under fair value method	(14.47)	(9.14)	(17.23)	(33.23)	(14.20)	(1.67)
Proforma profit / (loss)	158.83	309.30	203.57	20.05	(98.94)	(228.10)
Earnings per share						
Basic earnings per share						
As reported	6.69	12.30	8.53	2.64	(4.36)	(13.34)
Proforma	6.13	11.94	7.86	0.99	(5.09)	(13.44)
Diluted earnings per share						
As reported	6.44	12.21	8.30	2.01	(4.36)	(13.34)
Proforma	5.90	11.86	7.65	0.76	(5.09)	(13.44)

Note: There were potential equity shares as on March 31,2010 and March 31, 2011 in the form of stock Options granted to employees and warrants as on March 31,2010 and March 31, 2011. As these are anti-dilutive, the diluted earnings per share is same as basic earnings per share.

3. Fair value of stock options granted during the year

The fair value of stock options under ESOP 2006 granted during the previous year ended March 31, 2011 with vesting period of 4 years was Rs 53.80. The Black Scholes valuation model has been used for computing the fair value considering the following inputs

Particulars	**Nine months period ended December 31, 2014***	**31 March 2014***	**31 March 2013***	**31 March 2012***	**31 March 2011***	**31 March 2010***
Expected volatility	-	-	-	-	-	-
Risk-free interest rate	-	-	-	-	7.69%	-
Weighted average share price	-	-	-	-	164.00	-
Exercise price	-	-	-	-	161.87	-
Expected life of options granted in years	-	-	-	-	4.00	-

* Not applicable since no ESOP's were granted during these year/period

The fair value of stock options under ESOP 2010 granted during the previous year ended March 31, 2014 with vesting period of 1 year is Rs.25.46. The Black Scholes valuation model has been used for computing the fair value considering the following inputs

Particulars	Nine months period ended December 31, 2014*	31 March 2014	31 March 2013*	31 March 2012*	31 March 2011*	31 March 2010*
Expected volatility	-	25%	-	-	-	-
Risk-free interest rate	-	8.75%	-	-	-	-
Weighted average share price	-	178.17	-	-	-	-
Exercise price	-	178.17	-	-	-	-
Expected life of options granted in years	-	4	-	-	-	-

* Not applicable since no ESOP's were granted during these year / period

The fair value of stock options under ESOP 2010 granted during the previous year ended March 31, 2014 with vesting period of 4 year is Rs.63.11. The Black Scholes valuatio model has been used for computing the fair value considering the following inputs:

Particulars	Nine months period ended December 31, 2014*	31 March 2014	31 March 2013*	31 March 2012*	31 March 2011*	31 March 2010*
Expected volatility	-	25%	-	-	-	-
Risk-free interest rate	-	8.75%	-	-	-	-
Weighted average share price	-	178.17	-	-	-	-
Exercise price	-	178.17	-	-	-	-
Expected life of options granted in years	-	1	-	-	-	-

* Not applicable since no ESOP's were granted during these year / period

The fair value of stock options under ESOP 2014 granted during the nine months period ended December 31, 2014 with vesting period of 4 year is Rs.315.08 (March 31, 2014: Nil The Black Scholes valuation model has been used for computing the fair value considering the following inputs:

Particulars	Nine months period ended December 31, 2014	31 March 2014*	31 March 2013*	31 March 2012*	31 March 2011*	31 March 2010*
Expected volatility	0.5%	-	-	-	-	-
Risk-free interest rate	8.13%	-	-	-	-	-
Weighted average share price	378.71	-	-	-	-	-
Exercise price	600	-	-	-	-	-
Expected life of options granted in years	3.5	-	-	-	-	-

* Not applicable since no ESOP's were granted during these year / period

13. Expenditure in foreign currency (accrual basis)

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Travelling and conveyance	1.44	5.99	2.66	2.77	1.68	1.03
Others	5.95	10.87	0.30	0.07	0.21	0.33
Total	**7.39**	**16.86**	**2.96**	**2.84**	**1.89**	**1.36**

14. Value of imports calculated on CIF basis

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Consumable, stores and spares	103.67	162.95	115.77	128.73	87.73	57.38
Capital goods	124.35	521.62	805.74	982.32	149.76	191.18
Purchase of Digital Cinema Equipments	14.75	32.25	11.67	17.17	12.17	37.56
Total	**242.77**	**716.82**	**933.18**	**1,128.22**	**249.66**	**286.12**

15. Earnings in foreign currency (accrual basis)

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Interest Income	-	-	-	-	11.81	34.30
Sale of equipments (export at CIF value)	0.43	-	0.15	0.46	1.43	-
Total	**0.43**	**-**	**0.15**	**0.46**	**13.24**	**34.30**

16. Particulars of unhedged foreign currency exposure at the reporting date

Rs. in million

Particulars	Nine months period ended December 31, 2014	Year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Import trade payable (US$)	0.05	10.26	168.29	288.16	37.70	62.38
Interest receivable from subsidiaries	-	-	-	-	32.70	21.63
Loans to Subsidiaries	-	-	-	-	-	489.99
Advance to suppliers(US$)	0.35	-	-	-	-	-
Trade Receivable (US$)	0.00	-	-	-	-	-

17. The Company has not paid any dividend for equity and preference share capital for the nine months period ended December 31, 2014, and year ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010.

18. Other Receivable (Share issue expenses)

Other receivables comprises share issue expenses incurred in connection with proposed Initial Public offer (IPO) only by way of offer for sale by existing shareholders of the Compan As per offer agreement between the Company and the selling shareholders, all expenses with respect to the IPO will be borne by the selling shareholders. Accordingly, the Company has classified the expenses incurred in connection with the IPO as receivable from selling shareholders under Other receivables, since these are not the expenses for the Company.

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No. 48966

Place of signature: Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company Secretary

Ashish Malushte
Chief Financial Officer

Place of signature: Mumbai
Date: March 04, 2015

UFO Moviez India Limited

Annexure V - Restated unconsolidated Statement of Reserves and Surplus

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A. Securities premium account						
Balance as per last financial statements	3,440.35	3,440.35	3,440.35	1,914.77	1,711.34	1,453.26
Add: receipt on issue of preference shares	-	-	-	1,525.53	-	-
Add: receipt on issue of equity shares	-	-	-	-	241.38	382.48
Add: additions on ESOPs exercised	-	-	-	0.05	-	-
Less: share issue expenses	-	-	-	-	(31.66)	-
Less: utilized for bonus shares issued (Refer Note 3 and 4 below)	-	-	-	-	(6.29)	(124.40)
Closing balance	**3,440.35**	**3,440.35**	**3,440.35**	**3,440.35**	**1,914.77**	**1,711.34**
B. Surplus/(deficit) i.e. the balance in statement of profit and loss as restated						
Balance as per last financial statements as restated	9.46	(339.97)	(591.77)	(676.06)	(622.33)	(426.89)
Depreciation adjustment (net of deferred tax) (Refer Note 3.2 to annexure IVC)	(1.97)	-	-	-	-	-
Add: restated profit/(loss) for the period/year	204.30	349.43	251.80	84.29	(53.73)	(195.44)
Net surplus/(deficit) in the statement of profit and loss as restated	**211.79**	**9.46**	**(339.97)**	**(591.77)**	**(676.06)**	**(622.33)**
Total (A + B)	**3,652.14**	**3,449.81**	**3,100.38**	**2,848.58**	**1,238.71**	**1,089.01**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) During the year ended March 31, 2010, the Company issued bonus shares in the ratio of 2 equity shares for every 1 equity share by capitalising the securities premium

4) During the financial year 2010-11, the Company had issued 497,018 equity shares of Rs 10 each for cash at a premium of Rs 493 per share on Rights basis to the equity shareholders of the Company in the ratio of 9.09 equity shares for every 100 equity shares held and issued 1 detachable warrant for each share subscribed for rights issue. As per the terms of this issue, the Company called for conversion of warrants and against which holders of 314,531 warrants exercised the option. The Company allotted 314,531 equity shares on the conversion of the warrant. Since, the warrant holders were entitled to bonus shares as per the terms of the issue, the Company also allotted 629,092 bonus shares in the ratio of 2:1 i.e. two equity shares of Rs. 10 each for every one equity share issued on the conversion of the warrant.

UFO Moviez India Limited
Annexure VI - Restated unconsolidated Statement of Long-Term Borrowings

Rs in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Long-term borrowings (secured)						
Rupee term loans						
From bank:						
Non-current portion	499.33	696.19	632.36	469.80	328.13	45.40
Current maturities	522.37	550.49	425.50	192.85	112.50	50.00
	1,021.70	**1,246.68**	**1,057.86**	**662.65**	**440.63**	**95.40**
Foreign Currency Term Loan						
Non-current portion	**-**	**-**	**-**	**-**	**-**	**301.52**
Vehicle loan (secured)						
From bank and financial institution						
Non-current portion	12.74	19.28	22.86	1.53	2.04	3.58
Current maturities	12.55	14.60	8.47	2.06	4.18	2.80
	25.29	**33.88**	**31.33**	**3.59**	**6.22**	**6.38**
Less: Current maturities disclosed under the head "Other Current Liabilities"	(534.92)	(565.09)	(433.97)	(194.91)	(116.68)	(52.80)
Total Long Term Secured Borrowings	**512.07**	**715.47**	**655.22**	**471.33**	**330.17**	**350.50**

Notes:

1) Rupee Term loans and foreign currency term loan from banks is secured by first charge on all the fixed assets of the Company except vehicles and first charge on all the current assets.
2) Vehicle loans from banks and financials institutions are secured against the respective vehicles purchased/funded
3) Key Terms and break down of the Rupee term loan and foreign currency term loan are as follows:

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Non current portion						
Term loan 1 from Yes Bank	-	-	-	-	-	37.50
Term loan 2 from Axis Bank	-	-	-	225.00	328.13	7.90
Term loan 3 from Axis Bank	-	-	211.49	237.11	-	-
Term loan 4 from Axis Bank	136.67	290.42	308.37	7.69	-	-
Term loan 5 from HDFC Bank	-	-	112.50	-	-	-
Term loan 6 from HDFC Bank	31.49	112.49	-	-	-	-
Term loan 7 from Axis Bank	259.05	293.28	-	-	-	-
Term loan 8 from Axis Bank	72.13	-	-	-	-	-
Foreign currency term loan	-	-	-	-	-	301.52
Subtotal (A)	**499.34**	**696.19**	**632.36**	**469.80**	**328.13**	**346.92**
Current Maturities						
Term loan 1 from Yes Bank	**-**	**-**	**-**	**-**	**-**	50.00
Term loan 2 from Axis Bank	**-**	**-**	**-**	112.50	112.50	-
Term loan 3 from Axis Bank	**-**	**-**	108.00	79.04	-	-
Term loan 4 from Axis Bank	205.00	205.00	205.00	1.31	-	-
Term loan 5 from HDFC Bank	28.13	112.50	112.50	-	-	-
Term loan 6 from HDFC Bank	108.00	108.00	-	-	-	-
Term loan 7 from Axis Bank	124.99	124.99	-	-	-	-
Term loan 8 from Axis Bank	56.25	-	-	-	-	-
Subtotal (B)	**522.37**	**550.49**	**425.50**	**192.85**	**112.50**	**50.00**
Total (A+B)	**1,021.71**	**1,246.68**	**1,057.86**	**662.65**	**440.63**	**396.92**

Term loan 1 having interest of bank 13.5% p.a is repayable after twelve month moratorium in 12 equal quarterly installments of Rs 12,500,000/- each along with interest from October 24, 2008

Term loan 2 having interest of bank prime lending rate less 3.25% p.a. is repayable in 48 monthly installments of Rs 9,375,000 each along with interest commencing from March 31, 2011.

Term loan 3 having interest of bank base rate plus 3.25% p.a. is repayable in 48 monthly installments of Rs 9,000,000/- each along with interest from April 30, 2012.

Term loan 4 having interest of bank base rate plus 2.00% p.a. is repayable in 48 monthly installments of Rs 17,083,333/- each along with interest from September 30, 2012.

Term loan 5 having interest of bank base rate plus 2.60% p.a. is repayable in 31 monthly installments of Rs 9,375,000/- each along with interest from September 30, 2012.

Term loan 6 having interest of bank base rate plus 2.40% p.a. is repayable in 31 monthly installments of Rs 9,000,000/- each along with interest from July 31, 2013

Term loan 7 having interest of bank base rate plus 2.00% p.a. is repayable in 48 monthly installments of Rs 10,416,000/- each along with interest from April 30, 2014.

Term loan 8 having interest of bank base rate plus 2.00% p.a. is repayable in 48 monthly installments of Rs 4,687,500/- each along with interest from December 31, 2014.

Foreign Currency Term Loan having interest of 6 months LIBOR + 3.50 bps p.a, payable monthly.

4) Key Terms and break down of Vehicle loan are as follows:

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Non Current portion						
Vehicle Loan 1 from Axis Bank Limited	12.72	19.18	22.68	0.86	-	-
Vehicle Loan 2 from Kotak Mahindra Prime Limited	0.02	0.10	0.18	0.67	2.04	3.58
Sub total (A)	**12.74**	**19.28**	**22.86**	**1.53**	**2.04**	**3.58**
Current maturities						
Vehicle Loan 1 from Axis Bank Limited	12.43	14.47	7.91	0.24	-	-
Vehicle Loan 2 from Kotak Mahindra Prime Limited	0.12	0.13	0.56	1.82	4.18	2.80
Sub total (B)	**12.55**	**14.60**	**8.47**	**2.06**	**4.18**	**2.80**
Total	**25.29**	**33.88**	**31.33**	**3.59**	**6.22**	**6.38**

Vehicle Loan from Axis Bank is having interest rate ranges from 10.15% to 10.80%, repayable in 48 monthly installments and are secured against hypothecation of vehicles

Vehicle Loan from Kotak Mahindra Prime Limited is having interest rate is 11.43% repayable in 36 monthly installments are secured against hypothecation of vehicles

5) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

6) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

7) There are no unsecured loans taken from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies

8) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure VII - Restated unconsolidated Statement of Other Long-Term Liabilities

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Other long-term liabilities						
Deferred lease rental income	77.87	94.78	112.22	147.66	102.03	72.92
Deposit from theatres and regional dealers	222.13	186.32	181.35	-	-	123.03
Deposit from related parties	151.55	178.80	178.80	94.30	-	-
Payable for purchase of Investment	99.99	-	-	-	-	-
Total other long-term liabilities	**551.54**	**459.90**	**472.37**	**241.96**	**102.03**	**195.95**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due to Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Scrabble Entertainment Limited	151.55	178.80	178.80	94.30	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure VIII - Restated unconsolidated Statement of Short -Term Borrowings

Rs in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Short-term borrowings						
Rupee term loans (secured)						
From bank:						
Cash credit from Axis bank (secured)	242.44	8.59	168.07	-	-	-
Total Short Term Borrowings	**242.44**	**8.59**	**168.07**	**-**	**-**	**-**

Notes:

1) Cash credit from Axis bank is secured by first charge on all the fixed assets of the company except vehicles and first charge on all the current assets. The cash credit is repayable on demand and carries interest @ 12.25 % p.a.

2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

4) There are no unsecured loans taken from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary companies and associate companies

5) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure IX - Restated unconsolidated Statement of Trade Payables, Other Current Liabilities and Short-Term Provisions

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A. Trade payables						
Total outstanding dues of micro and small enterprises						
Total outstanding dues of trade payables other than micro and small enterprises (Refer note 10 Annexure IVC	208.06	164.20	117.97	102.93	142.96	62.87
Total trade payables	**208.06**	**164.20**	**117.97**	**102.93**	**142.96**	**62.87**
B. Other current liabilities						
Current maturities of long-term debt (Refer Annexure VI)	534.92	565.09	433.97	194.91	116.68	52.80
Interest accrued but not due on borrowings	10.99	13.20	12.02	6.42	5.01	3.54
Deferred lease rental income	25.71	25.01	25.03	31.24	25.17	42.62
Deferred advertisement income	8.72	1.93	-	-	-	-
Bank book overdraft	-	-	-	-	24.02	19.70
Advance from customers	149.32	117.13	78.90	30.89	42.11	34.09
Deposit from theatres and regional dealers	55.53	65.13	45.34	223.42	190.78	30.76
Payables for purchase of fixed assets	17.79	74.88	238.68	289.03	33.13	102.98
Payable for purchase of Investment	128.00	-	117.39	-	-	-
Other payables						
Service tax payable	1.02	-	-	-	-	-
Sales tax payable	8.62	8.24	5.72	4.05	5.81	-
Tax deducted at source payable	8.08	14.69	10.38	8.77	41.20	-
Salary and reimbursements payable	37.55	7.70	0.86	0.64	0.36	-
Other statutory dues (employee related liabilities)	3.96	3.37	2.93	-	-	-
Entry tax payable	0.11	0.21	0.27	0.12	0.07	-
Other creditors (other than trade)	5.47	6.65	4.13	2.41	1.76	38.41
Forward contract payable	-	-	-	-	-	7.32
Total other current liabilities	**995.79**	**903.23**	**975.62**	**791.90**	**486.10**	**332.22**
C. Short-term provisions						
Provision for gratuity	1.52	1.28	3.42	2.27	1.58	1.09
Provision for Compensated absences	23.30	22.09	16.52	12.14	8.50	5.71
Total short-term provisions	**24.82**	**23.37**	**19.94**	**14.41**	**10.08**	**6.80**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due to Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	-	-	0.02	0.01	-	-
Valuable Technologies Limited	*	-	-	3.73	-	-
Dusane Infotech (India) Private Limited	-	-	-	0.13	-	-
Media Infotek Park	-	-	0.18	0.49	3.46	
Sanjay Gaikwad	-	-	-	-	-	8.45
Impact Media Exchange Limited		-	-	0.18	-	-

* Less than Rs 0.01 million

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure X - Restated unconsolidated Statement of Non-Current Investments

Rs. in million

Particulars	No. of shares/units						As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Non current investments												
Trade Investment in (subsidiaries) - unquoted (valued at cost unless otherwise stated)												
Equity Instruments												
Edridge Limited, (Cyprus) equity shares of US $ 1 each fully paid	1,161,972	1,161,972	1,161,972	1,161,972	1,025,258	1,102	573.88	573.88	573.88	573.88	500.25	0.05
V N Films Private Limited, India (erstwhile known as Allied Film Services Private Limited, (India) equity shares of INR 10 each at par, fully paid	10,000	10,000	10,000	10,000	10,000	10,000	0.10	0.10	0.10	0.10	0.10	0.10
Scrabble Entertainment Limited, (India) equity shares of INR 10 each fully paid (Refer Note 2)	701,708	587,140	587,140	398,428	-	-	891.85	641.86	641.86	434.20	-	-
Southern Digital Screenz India Private Limited, (India) equity shares of INR 10 each fully paid (Refer Note 3)	3,618,716	3,231,821	3,231,821	3,231,821	-	-	430.16	320.16	320.16	320.16	-	-
Valuable Digital Screens Private Limited equity shares of INR 10 each fully paid (Refer Note 5)	7,105	-	-	-	-	-	32.93	-	-	-	-	-
United Film Organizers Nepal (Private) Limited, (Nepal) equity shares of Nepali Rupee 100 each fully paid	99,600	99,600	99,600	99,600	99,600	99,600	6.23	6.23	6.23	6.23	6.23	6.23
Less: Provision for diminution in value of investments	-	-	-	-	-	-	(5.00)	(5.00)	-	-	-	-
Subtotal (A)							**1,930.15**	**1,537.23**	**1,542.23**	**1,334.57**	**506.58**	**6.38**
Preference shares (unquoted)												
United Film Organizers Nepal (Private) Limited, (Nepal) Redeemable preference shares of NPR 100 each fully paid	59,900	59,900	59,900	59,900	59,900	35,900	3.74	3.74	3.74	3.74	3.74	2.24
Southern Digital Screenz India Private Limited, (India) 10% Optionally convertible preference shares of INR 100 each fully paid (Refer Note 3)	1,725,000	1,725,000	1,725,000	1,725,000	-	-	172.50	172.50	172.50	172.50	-	-
Scrabble Entertainment Limited, (India) 6% Optionally convertible redeemable preference shares of INR 1,150 each (Refer Note 2)	-	-	34,782	34,782	-	-	-	-	40.00	40.00	-	-
Subtotal (B)							**176.24**	**176.24**	**216.24**	**216.24**	**3.74**	**2.24**
Total Trade Investments (A+B)							**2,106.39**	**1,713.47**	**1,758.47**	**1,550.81**	**510.32**	**8.62**
Non Trade Investment in Others - unquoted (valued at cost unless otherwise stated)												
Equity Instruments												
Scrabble Entertainment Limited, (India) equity shares of INR 10 each fully paid (Refer Note 2)	-	-	-	-	19,173	-	-	-	-	-	20.00	-
Southern Digital Screenz India Private Limited, (India) equity shares of INR 10 each fully paid (Refer Note 3)	-	-	-	-	155,500	-	-	-	-	-	11.66	-
DG2L Technologies Pte. Limited, (Singapore) Ordinary shares of US $ 1 each, fully paid (Refer Note 1)	-	186,500	186,500	186,500	186,500	186,500	81.44	81.44	81.44	81.44	81.44	81.44
Less : Provision for diminution in value of investments		-	-	-	-	-	-	(81.44)	(81.44)	(81.44)	(81.44)	(72.85)
Less: Write-off of Investments during the year/period							(81.44)					
Subtotal (C)							**-**	**-**	**-**	**-**	**31.66**	**8.59**
Preference shares (unquoted)												
Southern Digital Screenz India Private Limited, (India) 8% Cumulative redeemable preference shares of INR 10 each fully paid (Refer Note 3)	-	-	-	-	15,250,000	-	-	-	-	-	152.50	-
Subtotal (D)							**-**	**-**	**-**	**-**	**152.50**	**-**
Total Non- Trade Investment (C)+(D)							**-**	**-**	**-**	**-**	**184.16**	**8.59**
Total Non current investments							**2,106.39**	**1,713.47**	**1,758.47**	**1,550.81**	**694.48**	**17.21**

Notes :

1) Write off of investment in DG2L Technologies Pte. Limited

The Company has written off the investment made in DG2L Technologies Pte. Limited, Singapore on receipt of approval from Reserve Bank of India (RBI).

2) Investment in Scrabble Entertainment Limited (SEL)

During July 2010, the Board of Directors approved the acquisition of up to 26% of share capital of Scrabble Entertainment Limited (SEL). The Company paid Rs 20 million to SEL for the acquisition of 19,173 equity shares during the year ended March 31, 2011. Subsequently, in April 2011, the Company further invested Rs 160 million for acquistion of 153,387 equity shares.

During the financial year 2011-12, the Company further acquired additional 29.39% stake in SEL in the month of September 2011 by investing an additional amount of Rs.254.20 million, out of which Rs. 132.25 million was subscribed towards equity share capital and the balance money was used for acquisition of 110,868 equity shares from the existing shareholders of SEL. Post this investment the Company is holding 51.85% of equity share capital of SEL as at March 31, 2013.

Further in December 2011, the Company had also invested Rs.40 million in SEL by subscribing to 34,782, 6% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs.1,150 each.

During the financial year 2012-13, the Company further acquired additional 24.56% stake in SEL by investing an additional amount of Rs.207.66 million for acquisition of 188,712 equity shares from the existing shareholders of SEL. Out of above the company has paid Rs.90.26 million to the existing shareholder of SEL and balance of Rs.117.39 million was paid in June 30,2013. Post this investment the Company holds 76.41% of equity share capital of SEL.

During the year ended March 31, 2014, the company excised the option to redeem all 34,782 6% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs.1,150 each of Rs.40 million invested in SEL.

During the nine month period ended December 31, 2014, the Company, acquired additional 14.91% stake (114,568 equity shares) in Scrabble Entertainment Limited from the minority shareholders for Rs 249.99 million. Out of the above the Company has paid Rs 50 million to the existing shareholder of SEL and balance of Rs 199.99 million is payable till December 31, 2016. Post this investment the Company holds 91.32% of equity share capital of SEL as at December 31, 2014.

3) Investment in Southern Digital Screenz India Private Limited (SDS)

During March 2011, the Board of Directors approved the acquisition of a strategic stake in Southern Digital Screenz India Private Limited (SDS), subsequent to which, the Company invested Rs 164.16 million in SDS comprising Rs 11.66 million for 155,500 equity shares and Rs 152.50 million for 15,250,000, 8% Cumulative Redeemable Preference Shares (CRPS) of Rs. 10/- each. The Company has an option of converting the CRPS into equity shares of SDS any time at its own discretion, in the ratio of 2 equity shares for every 15 CRPS held by the Company. Further, as at March 31, 2011 the Company also paid advance of Rs.146 million for acquisition of 1,000,000 equity shares of SDS from existing shareholders of SDS. Subsequently in April 2011, the Company acquired these 1,000,000 equity shares and exercised its option of conversion of CRPS into equity shares of SDS based on which, 2,033,333 equity shares were allotted to the Company.

During the financial year 2011-12, the Company had consented to the variation of the rights of 15,250,000 8% Cumulative Redeemable Preference Shares of Rs.10/- each (CRPS) held in SDS into 15,250,000 8% Cumulative Optionally Convertible Preference Shares of Rs.10/- each (CCPS). In terms of the Share Subscription Agreement with SDS, every 15 CCPS held in SDS shall at any time be entitled to convert into 2 equity shares of Rs.10/- each at the option of the Company. Pursuant to such right to convert, the Company exercised the option to convert and 2,033,333 equity shares of Rs.10/- each of SDS were allotted to the Company.

In July 2011, the Company had also acquired 42,988 equity shares from shareholder at an consideration of Rs.10 million. With this acquisition, the Company's stake increased to 75.18% of the equity share capital in SDS.

During the financial year 2011-12, the Company also invested Rs.172.50 million in SDS by subscribing 1,725,000, 10% Optionally Convertible Preference Shares (OCPS) of Rs. 100/- each.

On maturity every Optionally Convertible Preference Share will be convertible into such number of Equity shares of Rs.10 each based on the then prevailing fair market price and/or redemption of Optionally Convertible Preference Share equally in three tranches at the commencement of 3rd, 4th and 5th year on the terms and conditions as may be declared by the Company.

During the nine month period ended December 31, 2014, the Company acquired additional 9% stake 386,895 equity shares in Southern Digital Screenz India Private Limited (SDS) from the minority shareholders for Rs.109.99 million. Out of above the company has paid Rs.82 million to the existing shareholder of SDS and balance of Rs.28 million is payable till June 30,2015. Post this investment the Company holds 84.18% of equity share capital in SDS as at December 31, 2014.

4) Conversion and investment in Edridge Limited

During the financial year 2010-11, the Board of Directors approved the conversion of loan of USD 10.86 million (Rs 489.99 million) given to Edridge Limited, Cyprus into 1,001,100 equity shares of US$10.84 each in Edridge Limited and in month of January 2011, the Company further invested USD 0.25 million (Rs 11.29 million) into 23,056 equity shares of US$ each in Edridge Limited

During the financial year 2011-12, the Company has converted interest amount of US$ 732,405 outstanding on a loan taken by Edridge Limited. Edridge Limited converted this outstanding interest amount into 67,546 equity shares of nominal value of US$ 1/- each at a premium of US$ 9.84 per share. The Company also invested US$ 7,50,000 in the equity share capital of Edridge Limited by subscribing to 69,168 equity shares of nominal value of USD 1/- each at a premium of US$ 9.84 per share.

5) Investment in Valuable Digital Screen Private Limited (VDSPL)

During November 2014, the board approved the acquisition of upto to 80% of share capital of Valuable Digital Screen Private Limited (VDSPL) from Valuable Technologies Limited . The Company has paid Rs 27.00 million to VDSPL for acquisition of 7105 equity shares during the period ended December 31, 2014. Further the Company has incurred Rs 5,926,990 towards acquistion cost of this Investment. Post this investment the Company holds 71.05% of equity share capital of VDSPL as at December 31, 2014.

Subsequently, in January 2015, the Company further invested Rs 17.01 million in 4,475 equity shares of VDSPL. Post this investment the Company holds 11,580 equity shares out of 14,475 equity shares which is 80% of equity share capital of VDSPL. The Company will acquire the remaining 20% equity of VDSPL from Valuable Technologies Limited in the financial year 2017-18 for a further consideration to be calculated in accordance with the terms of the investment agreement.

During the period ended December 31, 2014, the Company has received the share certificate of Valuable Digital screen Private Limited. However the shares have been transferred in the Company's name on January 06, 2015.

6) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

7) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

8) These investments are in the name of the Company except as stated in note 5 above.

UFO Moviez India Limited

Annexure XI - Restated unconsolidated Statement of Long-Term Loans and Advances and Other Non-Current Assets

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A. Long-term loans and advances						
Unsecured, considered good						
Loans and advances to related parties	-	-	-	-	-	489.99
Capital advances	1.56	7.34	16.18	5.76	9.74	-
Security deposits to others	3.09	4.17	4.00	4.84	24.34	21.52
Security deposits to related parties	35.77	35.77	-	34.09	-	-
Advance taxes (net of provision for taxation)	198.89	151.17	141.17	83.72	48.43	18.02
Balance with statutory / government authorities	13.63	16.09	5.67	2.08	2.39	2.09
Advance for Purchase of Investments	-	20.00	-	-	201.00	-
Prepaid expenses	3.45	-	-	-	-	-
MAT credit entitlement	-	26.25	25.38	-	-	-
Others	0.11	0.04	0.06	0.06	0.17	-
Total Long-term loans and advances (A)	**256.50**	**260.83**	**192.46**	**130.55**	**286.07**	**531.62**
B. Other non-current assets						
Bank deposits with more than 12 months maturity	0.68	0.01	56.58	0.47	8.44	0.42
Total other non-current assets (B)	**0.68**	**0.01**	**56.58**	**0.47**	**8.44**	**0.42**

* Less than Rs 0.01 million

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Media infotek Park	35.77	35.77	-	34.09	-	-
Edridge Ltd	-	-	-	-	-	489.99

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure XII - Restated unconsolidated Statement of Non-Current Trade Receivables (Unsecured, considered good)

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding for a period exceeding six months from the date they are due for payment						
- considered good	-	-	1.46	-	-	-
Total	-	-	1.46	-	-	-
Other trade receivables (less than six months)						
- considered good	-	22.15	74.34	-	-	-
Total Non current Trade Receivables	-	**22.15**	**75.80**	-	-	-

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies.

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Southern Digital Screenz India Private Limited	-	22.15	75.80	-	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure XIII - Restated unconsolidated Statement of Current Investments

Rs. in million

Particulars	No. of shares/units						As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current investments												
Current investments in mutual funds (valued at lower of cost and fair value) (other than trade unquoted)												
Axis Liquid Fund-Institutional - dividend - daily reinvestment	-	35,421	-	-	-	-	-	35.43	-	-	-	-
HDFC Liquid Fund - dividend - daily reinvestment	-	-	3,027,405	-	-	-	-	-	30.87	-	-	-
ICICI Prudential Liquid - direct plan - - dividend - daily reinvestment	-	-	668,045	-	-	-	-	-	66.82	-	-	-
Total current investments in mutual funds							**-**	**35.43**	**97.69**	**-**	**-**	**-**
Total Current Investments							**-**	**35.43**	**97.69**	**-**	**-**	**-**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) These investments are in the name of the Company.

UFO Moviez India Limited

Annexure XIV - Restated unconsolidated Statement of Current Trade Receivables (Unsecured, considered good)

Rs. in million

Particulars	As at					
	31-Dec-14	**31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Outstanding for a period exceeding six months from the date they are due for payment						
- considered good	103.07	64.32	19.63	16.53	57.31	23.25
- considered doubtful	37.84	27.07	30.00	13.36	11.37	9.01
- Provision for doubtful receivables	(37.84)	(27.07)	(30.00)	(13.36)	(11.37)	(9.01)
(A)	**103.07**	**64.32**	**19.63**	**16.53**	**57.31**	**23.25**
Other trade receivables (less than six months)						
- considered good	637.82	493.37	419.30	302.79	324.18	113.82
- considered doubtful	-	-	-	-	-	0.15
- Provision for doubtful receivables	-	-	-	-	-	(0.15)
(B)	**637.82**	**493.37**	**419.30**	**302.79**	**324.18**	**113.82**
Total (A)+(B) Current Trade Receivables	**740.89**	**557.69**	**438.93**	**319.32**	**381.49**	**137.07**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Southern Digital Screenz India Private Limited	9.49	-	-	74.99	-	-
Scrabble Entertainment Limited	57.44	58.11	63.84	22.57	-	-
V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	-	-	-	-	0.19	0.00
United Film Organisers Nepal Private Limited	-	-	-	-	-	0.42
Valuable Media Limited	0.31	0.13	2.73	0.71	0.25	-
Valuable Technologies Limited	-	-	-	-	5.76	-
Impact Media Exchange Limited	-	-	1.82		0.39	-
Valuable Technologies Inc.	-	-	-	-	1.43	-
Scrabble Entertainment JLT, Dubai	-	-	-	-	-	-
Qwik Entertainment India Limited	0.65	-	-	-	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure XV - Restated unconsolidated Statement of Short-Term Loans and Advances and Other Current Assets

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A. Short-term loans and advances						
Unsecured, considered good						
Loans and advances to others	0.41	0.41	2.23	0.41	0.39	0.12
Loans and advances to related party	79.00	4.50	3.00	5.84	2.00	2.00
Advances recoverable in cash or kind or for value to be received	12.93	8.66	9.15	1.17	5.09	14.63
Other receivables (Refer Note 18)	62.65	-	-	-	-	-
Security Deposit to others	4.82	4.73	5.23	5.02	10.64	10.24
Security Deposit to related party	-	-	34.09	-	-	-
Other loans and advances						
Balance with statutory / government authorities	0.47	0.54	0.34	0.45	0.38	-
Advance to employees	1.34	1.06	0.79	1.32	0.56	-
Insurance claim receivable	10.91	3.69	1.68	1.47	2.27	-
Service tax credit receivable	1.42	37.68	82.00	131.09	100.78	100.42
Vat credit receivable	0.24	0.05	1.09	1.05	-	-
Prepaid expense	25.77	8.29	6.87	4.79	4.03	-
Deferred premium on Forward contract	-	-	-	-	-	6.21
Total Short-term loans and advances (A)	**199.96**	**69.63**	**146.47**	**152.60**	**126.14**	**133.62**
B. Other current assets						
Interest accrued but not due on loan to related parties	2.75	-	-	-	32.89	21.87
Interest accrued on fixed deposit	2.82	1.17	0.02	1.30	0.15	0.50
Unbilled Revenue	117.82	43.55	15.75	6.89	-	10.21
Total Other current assets (B)	**123.39**	**44.72**	**15.77**	**8.19**	**33.04**	**32.58**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Subsidiary Companies

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Edridge Ltd	-	-	-	-	32.70	21.63
V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	81.75	4.50	3.00	3.00	2.19	2.24
Impact Media Exchange Limited	-	-	-	2.84	-	-
Media Infotek Park	-	-	34.09	-	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure XVI - Restated unconsolidated Statement of Revenue from Operation

Rs. in million

Particulars	Nine month period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sale of Services						
Advertisement revenue	864.85	995.58	694.97	369.77	324.29	97.37
Virtual Print Fees - Non - DCI (E-Cinema)	478.36	594.15	541.91	449.73	302.32	204.12
Virtual Print Fees - DCI (D-Cinema)	182.93	206.16	127.37	10.77	-	-
Lease rental income - Non - DCI (E-Cinema)	432.76	497.03	433.68	366.10	248.26	194.96
Lease rental income - DCI (D-Cinema)	90.92	122.28	87.19	7.81	-	-
Digitisation income	50.18	64.52	63.75	52.57	40.86	32.31
Registration fees income	3.29	7.52	8.69	18.24	12.61	14.34
Others services (Refer Note 3 below)	-	-	-	-	2.21	3.31
(A)	**2,103.29**	**2,487.24**	**1,957.56**	**1,274.99**	**930.55**	**546.41**
Sales of Products						
Lamp and spares sale	129.06	171.09	154.30	139.51	116.98	92.06
Sale of digital cinema equipment	21.34	32.25	19.89	45.52	37.16	82.37
(B)	**150.40**	**203.34**	**174.19**	**185.03**	**154.14**	**174.43**
Total Revenue from operation (A)+(B)	**2,253.69**	**2,690.58**	**2,131.74**	**1,460.02**	**1,084.69**	**720.84**

Notes

1) The above has been computed on the basis of the restated unconsolidated summary statements of profit and losses of the Company.

2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Other services include revenue from theatre programming activity and annual maintenance.

UFO Moviez India Limited
Annexure XVII - Restated unconsolidated Statement of Other Income and finance Income

Rs. in million

Particulars	Nine month period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	Nature: Recurring/ non-recurring	Related / Not related to business activity
A. Other Income								
Miscellaneous receipts	1.26	5.99	8.78	5.91	1.96	3.07	Non- recurring	Related
Sundry balance written back	2.10	2.27	5.44	2.45	7.76	0.01	Non- recurring	Related
Delivery Charges	0.49	0.31	0.46	0.42	0.23	-	Recurring	Related
Foreign exchange gain (net)	-	-	-	-	1.74	-	Non- recurring	Related
Total Other Income	**3.85**	**8.57**	**14.68**	**8.78**	**11.69**	**3.08**		
B. Finance Income								
Interest received on bank deposit	20.96	15.93	18.24	46.87	5.42	3.95	Non- recurring	Non Related
Interest received on others	9.80	4.62	1.32	1.74	17.59	34.63	Non- recurring	Non Related
Dividend on current investments	1.04	2.76	3.17	2.96	-	-	Non- recurring	Non Related
Gain on sale of current investments	-	-	-	10.11	-	-	Non- recurring	Non Related
Total Finance Income	**31.80**	**23.31**	**22.73**	**61.68**	**23.01**	**38.58**		

Notes

1. The classification of other income as recurring/not-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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited
Annexure XVIII - Restated unconsolidated Statement of Operating direct cost

Rs. in million

Particulars	Nine month period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Advertisement revenue share	363.17	385.07	192.81	105.88	100.54	22.95
Repair and maintenance - exhibition equipments	44.17	63.93	43.44	50.74	41.72	42.23
Technical service fees	51.56	53.51	46.82	37.61	33.76	26.89
Bandwidth charges	39.73	52.76	47.67	50.76	43.09	41.46
Purchase of equipments	15.19	33.95	19.24	38.62	30.34	71.99
Rent on equipments	8.96	11.95	11.94	13.32	14.33	19.91
Content processing charges	7.88	14.51	11.87	8.95	3.52	7.49
Virtual Print Fees Sharing	23.68	19.62	7.67	0.00	0.00	0.00
Other expenses	2.46	1.79	2.18	6.86	0.73	0.00
Consumables and spares						
Opening stock	62.45	59.43	65.25	30.10	31.29	18.10
Add : purchases	137.10	167.61	126.10	128.70	87.69	73.55
Less : closing stock	(50.14)	(62.45)	(59.43)	(65.25)	(30.10)	(31.29)
	149.41	**164.59**	**131.91**	**93.56**	**88.88**	**60.35**
Total Operating direct cost	**706.21**	**801.67**	**515.55**	**406.30**	**356.92**	**293.27**

Notes:
1) The above has been computed on the basis of the restated unconsolidated summary statements of profit and losses of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited
Annexure XIX - Restated unconsolidated Statement of Employee benefits expense

Rs. in million

Particulars	Nine month period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Salaries and wages	295.69	360.00	306.57	223.49	171.86	131.35
Contribution to provident and other funds	17.03	20.37	17.30	14.49	8.93	5.47
Gratuity expenses and other employee benefits	5.53	10.22	8.83	7.19	11.07	8.96
Staff welfare expenses	14.84	25.67	17.01	11.68	5.56	4.53
Total of Employee benefits expense	**333.09**	**416.26**	**349.71**	**256.85**	**197.43**	**150.32**

Notes:
1) The above has been computed on the basis of the restated unconsolidated summary statements of profit and losses of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XX - Restated unconsolidated Statement of Other expenses

Rs. in million

Particulars	Nine month period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Rent	52.56	69.06	66.79	65.18	43.31	30.88
Freight and forwarding charges	32.19	45.24	33.63	33.63	24.04	21.50
Legal, professional and consultancy charges	44.25	53.53	57.35	43.49	54.43	20.00
Directors Sitting Fees	0.70	-	-	-	-	-
Commission on advertisement revenue	63.55	90.94	78.78	39.29	47.51	9.86
Commission on other revenue	25.73	19.16	16.68	17.55	19.49	19.11
Rebates & discount on advertisement revenue	-	-	19.04	-	-	-
Sales promotion expenses	20.37	20.66	15.77	14.30	15.97	17.91
Electricity charges	12.09	12.48	11.62	9.93	8.87	6.93
Rates and taxes	11.23	13.14	8.65	24.72	11.58	3.08
Auditor's remuneration	2.63	4.11	3.04	2.85	2.36	1.85
Repairs and maintenance						
-Plant and machinery	1.70	7.70	10.32	11.83	5.63	7.81
-Furniture and fixtures	0.28	0.06	1.31	0.34	0.07	0.29
-Others	12.75	5.90	0.86	4.70	3.39	1.02
Insurance	7.49	9.17	8.91	8.07	6.41	4.85
Travelling and conveyance expenses	27.71	44.34	36.76	29.74	20.57	18.61
Communication and courier expenses	12.35	15.57	14.14	14.13	12.82	11.50
Printing and stationery	3.21	4.40	3.93	4.54	3.52	2.75
Bad debts written-off	3.38	1.39	1.78	8.33	8.59	6.44
Loss on sale and write off of fixed assets (net)	4.02	9.84	4.22	1.32	9.17	5.32
Provision for doubtful debts	11.21	3.64	16.64	1.99	2.21	6.63
Provision for diminution in value of fixed assets	1.44	5.00	6.56	-	-	-
Provision for diminution in value of Investments	-	-	-	-	8.59	-
Miscellaneous expenses	31.65	25.15	18.16	16.62	10.24	7.15
Foreign exchange loss (net)	0.64	32.80	16.91	9.20	0.00	56.40
Total of Other expenses	**383.13**	**493.27**	**451.85**	**361.76**	**318.76**	**259.90**

Notes:
1) The above has been computed on the basis of the restated unconsolidated summary statements of profit and losses of the Company.
2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XXI - Restated unconsolidated statement of Accounting Ratios

Rs. in million (except per share data in Rs.)

Particulars		Nine month period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Basic earnings per share (Rs.)	A/B	6.69	12.30	8.53	2.64	(4.36)	(13.34)
Diluted earnings per share (Rs.)	A/C1	6.44	12.21	8.30	2.01	(4.36)	(13.34)
Net Profit after tax as restated		204.30	349.44	251.81	84.28	(53.74)	(195.43)
Less: Dividends on convertible preference shares & tax thereon		(31.00)	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)
Net Profit after tax (after preference dividend and related tax) as restated attributable to equity shareholders	A	173.30	318.44	220.80	53.28	(84.74)	(226.43)
Weighted average no. of equity shares outstanding during the period/year (Refer Note 2 below)	B	25,897,669	25,897,669	25,897,669	20,197,817	19,452,623	16,972,602
Weighted average number of convertible preference shares		-	-	-	5,589,735	-	-
Weighted average no. of equity shares (including ESOP) which should be considered for calculating Diluted EPS (Refer Note 6 below)	C	26,906,342	26,082,089	26,594,722	20,908,512	19,452,623	16,972,602
Weighted average no. of equity shares which should be considered for diluted EPS (post conversion of preference shares and exercise of ESOP) (Refer Note 6 below)	C1	26,906,342	26,082,089	26,594,722	26,498,247	19,452,623	16,972,602
Net Worth at the end of the period/year (excluding preference share capital and cumulative preference dividend) (Refer Note 3 below	D	3,880.12	3,677.79	3,328.36	3,076.56	1,409.21	1,244.60
Total no. of equity shares outstanding at the end of the period/year	E	25,897,669	25,897,669	25,897,669	25,897,669	20,149,630	18,658,684
Return on Net Worth (%) (Refer Note 1(c) below)	A / D *100	**4.47%**	**8.66%**	**6.63%**	**1.73%**	**-6.01%**	**-18.19%**
Net asset value per equity share (Rs.) (Refer Note 1(d) below)	D/E	**149.82**	**142.01**	**128.52**	**118.80**	**69.94**	**66.70**

Notes

1. The Ratios have been computed as below:

a) Basic Earnings per share (Rs.)	Net profit after tax (as restated) attributable to equity shareholders / Weighted average number of equity shares outstanding during the period/year
b) Diluted Earnings per share (Rs.)	Net profit after tax (as restated) / Weighted average number of diluted equity shares outstanding during the period/year
c) Return on net worth (%)	Net Profit after tax (after preference dividend and related tax) as restated / Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend
d) Net asset value per share (Rs.)	Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend / Total number of equity shares outstanding at the end of the period/year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/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 period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including Capital Redemption Reserve, Securities Premium, General Reserve, Stock options outstanding and surplus in statement of Profit and Loss) - Share issue expenses (to the extent not written off or adjusted)

4) The figures disclosed above are based on the unconsolidated restated summary statements of the Company.

5) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

6) There were potential equity shares as on March 31,2010 and March 31, 2011 in the form of stock Options granted to employees and warrants as on March 31,2010 and March 31, 2011. As these are anti-dilutive, the diluted earnings per share is same as basic earnings per share.

7) Ratios for the nine month period ended December 31, 2014 are not annualised.

UFO Moviez India Limited
Annexure XXII - Capitalisation Statement

Rs in million

Particulars	Pre IPO as at December 31, 2014	As adjusted for IPO (Refer note 2 below)
Long Term Borrowings		
Current maturities (A)	534.92	534.92
Non current portion (B)	512.07	512.07
Total Long term borrowings (C) = (A+B)	**1,046.99**	**1,046.99**
Short term borrowings (D)	242.44	242.44
Total debt (E) = (C)+(D)	**1,289.43**	**1,289.43**
Shareholders' funds		
Share Capital	258.98	258.98
Reserves and Surplus, as restated		
Securities premium account	3,440.35	3,440.35
Surplus in the statement of profit and loss	211.79	211.79
Total shareholders' funds (F)	**3,911.12**	**3,911.12**
debt / equity (E / F)	**0.33**	**0.33**
long term debt / equity (C / F)	**0.27**	**0.27**

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 Company is proposing to have an initial public offering through offer for sale. Hence there will be no change in the shareholder's funds post issue

3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XXIII -Restated unconsolidated Tax Shelter Statement

Rs. in million

	Particulars	Nine month period ended 31-Dec-14	For the year ended				
			31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	Restated profit before tax	311.84	310.59	251.81	84.28	(53.74)	(195.43)
B	Tax rate	33.99%	33.99%	32.45%	32.45%	32.45%	33.99%
C	Tax thereon at the above rate (A x B)	105.99	105.57	81.71	27.35	(17.44)	(66.43)
D	**Permanent differences**						
	Expenses disallowed under Income Tax Act	-	0.26	0.11	0.31	0.06	2.06
	Dividend - exempt under Income Tax Act	(1.04)	(2.76)	(3.17)	(2.96)	-	-
	Disallowance of expenses u/s 14A rule 8D	0.42	1.96	0.26	-	-	-
	Interest on TDS Payment & other 40(a) disallowance	-	-	0.01	0.02	0.09	0.05
	Provision for diminution in the value of Investment in subsidiary	-	5.00	-	-	-	-
	Provision for diminution in the value of Investment in Fixed Assets		-	-	-	-	-
	Gain on sale of current investment	-	-	-	(10.11)	-	-
	Others	-	-	-	-	0.28	-
	Total (D)	**(0.62)**	**4.46**	**(2.78)**	**(12.75)**	**0.43**	**2.11**
E	**Timing differences**						
	Difference in book depreciation and Depreciation under Income Tax Act 1961 (“I.T. Act”)	90.96	60.91	50.70	78.98	55.39	10.30
	Disallowance under section 40(a)	-	-	-	0.04	(0.76)	3.45
	Exchange Loss/(Gain) u/s 43A of Income Tax Act, 1961	-	30.20	8.84	10.91	0.41	(6.38)
	Loss on sale fixed assets and write off of fixed assets	4.02	9.84	4.22	1.32	9.17	5.32
	Provision for diminution in the value of asset	1.44	3.18	6.56	-	-	-
	MAT Credit	-	2.58	-	-	-	-
	Provision for Gratuity	0.25	(2.15)	-	-	-	(0.30)
	Provision for Leave Encashment	1.21	5.58	4.38	3.65	2.78	1.59
	Provision for Doubtful debts	10.77	(2.93)	16.64	1.99	2.21	6.63
	Preliminary expenses u/s 35DD	-	-	(0.02)	(0.02)	(0.02)	(0.06)
	Business losses carried forward / (set - off)	-	(226.17)	(261.15)	(168.41)	(15.88)	172.79
	Items allowed on payment basis	-	-	(0.99)	-	-	(0.01)
	Total	**108.65**	**(118.97)**	**(170.82)**	**(71.54)**	**53.30**	**193.33**
F	**Net Adjustments (D+E)**	**108.03**	**(114.51)**	**(173.60)**	**(84.29)**	**53.73**	**195.44**
G	**Tax expense / (saving) thereon**	**36.72**	**(38.92)**	**(56.33)**	**(27.35)**	**17.43**	**66.43**
H	Mat credit entitlement	-	(0.88)	(25.38)	-	-	-
I	**Current Tax (C + G + H)**	**142.71**	**65.77**	**-**	-	-	-
J	**Deferred Tax**	(35.18)	(104.62)	-	-	-	-
	Total Tax expenses (I+J)	**107.53**	**(38.85)**	-	-	-	-
	Total tax on profits						
	Current tax	142.71	66.65	25.38	-	-	-
	Deferred Tax / (credit)	(35.18)	(104.62)	-	-	-	-
	MAT credit entitlement		(0.88)	(25.38)	-	-	-
	Total	**107.53**	**(38.85)**	**-**	**-**	**-**	**-**

Notes:

1. The aforesaid Statement of Tax Shelters 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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3. The Company has not accounted deferred tax assets to the extent of deferred tax liabilities in the years ended March 31, 2013, 2012, 2011, and 2010 since there was no" virtual certainty" of sufficient future taxable income available in the future (as defined in Accounting Standard 22)

UFO Moviez India Limited

Annexure XXIV - Restated unconsolidated Statement of Related Party Transactions

List of related parties and transactions as per requirements of Accounting Standard - 18, 'Related Party Disclosures'

Particulars	Nine month period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Related parties where control exists						
Subsidiaries	Edridge Limited, Cyprus	Edridge Limited, Cyprus	Edridge Limited, Cyprus	Edridge Limited, Cyprus	Edridge Limited, Cyprus	Edridge Limited, Cyprus
	V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)	V N Films Private Limited (erstwhile known as Allied Film Services Private Limited)
	United Film Organisers Nepal Private Limited, Nepal	United Film Organisers Nepal Private Limited, Nepal	United Film Organisers Nepal Private Limited, Nepal	United Film Organisers Nepal Private Limited, Nepal	United Film Organisers Nepal Private Limited, Nepal	United Film Organisers Nepal Private Limited, Nepal
	Scrabble Entertainment Limited	Scrabble Entertainment Limited	Scrabble Entertainment Limited	Scrabble Entertainment Limited (w.e.f September 22,2011)	-	-
	Southern Digital Screenz India Private Limited	Southern Digital Screenz India Private Limited	Southern Digital Screenz India Private Limited	Southern Digital Screenz Private Limited (w.e.f April 5,2011)	-	-
	Valuable Digital Screens Private Limited (from December 31, 2014)	-	-	-	-	-
Stepdown-Subsidiaries		DCLP Limited, Cyprus (upto October 3, 2013)	DCLP Limited, Cyprus*	DCLP Limited, Cyprus	DCLP Limited, Cyprus	DCLP Limited, Cyprus
	UFO Europe Limited, Cyprus**	UFO Europe Limited, Cyprus*	UFO Europe Limited, Cyprus*	UFO Europe Limited, Cyprus	UFO Europe Limited, Cyprus	UFO Europe Limited, Cyprus
	UFO International Limited, Cyprus	UFO International Limited, Cyprus	UFO International Limited, Cyprus	UFO International Limited, Cyprus	UFO International Limited, Cyprus	UFO International Limited, Cyprus
	UFO Lanka Private Limited, Sri Lanka	UFO Lanka Private Limited, Sri Lanka	UFO Lanka Private Limited, Sri Lanka	UFO Lanka Private Limited, Sri Lanka	UFO Lanka Private Limited, Sri Lanka	UFO Lanka Private Limited, Sri Lanka
	UFO Software Technologies Private Limited, India	UFO Software Technologies Private Limited, India	UFO Software Technologies Private Limited, India	UFO Software Technologies Private Limited, India	UFO Software Technologies Private Limited, India	UFO Software Technologies Private Limited, India
	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius	United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius
	Scrabble Entertainment Mauritius Limited, Mauritius	Scrabble Entertainment Mauritius Limited, Mauritius	Scrabble Entertainment Mauritius Limited, Mauritius	Scrabble Entertainment Mauritius Limited, Mauritius (w.e.f September 22,2011)	-	Digital Film Brokers SPRS, Belgium
	Scrabble Entertainment (Lebanon) Sarl, Lebanon	Scrabble Entertainment (Lebanon) Sarl, Lebanon	Scrabble Entertainment (Lebanon) Sarl, Lebanon	Scrabble Entertainment (Lebanon) Sarl, Lebanon (w.e.f September 22,2011)	-	-
	Scrabble Entertainment JLT, Dubai	Scrabble Entertainment JLT, Dubai	Scrabble Entertainment JLT, Dubai	Scrabble Entertainment JLT, Dubai (w.e.f September 22,2011)	-	-
	Scrabble Entertainment Israel Ltd, Israel	Scrabble Entertainment Israel Ltd, Israel	Scrabble Entertainment Israel Ltd, Israel (w.e.f July 29,2012)	-	-	-
	Scrabble Digital Inc	Scrabble Digital Inc (w.e.f August 6, 2013)	-	-	-	-
Related parties where transactions have been entered into during the year/ period						
Enterprises owned or significantly influenced by key management personnel or their relatives						
	Valuable Media Limited	Valuable Media Limited	Valuable Media Limited	Valuable Media Limited	Valuable Media Limited	Valuable Technologies Limited
	Valuable Technologies Limited	Valuable Technologies Limited	Valuable Technologies Limited	Valuable Technologies Limited	Valuable Technologies Limited	Dusane Infotech (India) Private Limited
	Impact Media Exchange Limited	Impact Media Exchange Limited	Impact Media Exchange Limited	Impact Media Exchange Limited	Impact Media Exchange Limited	Crown Infotainment Limited
	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Apollo International Limited
	Media Infotek Park	Media Infotek Park	Media Infotek Park	Media Infotek Park	-	-
	Shree Enterprises	Shree Enterprises	Shree Enterprises	Shree Enterprises	Shree Enterprises	-
	Qwik Entertainment India Limited	Apollo International Limited	Apollo International Limited	Crown Infotainment Limited	Crown Infotainment Limited	-
	-	-	-	Valuable Technologies Inc	Valuable Technologies Inc	-
	-	-	-	Apollo International Limited	Apollo International Limited	-
Associate of Subsidiary	Scrabble Digital Limited	Scrabble Digital Limited	Scrabble Digital Limited (from November 09,2012)		-	-
Joint Venture of Subsidiary	Mukta VN Films Limited	Mukta VN Films Limited (w.e.f June 10, 2013)	-	-	-	-
Key Management Personnel	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director
	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director
Relatives of Key Management personnel	Ms. Apeksha Agarwal	Ms. Apeksha Agarwal	-	-	-	Mrs.Smita Gaikwad

* DCLP Limited is liquidated from October 11, 2013

** UFO Europe Limited is under liquidation from January 1,2013

UFO Moviez India Limited

Annexure XXIV - Restated unconsolidated Statement of Related Party Transactions (contd.)

Details of Transactions with Related Parties

(Rs. in million)

S.No	Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Transactions during the year/period						
1	**Subsidiaries**						
a)	**Virtual Print Fees (Income)**						
	i) Southern Digital Screenz India Private Limited	90.38	115.03	106.63	83.82	-	-
	ii) V N Films Private Limited	*	-	*	0.01	0.04	0.01
	iii) Scrabble Entertainment Limited	192.34	228.94	142.33	14.58	-	-
b)	**Lease Rental Income**						
	i) Southern Digital Screenz India Private Limited	159.31	207.01	195.72	133.04	-	-
	ii) Scrabble Entertainment Limited	82.34	114.51	81.60	9.82	-	-
c)	**Other income (Miscellaneous Receipts)**						
	i) Scrabble Entertainment Limited	-	-	4.13	4.25	-	-
	ii) Southern Digital Screenz India Private Limited	-	-	-	1.89	-	-
d)	**Investment in shares**						
	i) Edridge Limited (equity shares)	-	-	-	73.63	11.29	-
	ii) Scrabble Entertainment Limited (equity share)	-	-	207.66	414.20	-	-
	iii) Southern Digital Screenz India Private Limited (equity share)	-	-	-	308.50	-	-
	iv) Scrabble Entertainment Limited (optionally convertible redeemable preferences share)	-	-	-	40.00	-	-
	v) Southern Digital Screenz India Private Limited (optionally convertible preference share)	-	-	-	172.50	-	-
	vi) United Film Organizers Nepal Private Limited (preferences shares)	-	-	-	-	1.50	2.24
e)	**Interest income on loans**						
	i) V N Films Private Limited	7.25	0.41	0.31	0.30	0.21	0.24
	ii) Edridge Limited	-	-	-	-	11.81	34.30
d)	**Rent income (Miscellaneous Receipts)**						
	i) Southern Digital Screenz India Private Limited	-	0.10	0.12	-	-	-
	ii) Scrabble Entertainment Limited	0.21	3.68	0.16	-	-	-
	iii) V N Films Private Limited	-	0.42	0.40	0.40	0.16	-
e)	**Loan given**						
	i) V N Films Private Limited	74.50	1.50	-	1.00	-	-
f)	**Advertisement Revenue Share (expense)**						
	i) Southern Digital Screenz India Private Limited	99.65	125.39	86.69	50.20	-	-
g)	**Advertisement Revenue Share for onward payment to theatres**						
	i) Scrabble Entertainment Limited	2.52	7.23	1.76	-	-	-
h)	**Security deposit received**						
	i) Scrabble Entertainment Limited	-	-	84.50	94.30	-	-
i)	**Recovery of expenses**						
	i) Southern Digital Screenz India Private Limited	2.14	2.39	1.73	-	-	-
	ii) Scrabble Entertainment Limited	1.02	1.96	0.02	1.37	0.06	-
j)	**Purchase of equipment**						
	i) Southern Digital Screenz India Private Limited	-	-	-	93.37	-	-
	ii) Scrabble Entertainment Limited	-	-	-	2.97	-	-
k)	**Interest Income**						
	i) Southern Digital Screenz India Private Limited	-	-	-	0.91	-	-
l)	**Rent paid**						
	i) Southern Digital Screenz India Private Limited	0.63	0.59	0.59	0.25	-	-
m)	**VPF Sharing (expenses)**						
	i) Scrabble Entertainment Limited	5.61	2.66	-	-	-	-
n)	**Redemption of Preference shares**						
	i) Scrabble Entertainment Limited	-	40.00	-	-	-	-

S.No	Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
o)	**Sale of Assets**						
	i) Scrabble Entertainment Limited	-	0.96	-	-	-	-
	ii) United Film Organizers Nepal Private Limited	-	-	-	-	-	2.93
p)	**Lease rental expenses**						
	i) Scrabble Entertainment Limited	0.44	-	-	-	-	-
q)	**Security Deposit received back**						
	i) Scrabble Entertainment Limited	27.25	-	-	-	-	-
2	**Step-down Subsidiaries**						
a)	**Purchase of Fixed Assets**						
	i) UFO International Limited	-	-	-	-	-	10.73
	ii) United Film Organiser (UFO)(Mauritius) Private Limited	-	-	-	-	-	0.13
b)	**Expenses Reimbursed**						
	i) UFO Software Technologies Private Limited	-	-	-	-	-	0.03
c)	**Sales of Equipment**						
	i) Scrabble Entertainment JLT, Dubai	0.42	-	-	-	-	-
3	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**						
a)	**Purchase of equipment**						
	i) Valuable Media Limited	-	-	-	-	5.30	-
	ii) Impact Media Exchange Limited	-	-	-	-	35.93	-
	iii) Apollo International Limited	-	-	-	-	-	0.17
	iv) Valuable Technologies Limited	-	-	2.73	11.07	-	-
	v) Dusane Infotech (India) Private Limited	-	0.38	-	-	-	-
	iv) Valuable Technologies Limited	-	-	-	-	-	5.96
b)	**Sale of equipment**						
	i) Valuable Media Limited	-	-	2.32	0.39	0.14	-
	ii) Valuable Technologies Inc	-	-	-	0.46	1.43	-
c)	**Expenses reimbursed**						
	i) Valuable Media Limited	-	0.04	-	0.05	0.11	-
	ii) Valuable Technologies Limited	-	3.47	0.67	0.02	0.77	0.03
	iii) Impact Media Exchange Limited	-	-	-	-	0.15	-
	iv) Media Infotek Park	6.84	8.33	7.59	8.65	-	-
d)	**Purchase of Software**						
	i) Valuable Media Limited	-	-	-	-	-	15.60
	ii) Impact Media Exchange Limited	-	-	-	-	-	-
e)	**Purchase of consumables/stores/spares**						
	i) Valuable Media Limited	-	-	-	-	0.71	-
	ii) Impact Media Exchange Limited	-	-	-	-	0.75	-
	iii) Valuable Technologies Limited	2.00	-	-	-	-	-
f)	**Software development charges**						
	i) Dusane Infotech (India) Private Limited	2.64	3.52	5.60	1.10	0.32	-
g)	**Technical services (expense)**						
	i) Valuable Technologies Limited	51.56	53.51	46.82	37.61	35.21	27.38
h)	**Technology service fee (income)**						
	i) Crown Infotainment Limited	-	-	-	-	2.21	3.31
i)	**Operating Direct Expenses (License fees on 3D movie)**						
	i) Valuable Technologies Limited	0.11	0.05	0.72	1.79	0.12	-
j)	**Operating Direct Expenses (Licensee fees – Impact)**						
	i) Impact Media Exchange Limited	1.92	1.74	1.45	1.12	0.66	-

S.No	Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
k)	**Licensee fee- Club X (income)**						
	i) Valuable Media Limited	0.87	1.06	0.85	0.50	-	-
l)	**Security deposit paid**						
	i) Media Infotek Park	-	1.68	-	34.09	-	-
m)	**Editing Charges (Income)**						
	i) Valuable Media Limited	-	0.07	-	-	-	-
n)	**Claim against loss of assets**						
	i) Impact Media Exchange Limited	-	-	-	2.84	-	-
o)	**Rent paid (expense)**						
	i) Media Infotek Park	32.55	45.09	44.52	42.23	3.49	-
	ii) Apollo International Limited	-	0.02	0.06	-	-	-
p)	**Advertisement revenue**						
	i) Qwik Entertainment India Limited	7.68	-	-	-	-	-
q)	**Consultancy fees & reimbursement of expenses**						
	ii) Shree Enterprises	0.50	0.56	0.51	0.45	0.30	-
r)	**Bank Guarantee given (Refer Note 5 (b))**						
	i) Impact Media Exchange Private Limited	10.00	-	-	-	-	-
	Purchase of Investment in Valuable Digital Screen Private Limited						
	i) Valuable Technologies Limited	27.00	-	-	-	-	-
4	**Associates of Subsidiary**						
a)	**Content Processing charges (expense)**						
	i) Scrabble Digital Limited	4.73	0.37	-	-	-	-
b)	**Sales of Assets**						
	i) Scrabble Digital Limited	-	1.43	-	-	-	-
5	**Key Management Personnel**						
a)	**Remuneration**						
	i) Mr. Sanjay Gaikwad, Managing Director	18.75	25.00	25.00	25.00	14.60	13.95
	ii) Mr. Kapil Agarwal, Joint Managing Director	18.75	25.00	25.00	25.00	14.60	15.00
6	**Relatives of Key Managerial**						
b)	**Remuneration to relatives of key managerial personnel**						
	i) Ms. Apeksha Agarwal	0.59	0.29	-	-	-	-
c)	**7 Consultancy fees & reimbursement of expenses**						
	i) Mrs. Smita Gaikwad	-	-	-	-	-	0.10
7	**Joint Venture of Subsidiary**						
a)	Corporate Guarantee given on borrowing (Refer Note 5 (a))						
	i) Mukta V N Films Limited	70.00	-	-	-	-	-
	Balance Outstanding at the year/ period end						
A	**Subsidiaries Companies**						
a)	**Loan and advance given**						
	i) V N Films Private Limited	79.00	4.50	3.00	3.00	2.00	2.00
	ii) Edridge Limited	-	-	-	-	-	489.99
b)	**Interest receivable (gross)**						
	i) Edridge Limited	-	-	-	-	32.70	21.63
	ii) V N Films Private Limited	2.75	-	-	-	0.18	0.24
c)	**Trade receivables**						
	i) Southern Digital Screenz India Private Limited	7.65	22.15	75.80	74.99	-	-
	ii) V N Films Private Limited	-	0.00	-	-	0.19	0.00
	iii) Scrabble Entertainment Limited	22.74	58.11	63.84	22.57	-	-
	iv) United Film Organisers Nepal Private Limited	-	-	-	-	-	0.42
d)	**Deposit payable**						
	i) Scrabble Entertainment Limited	151.55	178.80	178.80	94.30	-	-

S.No	Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
e)	**Amount payable**						
	i) V N Film Private Limited	-	-	0.02	0.01	-	-
f)	**Trade receivables**						
	i) Scrabble Entertainment Limited	-	29.47	-	-	-	-
g)	Unbilled revenue						
	i) Scrabble Entertainment Limited	34.70	-	-	-	-	-
	ii) Southern Digital Screenz India Private Limited	1.84	-	-	-	-	-
B	**Enterprises owned or significantly influenced by Key Management Personnel or their relatives**						
a)	**Amount receivable**						
	i) Impact Media Exchange Limited	-	-	1.82	2.84	0.39	-
	ii) Valuable Media Limited	0.31	0.13	2.73	0.71	0.25	-
	iii) Valuable Technologies Limited	-	-	-	-	5.76	-
	iv) Valuable Technologies Inc.	-	-	-	-	1.43	-
	v) Qwik Entertainment India Limited	0.65	-	-	-	-	-
b)	**Deposit receivable**						
	i) Media Infotek Park	35.77	35.77	34.09	34.09	-	-
c)	**Unbilled revenue**						
	i) Crown Infotainment Limited	-	-	-	-	-	3.31
d)	**Amount payable**						
	i) Impact Media Exchange Limited	-	-	-	0.18	-	-
	ii) Valuable Technologies Limited	-	-	-	3.73	-	-
	iii) Media Infotek Park	-	-	0.18	0.49	3.46	-
	iv) Dusane Infotech (India) Private Limited	-	-	-	0.13	-	-
e)	**Key Management Personnel**						
	Amount payable						
	i) Sanjay Gaikwad	-	-	-	-	-	8.45

Notes

* Less than Rs 0.01 million

1. The amounts disclosed above are based on the restated unconsolidated summary statements of assets and liabilities profit and loss of the Company.

2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

Report of auditors on the Restated Consolidated Summary Statement of Assets and Liabilities as at December 31, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and Profits and Losses and Cash Flows for the nine months period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010 for UFO Moviez India Limited ,its Subsidiaries , associates and Joint Ventures (collectively, the "Restated Consolidated Summary Statements")

The Board of Directors
UFO Moviez India Limited
Valuable Techno Park
53/1, Road No. 7
MIDC, Andheri
Mumbai – 400 093

Dear Sirs,

1. We have examined the Restated Consolidated Summary Statements of UFO Moviez India Limited (the "Company") and its subsidiaries, associates and joint ventures (together referred to as (the "Group") , as at December 31, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and for the nine months period ended December 31, 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 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 financial information taking into consideration:

   a. the terms of our engagement agreed with you vide our engagement letter dated February 6, 2015, requesting us to carry out work on such restated financial information, for the purpose of submission to SEBI 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 for the offer for sale by certain shareholders' existing 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::

   i. the consolidated interim financial statements of the Group as at and for the nine months period ended December 31, 2014, in accordance with the generally accepted accounting principles in India ('Indian GAAP') and which have been approved by the board of directors on March 4, 2015 and audited by us;

ii. the consolidated financial statements of the Group, as at and for the year ended March 31, 2014, prepared in accordance with Indian GAAP ,which have been approved by the board of directors on August 5,2014 and audited by us.

iii. the consolidated financial statements of the Group, as at and for the years ended March 31, 2013, 2012, 2011 and 2010, prepared in accordance with Indian GAAP, all of which have been approved by the board of directors on November 20,2014 and audited by us.

We have issued auditors' report dated March 4, 2015 on the interim consolidated financial statements of the Group as at and for the nine months ended December 31, 2014. We have also issued auditors' reports dated August 5, 2014, November 20, 2014, November 20, 2014, November 20, 2014 and on November 20, 2014 on the consolidated financial statements of the Group as at and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 respectively.

Those consolidated financial statements included information in relation to the Company's subsidiaries, associates and joint venture as listed below:

Name of the entity	Relationship	Period covered
Southern Digital Screenz India Private Limited*	Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014, 2013 and 2012
Scrabble Entertainment Limited*	Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014, 2013 and 2012
V N Films Private Limited	Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014, 2013, 2012 , 2011 and 2010
Scrabble Digital Limited	Associate of Subsidiary	Nine months period ended December 31, 2014and years ended March 31, 2014, 2013 and 2012
UFO Software Technologies Private Limited, India	Step Down Subsidiary	Nine months period ended December 31 and years ended March 31, 2014, 2013, 2012 , 2011 and 2010
Mukta VN Films Limited	Joint Venture of Subsidiary	Nine months period ended December 31, 2014 and year ended March 31, 2014
Edridge Limited, Cyprus	Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014, 2013, 2012 , 2011 and 2010
United Film Organisers Nepal Private Limited, Nepal	Subsidiary	Period from July 16, 2014 to December 31, 2014 and years ended March 31, 2014, 2013, 2012 , 2011 and 2010
Valuable Digital Screens Private Limited	Subsidiary	As at December 31, 2014 (acquired on December 31, 2014)
Scrabble Entertainment Mauritius Limited, Mauritius	Step Down Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014 and 2013 and for the period from September 26, 2011 to March 31, 2012
Scrabble Entertainment JLT, Dubai	Step Down Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014 and 2013 and for the period from September 27, 2011 to March 31, 2012

Name of the entity	Relationship	Period covered
Scrabble Entertainment (Lebanon) Sarl, Lebanon	Step Down Subsidiary	Year ended December 31, 2014and years ended December 31, 2013, 2012 and 2011
UFO International Limited, Cyprus	Step Down Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014, 2013, 2012 , 2011 and 2010
UFO Lanka Private Limited, Sri Lanka	Step Down Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014, 2013, 2012 , 2011 and 2010
United Film Organisers (UFO) (Mauritius) Private Limited, Mauritius	Step Down Subsidiary	Nine months period ended December 31, 2014 and years ended March 31, 2014, 2013, 2012 , 2011 and 2010
Scrabble Entertainment Israel Ltd, Israel	Step Down Subsidiary	Year ended March 31, 2013
UFO Europe Limited, Cyprus	Step Down Subsidiary	Years ended March 31, 2013, 2012 , 2011 and 2010
DCLP Limited, Cyprus	Step Down Subsidiary	Years ended March 31, 2013, 2012 , 2011 and 2010
Scrabble Digital JLT, Dubai	Associate of Subsidiary	Years ended December 31, 2014 and December 31, 2013, 2012 and 2011
Scrabble Ventures LLC , USA	Associate of Subsidiary	Nine months period ended December 31, 2014 and year ended March 31, 2014
Scrabble Venture S.de R.L.De C.V, Mexico	Associate of Subsidiary	Nine months period ended December 31, 2014 and year ended March 31, 2014
Scrabble Digital Inc , USA	Step Down Subsidiary	Nine months period ended December 31, 2014 and year ended March 31, 2014

*audited by us

5. As indicated in our auditors report on consolidated interim financial statements as at and for the nine months period ended December 31, 2014 and our auditors’ reports on consolidated financial statements as at and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010,

    a. the consolidated financial statements for those years included the following amounts relating to subsidiaries and associates, whose financial statements were audited by other auditors, which have been relied upon by us and our opinions, in so far as it relates to the amounts related to the such subsidiaries and associates as at and for the nine months period ended December 31, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010, included in these Restated Consolidated Summary Statements, are based solely on the reports of the other auditors.

As at and for the period/ year ended	Total assets (Rs.)	Total revenue (Rs.)	Cash inflow / (Outflow) (Rs.)	Group's share of net profit/ (loss) (Rs.)
December 31, 2014	830,301,944	646,917,210	129,188,131	10,827,835
March 31, 2014	714,029,879	869,441,916	26,873,150	10,223,366
March 31, 2013	365,064,001	758,064,858	47,693,830	2,489,416
March 31, 2012	178,583,645	162,102,521	5,981,039	(1,241,340)
March 31, 2011	73,211,369	3,378,709	8,237,971	-
March 31, 2010	152,463,839	13,696,680	(2,417,528)	-

b. The consolidated financial statements for those years included the following amounts relating to two subsidiaries (including one step down subsidiary), United Film Organisers Nepal Private Limited and Scrabble Digital Inc. for the nine months period ended December 31, 2014, two associates namely Scrabble Ventures LLC , USA and Scrabble Venture S.de R.L.De C.V, Mexico and one joint venture - Mukta VN Films Limited for the nine months period ended December 31, 2014 and for the year ended March 31, 2014, whose financial statements were not audited, and were instead consolidated based on financial information certified by management of the Company, which have been relied upon by us and our opinions, in so far as it relates to the amounts related to such subsidiary, associates and joint venture as at and for the period ended December 31, 2014 and as at and for the year ended March 31, 2014, included in these Restated Consolidated Summary Statements, are based solely on the management certified accounts:

As at and for the period/ year ended	Total Assets	Total Revenue	Cash Inflow / (Outflow)	Group's share of net profit/ (loss)
December 31, 2014	171,382,268	21,944,970	33,110,644	1,493,433
March 31, 2014	21,084,439	-	3,721,790	(18,036,853)

a. 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 nine months period ended December 31, 2014 and as at and for the years ended March 31, 2014, 2013, 2012, 2011 and 2010 as set out in Annexures I to III.

6. Based on our examination and the consolidated financial statements of the Company as referred to in paragraphs 4 and 5 above, to the extent applicable, we further report that

   a) The restated consolidated profits / (losses) 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 IV(B) to this report;

   b) There are no changes in accounting policies adopted by the Group as at and for the nine months period ended December 31, 2014. The impact arising on account of changes in accounting policies adopted by the Group as at and for the year ended March 31, 2013 is 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;

   e) There are no qualifications in the auditors' reports, on the consolidated interim financial statements of the Group as at and for the nine months ended December 31, 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;

   f) Our report on the consolidated financial statements as at and for the year ended March 31, 2012, had audit qualifications as follows, the corrective adjustment for which has not been made in the financial information, since the financial effect thereof is not ascertainable:

      As mentioned in Note 6 of Annexure IV(B) of the restated consolidated summary statements, one of the subsidiaries of the Company, which was audited by us, had not physically verified inventory during and at year end for inventory lying at Mumbai and Bangalore amounting to Rs. 11,440,003. Accordingly, we could not observe the counting of physical inventories lying at Mumbai warehouse and Bangalore warehouse at end of the year. Accordingly, we were unable to obtain sufficient appropriate audit evidence concerning the inventory quantities held at March 31, 2012, which are stated in the Balance Sheet at Rs. 11,440,003. In view of the above, we are unable to comment on the existence and valuation of this inventory and consequent adjustments on the cost of goods sold, if any, that might be required in these financial statements.

   g) 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 Annexure IV(C), and after making adjustments and re-groupings as considered appropriate and disclosed in Annexures IV (A) and IV (B), have been prepared in accordance with Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III and the Regulations.

7. We have not audited any financial statements of the Group as of any date or for any period subsequent to December 31, 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 December 31, 2014.

Other Financial Information:

8. 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 nine months period ended December 31, 2014 and as at and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010:

    i. Restated Consolidated Statement of Reserves & Surplus, enclosed as Annexure V;
    ii. Restated Consolidated Statement of Long term borrowings, enclosed as Annexure VI;
    iii. Restated Consolidated Statement of Other Long-term liabilities and long term provisions, enclosed as Annexure VII;
    iv. Restated Consolidated Statement of Short term borrowings, enclosed as Annexure VIII;
    v. Restated Consolidated Statement of Trade Payables, Other current liabilities and Short term Provisions, enclosed as Annexure IX;
    vi. Restated Consolidated Statement of Non-Current Investments, enclosed as Annexure X;
    vii. Restated Consolidated Statement of Long term Loans and Advances and Other Noncurrent assets, enclosed as Annexure XI;
    viii. Restated Consolidated Statement of Non-Current Trade Receivables (Unsecured, considered good) unless otherwise stated, enclosed as Annexure XII;
    ix. Restated Consolidated Statement of current Investments, enclosed as Annexure XIII;
    x. Restated Consolidated Statement of Current Trade Receivables (secured considered good), enclosed as Annexure XIV;
    xi. Restated Consolidated Statement of Short term Loans and Advances and Other current Assets, enclosed as Annexure XV;
    xii. Restated Consolidated Statement of Revenue from operations, enclosed as Annexure XVI;
    xiii. Restated Consolidated Statement of Other Income and finance income, enclosed as Annexure XVII;
    xiv. Restated Consolidated Statement of Operating Direct costs, enclosed as Annexure XVIII
    xv. Restated Consolidated Statement of Employee Benefits expense, enclosed as Annexure XIX;
    xvi. Restated Consolidated Statement of Other Expenses, enclosed as Annexure XX
    xvii. Restated Consolidated Statement of Accounting Ratios, enclosed as Annexure XXI
    xviii. Capitalisation statement, as appearing in Annexure XXII;
    xix. Restated Consolidated Statement of Related party transactions, as appearing in Annexure XXIII;
    xx. Restated Consolidated Statement of Segment Information, as appearing in Annexure XXIV.

9. 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 Annexure IVC, and after making adjustments and regroupings as considered appropriate and disclosed in Annexures IVA and IV B, have been prepared in accordance with the relevant provisions of the Act and the Regulations

10. The report should not be in any way construed as a reissuance or relating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as an opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. 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 Govind Ahuja
Partner
Membership No: 48966
Mumbai
March 4, 2015

UFO Moviez India Limited

Annexure I - Restated consolidated Summary Statement of Assets and Liabilities

Rs. in million

	Particulars	Annexures	As at					
			31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A	**Equity and Liabilities**							
	Shareholder's Funds							
	Equity share capital		258.98	258.98	258.98	258.98	201.50	186.59
	Reserves and surplus	V	4,160.09	3,742.83	3,206.40	2,838.20	1,164.78	844.61
	Total of Shareholder's Funds		**4,419.07**	**4,001.81**	**3,465.38**	**3,097.18**	**1,366.28**	**1,031.20**
B	Share application money		-	-	-	-	440.00	-
C	Minority Interest		**65.33**	**147.99**	**109.46**	**144.21**	**0.62**	**0.10**
D	**Non-current liabilities**							
	Long-term borrowings	VI	675.15	999.15	683.92	536.77	330.17	350.50
	Deferred tax liabilities (net)		0.17	-	-	0.01	0.20	0.29
	Other long-term liabilities	VII	565.45	443.16	386.40	317.35	254.65	195.94
	Long-term provisions	VII	9.32	8.44	11.78	5.58	-	-
	Total of Non-Current liabilities		**1,250.09**	**1,450.75**	**1,082.10**	**859.71**	**585.02**	**546.73**
E	**Current liabilities**							
	Short-term borrowing	VIII	319.83	8.59	168.07	37.99	-	-
	Trade payables	IX	667.08	591.58	350.70	201.19	209.10	79.15
	Other current liabilities	IX	1,367.86	1,178.59	1,084.27	701.88	285.88	335.17
	Short-term provisions	IX	37.95	47.03	26.20	22.04	10.08	6.80
	Total of Current liabilities		**2,392.72**	**1,825.79**	**1,629.24**	**963.10**	**505.06**	**421.12**
	Total A + B + C + D + E		**8,127.21**	**7,426.34**	**6,286.18**	**5,064.20**	**2,896.98**	**1,999.15**
F	**Non-current assets**							
	Fixed assets							
	Tangible assets		3,139.38	3,412.26	2,618.90	1,902.72	1,144.13	1,105.14
	Intangible assets		43.52	49.31	56.86	70.32	41.84	44.63
	Capital work-in-progress		146.49	198.74	311.66	508.34	76.19	75.61
			3,329.39	**3,660.31**	**2,987.42**	**2,481.38**	**1,262.16**	**1,225.38**
	Goodwill on consolidation		1,675.80	1,365.92	1,308.57	1,168.01	417.81	144.07
	Non-current investments	X	57.84	52.64	18.02	15.53	184.16	8.60
	Deferred tax assets (net)		187.06	131.39	21.93	13.04	-	-
	Long-term loans and advances	XI	385.33	378.27	241.99	174.11	249.46	43.21
	Non-current trade receivables	XII	-	1.00	4.55	4.31	-	-
	Other non-current assets	XI	84.38	36.51	62.06	0.94	-	0.42
	Total of Non-current assets		**5,719.80**	**5,626.04**	**4,644.54**	**3,857.32**	**2,113.59**	**1,421.68**
G	**Current assets**							
	Current investments	XIII	95.74	52.99	116.63	12.92	-	-
	Inventories		89.46	97.43	106.05	102.87	40.54	52.53
	Trade receivables	XIV	1,335.70	912.31	753.89	387.38	387.92	142.68
	Cash and bank balances		538.23	517.50	420.56	518.11	199.10	160.59
	Short-term loans and advances	XV	224.92	150.77	219.93	175.63	155.81	211.10
	Other current assets	XV	123.36	69.30	24.58	9.97	0.02	10.57
	Total of Current assets		**2,407.41**	**1,800.30**	**1,641.64**	**1,206.88**	**783.39**	**577.47**
	Total of F + G		**8,127.21**	**7,426.34**	**6,286.18**	**5,064.20**	**2,896.98**	**1,999.15**

Notes:

1) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature : Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company secretary

Ashish Malushte
Chief Financial Officer

Place of signature : Mumbai
Date: March 04, 2015

UFO Moviez India Limited

Annexure II - Restated consolidated Summary Statement of Profits and Losses

Rs. in million

Particulars	Annexures	Nine months period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Income from continuing operations							
Revenue from operations	**XVI**	3,547.36	4,204.30	3,362.30	2,067.05	1,088.02	731.60
Other income	**XVII**	24.94	6.59	12.67	9.45	11.69	3.45
Total revenue		**3,572.30**	**4,210.89**	**3,374.97**	**2,076.50**	**1,099.71**	**735.05**
Expenses							
Operating direct costs	**XVIII**	1,396.19	1,665.12	1,281.17	730.49	353.98	296.32
Employee benefits expense	**XIX**	431.04	552.57	448.18	333.00	198.32	151.14
Other expenses	**XX**	534.62	676.23	576.13	489.97	418.94	268.06
Total expenses		**2,361.85**	**2,893.92**	**2,305.48**	**1,553.46**	**971.24**	**715.52**
Restated earning before interest, tax, depreciation and amortisation		**1,210.45**	**1,316.97**	**1,069.49**	**523.04**	**128.47**	**19.53**
Depreciation and amortisation expense		569.20	654.67	536.15	389.61	254.17	197.22
Finance cost		157.03	198.50	151.91	113.03	43.86	64.08
Finance income	**XVII**	(36.65)	(34.19)	(30.86)	(66.29)	(11.26)	(4.17)
Restated profit / (loss) before tax		**520.87**	**497.99**	**412.29**	**86.69**	**(158.30)**	**(237.60)**
Tax expense / (credit)							
Current tax		181.31	99.57	58.38	19.36	0.03	0.01
MAT credit entitlement		-	(0.88)	(25.38)	-	0.00	-
Deferred tax charge / (credit)		(54.30)	(109.46)	(8.89)	4.57	(0.09)	0.14
Total tax expense / (credit)		**127.01**	**(10.77)**	**24.11**	**23.93**	**(0.06)**	**0.15**
Restated profit / (loss) after tax and before minority interest and share in profit/(loss) of associates		**393.86**	**508.76**	**388.18**	**62.76**	**(158.24)**	**(237.75)**
Share of profit / (loss) from associates (net)		**12.32**	**(7.81)**	**2.49**	**(1.24)**	**-**	**-**
Restated profit /(loss) after tax before minority interest		**406.18**	**500.95**	**390.67**	**61.52**	**(158.24)**	**(237.75)**
Attributable to :							
Equity share holder of the parent company		368.61	465.42	333.89	43.59	(96.60)	(237.76)
Minority Interest		37.57	35.53	56.78	17.93	(61.64)	0.01
Profit for the period / year		**406.18**	**500.95**	**390.67**	**61.52**	**(158.24)**	**(237.75)**

Notes:

The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature : Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company secretary

Ashish Malushte
Chief Financial Officer

Place of signature : Mumbai
Date: March 04, 2015

UFO Moviez India Limited

Annexure III - Restated consolidated Summary Statement of Cash Flows

Rs. in million

Particulars	Nine months period ended 31-Dec-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 (loss) before taxation for the period / year	520.87	497.99	412.29	86.69	(158.30)	(237.60)
Profit (loss) before taxation (as restated)	**520.87**	**497.99**	**412.29**	**86.69**	**(158.30)**	**(237.60)**
Non cash adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	569.20	654.67	536.15	389.61	254.17	197.22
Advance tax not recoverable	-	-	1.85	-	-	-
Unrealised foreign exchange (gain)/loss (net)	0.56	(21.15)	6.57	6.98	0.80	61.35
Loss on sale / discarding of fixed assets	3.56	12.58	3.71	3.27	10.22	6.68
Loss on sale of investment	-	-	1.71	-	-	-
Provision for doubtful debts and bad debt written off	25.35	21.68	36.19	18.84	84.58	13.56
Employee stock compensation expense	*	0.01	(0.08)	0.06	-	-
Provision for doubtful advances	9.92	15.27	12.08	-	-	-
Provision for obsolete inventories	-	-	-	-	8.57	-
Utilisation of provision for warranty	(2.63)	(3.44)	2.11	-	-	-
Provision for warranty	0.05	-	-	1.01	-	-
Provision for compensated absences	3.27	6.77	5.39	4.06	3.14	-
Provision for gratuity	6.85	6.18	4.94	5.20	2.43	-
Provision for diminution in value of fixed assets	2.61	2.99	6.56	-	-	-
Provision for diminution in value of Investment	-	-	-	-	8.60	-
Sundry credit balances written back	(8.52)	(1.17)	(5.44)	(2.45)	(7.76)	(0.06)
Profit on sale of current investments	-	-	-	(10.10)	-	-
Interest income	(31.94)	(29.51)	(26.67)	(52.79)	(11.26)	(4.17)
Dividend income	(4.71)	(4.68)	(4.19)	(3.39)	-	-
Interest and finance expense	154.64	185.46	141.14	87.25	38.94	49.81
Operating profit before working capital changes (as restated)	**1,249.08**	**1,343.65**	**1,134.31**	**534.23**	**234.13**	**86.79**
Movements in Working Capital						
(Increase)/decrease in trade receivables	(427.18)	(193.53)	(432.09)	(55.05)	(268.28)	(12.97)
(Increase)/decrease in trade receivables (Non - Current)	-	3.50	(0.22)	11.73	-	*
(Increase)/decrease in short-term loans and advances	(50.90)	(76.13)	(74.90)	18.79	35.51	(44.33)
(Increase)/decrease in long-term loans and advances	53.24	(46.56)	(104.73)	(184.00)	-	-
(Increase)/decrease in other current assets	(89.10)	(30.66)	(25.32)	(12.08)	(8.71)	(5.62)
Decrease / (increase) in other non-current assets	(0.01)	(0.29)	31.34	185.82	-	-
(Increase) / decrease in inventories	8.77	8.04	(3.12)	27.49	12.19	(7.99)
Increase/(decrease) in trade payables	54.95	171.20	168.27	(123.73)	(12.63)	6.24
Increase/(decrease) in other current liabilities	148.12	153.24	(171.37)	25.69	124.81	102.96
Increase / (decrease) in other non-current liabilities	(19.15)	37.95	405.87	332.40	45.62	(24.56)
Increase/(decrease) in long-term provisions	(0.75)	1.58	(0.10)	-	-	-
Increase/(decrease) in short-term provisions	(6.84)	(6.32)	(3.66)	(2.66)	(2.28)	1.17
Cash flow from operations	**920.23**	**1,365.67**	**924.28**	**758.63**	**160.36**	**101.69**
Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	(228.96)	(166.23)	(81.32)	(64.85)	(30.41)	(8.03)
Net cash generated from operating activities (A)	**691.27**	**1,199.44**	**842.96**	**693.78**	**129.95**	**93.66**
B. CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of fixed assets, including intangible assets, capital work in progress and capital advances	(311.34)	(1,342.68)	(1,126.56)	(1,326.43)	(385.38)	(370.88)
Purchase of shares in subsidiary (from minority)	(164.92)	(117.39)	(90.27)	(352.58)	-	-
Investment in associates	-	(27.51)	-	(4.77)	-	-
Share application money for investment in Associates	-	-	(15.50)	-	-	-
Refund of advances paid for purchase of investments	20.00	-	-	-	-	-
Advance paid for purchase of investments	-	(20.00)	-	-	-	-
Advance for investment in subsidiaries	-	-	-	-	(201.00)	-
Loan given to Associates	-	-	-	(8.29)	-	-

Loan received back from associate	-	8.76	-	-	-	-
Loans given to subsidiary/related party	(39.61)	-	-	-	-	-
Purchase of current investments	(345.71)	(488.85)	(103.71)	(562.92)	(195.46)	-
Proceeds from redemption of current investment	302.96	552.98	-	560.46	-	-
Proceeds from sale of fixed assets	21.19	12.93	15.99	95.72	14.75	7.22
Interest received	24.74	26.79	27.46	51.62	11.61	17.02
Dividend received	12.04	4.20	4.19	3.39	-	-
Investments in bank deposits (having original maturity of more than three months)	(74.57)	(39.38)	(23.59)	(370.90)	(0.19)	(1.99)
Redemption from bank deposits (having original maturity of more than 3 months)	-	1.56	216.70	73.44	32.58	-
Net cash used in investing activities (B)	**(555.23)**	**(1,428.59)**	**(1,095.29)**	**(1,841.26)**	**(723.09)**	**(348.63)**
C. CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from issuance of equity share capital including securities premium	-	-	-	0.05	250.00	-
Share application money pending allotment	-	-	-	-	-	250.00
Proceeds from issuance of preference share capital including securities premium	-	-	-	1,143.00	-	-
Proceeds from long-term borrowings	192.57	1,261.75	771.69	384.90	143.40	310.94
Repayment of long-term borrowings	(505.79)	(745.08)	(376.38)	(299.15)	(99.85)	(114.81)
Proceeds/(repayment) of short-term borrowings	281.15	(107.49)	158.95	(25.07)	-	(189.97)
Share issue expenses	-	-	-	-	(31.66)	-
Proceeds of share application money	-	-	-	-	440.00	-
Interest and finance cost	(153.75)	(178.63)	(135.55)	(87.13)	(37.95)	(46.82)
Net cash generated from / (used in) financing activities (C)	**(185.82)**	**230.55**	**418.70**	**1,116.61**	**663.94**	**209.34**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(49.78)**	**1.40**	**166.37**	**(30.87)**	**70.80**	**(45.63)**
Cash and cash equivalents at the beginning of the period/year	**337.03**	**303.13**	**146.47**	**170.89**	**100.40**	**145.51**
Cash and cash equivalents acquired from subsidiaries	**0.75**	**7.76**	**-**	**9.10**	-	-
Unrealised Gain/(Loss) on Foreign Currency Cash and Cash equivalents	27.54	24.75	(9.71)	(2.65)	(0.31)	0.52
Total Cash and cash equivalents at the end of the period/year	**315.54**	**337.03**	**303.13**	**146.47**	**170.89**	**100.40**

Components of Cash and Cash Equivalents	**Nine months period ended 31-Dec-14**	**For the year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Cash on hand	1.50	1.47	1.06	0.71	0.24	0.25
Balance with scheduled banks :						
Current account	313.75	319.43	270.73	119.77	135.93	21.19
Fixed deposit account with original maturity of less than 3 months	0.29	16.13	31.34	25.98	34.72	78.96
	315.54	**337.03**	**303.13**	**146.47**	**170.89**	**100.40**

Notes:

* Less than Rs 0.01 million

1) Figures in brackets indicate cash outflow

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature : Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
DIN No.: 00024378

Sameer Chavan
Company secretary
Place of signature : Mumbai
Date: March 04, 2015

Ashish Malushte
Chief Financial Officer

UFO Moviez India Limited

Notes to restated consolidated summary statements

Annexure IVA: Notes on Material Adjustments

1) The summary of adjustments made in the audited consolidated financials statements for the respective years and its impact on the profit/ (loss) of the Group is as follows

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(A) Net Profit/(loss) as per audited financial statements	**368.61**	**476.61**	**331.65**	**45.97**	**(96.63)**	**(206.33)**
Adjustments due to changes in accounting policies						
Increase/ (Decrease) in value of inventory due to change in method (Refer Note (1) of Annexure IVB)	-	-	0.10	0.03	0.04	0.20
Other Adjustments						
Reversal of Prior year adjustments due to the expense recognition in the year to which it relates.(Refer Note (2) of Annexure IV B)	-	(11.20)	(0.27)	-	-	(31.64)
Short provision for taxation (Refer Note (3) of Annexure IV B)	-	0.01	2.41	(2.40)	-	-
(B) Total Adjustments	**-**	**(11.19)**	**2.24**	**(2.38)**	**0.04**	**(31.43)**
Restated Profit (A + B)	**368.61**	**465.42**	**333.89**	**43.60**	**(96.59)**	**(237.76)**

Notes:

1) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVB & IVC.

2) The summary of results of other restatements made in the audited consolidated financial statements and its impact on the opening balance of surplus / (deficit) in the statement of profit and loss of the Group is as follows

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended 31-03-2014	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(A) Opening balance of Surplus/(deficit) in the statement of profit and loss as per audited financial statements	**51.94**	**(411.93)**	**(704.62)**	**(765.76)**	**(860.99)**	**(654.49)**
Adjustments due to changes in accounting policies						
Increase/ (Decrease) in value of inventory due to change in method (Refer Note (1) of Annexure IVB)	**-**	-	-	-	-	(0.38)
Reversal of prior period items (Refer Note (2) of Annexure IV(B)	**-**	11.20	-	-	-	31.64
Short recognition of goodwill and minority interest in earlier years (Refer Note (4) of Annexure IV(B)	**25.12**	25.12	-	-	-	-
(B) Total Adjustments	**25.12**	**36.32**	-	-	-	**31.26**
Restated Surplus/(deficit) in the statement of profit and loss (A + B)	**77.06**	**(375.61)**	**(704.62)**	**(765.76)**	**(860.99)**	**(623.23)**

Annexure IVB:

1) Change in accounting policy

During the year ended March 31, 2013, the group changed its accounting policy for valuation of inventories from first in first out (FIFO) basis to weighted average cost basis. The management believes that such change will result in a more appropriate presentation of inventories.
In the financial statements for the year ended March 31, 2013, this change in inventory valuation has been identified as change in accounting policy. For the purpose of restated consolidated summary statements, this change in accounting policy has been appropriately adjusted in the respective years to which the transactions pertain to.

2) Prior period items

In the financial statements for the nine month ended December 31, 2014, year ended March 31, 2014, March 31, 2013 and March 31, 2010, certain items of income/expenses have been identified as prior period adjustments. These adjustments were recorded in the year when identified. However, for the purpose of restated consolidated summary statements, such prior period adjustments have been appropriately adjusted in the respective years to which the transactions pertain to. The details of such prior period adjustments are as under:

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Depreciation (Refer Note a)						(31.64)
Expenses other than cost of sales (Refer Note b)	-	(10.59)	-	-	-	-
Revenue from operation (Refer Note b)	-	(37.67)	-	-	-	-
Other income (Refer Note b)	-	(1.81)	-	-	-	-
Operating direct costs (Refer Note b)	-	35.60	-	-	-	-
Changes in minority interest (Refer Note c)	-	3.26	-	-	-	-
Total	**-**	**(11.20)**	**-**	**-**	**-**	**(31.64)**

Notes

a. Depreciation charge for the year ended March 31, 2010 included a credit pertaining to the year ended March 31, 2009 , which has been adjusted in the opening reserve.

b. These items relate to the periods prior to April 1, 2013 and have been recorded by the management in the audited consolidated financial statements for the respective years, which were approved by the board of directors after the adoption of the consolidated financial statements for the year ended March 31, 2014. Accordingly, these items have been adjusted in the opening balance of reserves for the year ended March 31,2014 and for the nine months period ended December 31, 2014.

c. On account of adjustment described in note b above, minority interest has been adjusted based on the restated profit for the year ended March 31, 2014

3) Excess / Short provision for taxation

Excess / Short provision for taxation has been adjusted to provision for tax of the relevant year to which it relates to.

4) Short recognition of goodwill and minority interest in earlier years

In the consolidated statement for the year ended March 31, 2014, the Parent Company had inadvertently short recorded goodwill on consolidation of Rs. 26.78 million and minority interest of Rs. 0.4 million at the time of acquisition / step up acquisition of subsidiary .i.e., considered a lower amount of pre-acquisition losses of a subsidiary / and its associates acquired during the years ended March 31, 2011 and 2012.

5. Material Regrouping

W.e.f, April 1 2014, schedule III of the Companies Act, 2013 has become applicable to the Group for preparation and presentation of its financial statements. The adoption of 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.

Appropriate adjustments have been made in the Restated consolidated Summary Statements of assets and liabilities, profit and losses and cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited interim financial statements of the group as at and for the nine month period ended December 31, 2014, prepared in accordance with Schedule III of the Companies Act, 2013.

6. Non-adjusting items

The following qualification in the Auditor's report on the consolidated financial statements of the group for the year ended March 31, 2012 does not require any quantitative adjustment in the restated consolidated summary statements :

One of the subsidiaries of the Company, had not physically verified inventory during and at year end for inventory lying at Mumbai and Bangalore amounting to Rs. 11.44 million accordingly, the auditors could not observe the counting of physical inventories lying at Mumbai warehouse and Bangalore warehouse at end of the year. Accordingly, the auditors were unable to obtain sufficient appropriate audit evidence concerning the inventory quantities held at March 31, 2012, which are stated in the Balance Sheet at Rs. 11.44 million. In view of the above, the auditors are unable to comment on the existence and valuation of this inventory and consequent adjustments on the cost of goods sold, if any, that might be required in these financial statements.

ANNEXURE IVC: Notes to the restated consolidated summary statements of assets and liabilities, profits and losses and cash flows for the nine months period ended December 31, 2014 and for each of the years ended March 31, 2014, 2013, 2012, 2011 and 2010:

1. Corporate information

UFO Moviez India Limited ('UFO' or 'the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Group is primarily engaged in the business of providing digital cinema services. The consolidated financial statements (CFS) of UFO and its subsidiaries, associates and joint venture collectively referred to as "the Group" are prepared under the historical cost convention on the accrual basis of accounting and to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 ('the Act').

2. Basis of preparation

a. The Restated Consolidated Summary Statement of Assets and Liabilities of the group as at December 31, 2014, March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and the related Restated Consolidated Summary Statement of Profits and Losses and Cash Flows Statement for the nine month ended December 31, 2014 and for the year ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (herein collectively referred to as ('Restated consolidated Summary Statements')) have been compiled by the management from the Interim consolidated financial statements for the nine months period ended December, 2014 and from the consolidated financial statements of the Group for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010.

b. The Interim consolidated Financial Statements of the Group for the nine months period ended December 31, 2014 and consolidated Financial Statements of the Group for the year ended March 31, 2014 have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Group has prepared these Consolidated Financial Statements to comply in all material respects with the accounting standards. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

c. The consolidated Financial Statements of the Group for the years ended March 31, 2013, 2012, 2011 and 2010 have been prepared using the historical audited general purpose financial statements of the Company and its subsidiaries for the years ended March 31, 2013, 2012, 2011 and 2010 respectively which were prepared under Indian GAAP and originally approved by the board of directors of the Company and respective subsidiaries at that relevant time.

   Those consolidated financial statements have been prepared using recognition and measurement principles under Indian GAAP except Accounting Standard 4 since those consolidated financial statements do not consider and reflect adjustments, if any,

   i. Subsequent to the dates of adoption by the board of directors of the general purpose financial statements of the Company for the years ended March 31, 2013, 2012, 2011 and 2010, till the date of the approval of those consolidated financial statements.
   ii. Subsequent to the dates of adoption by the board of directors of the respective subsidiaries of the relevant financial statements of the subsidiaries for the years ended March 31, 2013, 2012, 2011 and 2010, till the date of the approval of those consolidated financial statements.

d. The Consolidated Financial Statements have been prepared under the historical cost convention on an accrual basis.

e. Restated consolidated summary statements relate to the Group have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed Initial public offering.

f. These Restated consolidated Summary Statements have been prepared by the group to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of (‘ the Act’) clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the SEBI Guidelines”) issued by SEBI on August 26, 2009 as amended from time to time.

3. Principles of consolidation:

The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expense after eliminating intra-group balances and transactions as per Accounting Standard (AS) 21 “Consolidated Financial Statements”. Interest in jointly controlled entities is reported using proportionate consolidation.

(ii) The excess of cost to the Parent Company of its investments in the subsidiaries over its portion of equity in the subsidiaries, as at the date on which investment was made, is recognized as goodwill in the consolidated financial statements. The Parent Company’s portion of equity in the subsidiaries is determined on the basis of the book value of assets and liabilities as per the financial statement of the subsidiary companies as on the date of investment. Capital reserve on consolidation represents negative goodwill arising on consolidation.

(iii) Minority interest share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of group in order to arrive at the net income attributable to shareholders of the company. In case where losses applicable to minority interest exceed the minority interest in the equity of the subsidiary, the excess of, any further losses applicable to minority interest are adjusted against the parent company’s portion of equity in the subsidiary, until all previous losses absorbed by parent are recovered.

(iv) Investments in associates are accounted for using equity method. The excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as Goodwill and is disclosed as part of investment in associate in the consolidated financial statements. The carrying amount of the investment is adjusted thereafter for the post-acquisition change in the share of net assets of associate. However, share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped.

(v) The CFS has been prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible across the group and are presented, to the extent possible, in the same manner as per the parent’s separate financial statements.

(i) The list of Subsidiaries included in consolidation are mentioned below :

Subsidiary Name	Country of Incorporation	Proportion of ownership interest of the Company/Subsidiary as on December 31, 2014	Proportion of ownership interest of the Company/Subsidiary as on March 31, 2014	Proportion of ownership interest of the Company/Subsidiary as on March 31, 2013	Proportion of ownership interest of the Company/ Subsidiary as on March 31, 2012	Proportion of ownership interest of the Company/Subsidiary as on March 31, 2011	Proportion of ownership interest of the Company/Subsidiary as on March 31, 2010
Subsidiaries of UFO							
Scrabble Entertainment Limited (SEL)	India	91.33%	76.41%	76.41%	51.85%	-	-
V N Films Private Limited (erstwhile known as Allied Film Services Pvt. Limited.)	India	100%	100%	100%	100%	100%	100%
Southern Digital Screenz India Private Limited	India	84.18%	75.18%	75.18%	75.18%	-	-
Edridge Limited	Cyprus	100%	100%	100%	100%	100%	100%
United Film Organisers Nepal Private Limited	Nepal	100%	100%	100%	100%	100%	100%
Valuable Digital Screen Private Limited (from December 31, 2014)	India	71.05%	-	-	-	-	-
Subsidiary of Edridge Limited							
UFO International Limited.	Cyprus	100%	100%	100%	100%	100%	100%
Subsidiaries of UFO International Limited							
United Film Organisers (UFO) (Mauritius) Private Limited.	Mauritius	100%	100%	100%	100%	100%	100%
UFO Lanka Private Limited.	Sri Lanka	100%	100%	100%	100%	100%	100%
UFO Software Technologies Private Limited.	India	95.97%	95.97%	95.97%	95.97%	95.97%	95.97%
UFO Europe Limited	Cyprus	-	-	100%	100%	100%	100%
DCLP Limited	Cyprus	-	-	100%	100%	100%	100%
Digital Film Brokers SPRL	Belgium	-	-	-	-	-	100%
Subsidiaries of SEL							
Scrabble Entertainment JLT	Dubai	100%	100%	100%	100%	-	-

Scrabble Entertainment Mauritius Limited	Mauritius	100%	100%	100%	100%	-	-
Scrabble Entertainment Lebanon Sarl	Lebanon	100%	100%	100%	100%	-	-
Scrabble Digital Inc	United States of America	100%	100%	-	-	-	-

(ii) The list of associates of SEL included in consolidation are mentioned below:

Associate Name	**Country of Incorporation**	**Proportion of ownership interest of SEL as on December 31, 2014**	**Proportion of ownership interest of SEL as on March 31, 2014**	**Proportion of ownership interest as on March 31, 2013**	**Proportion of ownership interest as on March 31, 2012**	**Proportion of ownership interest as on March 31, 2011**	**Proportion of ownership interest as on March 31, 2010**
Scrabble Digital Limited	India	33.33%	33.33%	33.33%	33.33%	-	-
Scrabble Digital JLT	Dubai	33.33%	33.33%	33.33%	33.33%	-	-
Scrabble Venture LLC	United States of America	30.00%	30.00%	-	-	-	-
Scrabble Ventures, S. de R.L. de C.V, Mexico	Mexico	30.00%	30.00%	-	-	-	-

(iii) The list of Joint venture entities of V N Films Private Limited included in consolidation are mentioned below:

Joint Venture Entity Name	**Country of Incorporation**	**Proportion of ownership interest as on December 31, 2014**	**Proportion of ownership interest as on March 31, 2014**	**Proportion of ownership interest as on March 31, 2013**	**Proportion of ownership interest as on March 31, 2012**	**Proportion of ownership interest as on March 31, 2011**	**Proportion of ownership interest as on March 31, 2010**
Mukta V N Films Limited	India	45.00%	45.00%	-	-	-	-

(iv) The list of Companies not included in Consolidation are mentioned below:

Subsidiary Name	**Country of Incorporation**	**Reason for not consolidating**	**Years for which not consolidated**	**% of Holding**
DCLP Limited	Cyprus	Under Liquidation	March 2014 and nine month ended December 31, 2014	100%
UFO Europe Limited	Cyprus	Under Liquidation	March 2014 and nine month ended December 31, 2014	100%

(v) The financial statement of the subsidiary/associates are drawn upto the same reporting date of Parent other than following:

Subsidiary/Associate Name	**nine months period ended 31-Dec-14**	**For the year ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Scrabble Digital JLT	January 01, 2014 to December 31, 2014	Year ended Dec-13	Year ended Dec-12	Year ended Dec-11	NA	NA
Scrabble Entertainment Lebanon SARL	January 01, 2014 to December 2014	Year ended Dec-13	Year ended Dec-12	Year ended Dec-11	NA	NA
United Film Organisers Nepal Private Limited	July 16, 2014 to Dec 31, 2014	Year ended July 16, 2014	Year ended July-16,2013	Year ended July 16,2012	Year ended July 16, 2011	Year ended July 16, 20 10

4. Statement of Significant Accounting Policies

4.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

4.2 Change in accounting estimate

Pursuant to sections 133 of the Companies Act, 2013 ("the Act") being effective from 1 April 2014, the Company has revised the depreciation rates on computer and office equipments as per the useful life specified in Part 'C' of Schedule II of the Act. As a result of this change, the depreciation charge for the nine months period ended 31 December 2014 is higher by 7.56 million. In respect of assets whose useful life is already exhausted as on 1 April 2014, depreciation of Rs.3.04 million (net of deferred tax impact of Rs. 1.37 million) has been adjusted in surplus in statement of profit and loss in accordance with the requirement of Schedule II of the Act.

4.3 Tangible Fixed Assets

Tangible fixed assets are stated at cost, net accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

4.4 Intangible 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 losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

4.5 Depreciation on tangible assets & amortisation of intangible assets

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, (from April, 1 2014) and at higher of the rates prescribed under Schedule XIV of the Companies Act, 1956 or rate as per useful life estimated by management (from April 1, 2009 to March 31, 2014).

The Group has used the following rates to provide deprecation on its fixed assets

	Rates as per management's estimate of useful lives from April, 1 2014 (SLM)	**Rates as per management's estimate of useful lives for the period upto March 31, 2014 (SLM)**
Exhibition Equipment	9.50% - 25%	9.50% - 25%
Plant & Machinery	16.21%	16.21%
Computer	33.33%	16.21%
Furniture and Fixtures	16.67%	16.67%
Office Equipments	33.33%	16.67%
Vehicles	20.00%	20.00%

Rate of depreciation are different from rates prescribed under schedule II in some cases. These rates are based on evaluation of useful life by internal technical expert.

Leasehold improvements are written off over the period of lease or over a period of 4 years whichever is lower.

Intangible assets are amortised over their estimated useful life as follows.

	Rates as per management's estimate of useful lives (SLM)
Computer Software	10.00% - 16.21%

4.6 Goodwill on consolidation and goodwill on acquisition

Goodwill on consolidation and goodwill on acquisitions is not amortised and is tested for impairment on an annual basis. Such evaluation determines impairment in value if any, taking into account the ability to recover the carrying amount of goodwill from discounted cash flows. The group also considers projected future operating results, trends and other circumstances in making such evaluations.

In addition to the annual impairment test, the Group will perform an impairment test if an event occurs or circumstances change that would more likely than not reduce the fair value or the reporting unit below its carrying amount.

4.7 Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

4.8 Leases

Where the group is 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 recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the group is the lessor
Assets given on operating leases are included in fixed assets. Lease income 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. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of Profit and Loss.

4.9 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 non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

4.10 Inventories

Inventories comprise of stores and Spares and are valued at cost or at net realisable value whichever is lower. Cost is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

4.11 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from Services

- Advertisement Income is recognised in the period during which advertisement is displayed.

- Virtual Print Fees received from distributors of the films (D-Cinema and VPF E-Cinema income) is recognised in the period in which the services are rendered.

- Lease rental income on equipment is recognised as mentioned in Note 4.8 above.
- Digitisation charges is recognised on rendering of services.
- Registration fee is recognised in the period in services are rendered.
- Technology service fee is recognised in the period in which services are rendered.
- Revenue from annual maintenance is recognized on rendering of services
- Theatre programming revenue is recognized for the period of exhibition of movies.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax.

The Company recognizes revenue from sales of equipment and stores as and when these are dispatched/issued to customers.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Dividend income is recognised when the company's right to receive dividend is established by the reporting date.

4.12 Foreign Currency Translation

Foreign currency transactions and balances

(i) 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.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(iv) Translation of foreign operations

Translation of foreign branches, subsidiaries and associates are done in accordance with AS – 11 (Revised) "The Effects of Changes in Foreign Exchange Rates". The financial statements of Integral operations are translated as if the transactions of foreign operations have been those of the Company.

In case of non- integral foreign operations, all assets and liabilities are converted at the closing rate at the end of the period and items of income and expenditure items have been translated at the average rate, which approximates the actual rates. All the resulting exchange differences are accumulated in the foreign currency translation reserves until the disposal of the net investment.

Any goodwill / Capital reserve arising on acquisition of a non – integral foreign operation is translated at the closing rate.

Exchange gain / loss arising on conversion are recognized under Foreign Currency Translation Reserve.

4.13 Retirement and other benefits

Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the employee render related services. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation by Life Insurance Corporation of India (LIC). The impact on alignment of such change will not be material.

Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method.

4.14 Income Taxes

Tax expense comprises of 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 and tax laws prevailing in the respective tax jurisdictions where the group operates. The tax rates and tax laws use to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised 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 company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised 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.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

4.15 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. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares)

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 that have changed the number of equity shares outstanding, without a corresponding change in resources.

4.16 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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

4.17 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.

4.18 Employee Stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis. 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 period and is recognized in employee benefits expense.

4.19 Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

4.20 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

4.21 Segment Reporting

The Group's operations predominantly relate to providing digital cinema services to exhibitors and distributors of films. The Group's operating businesses are organized and managed according to the services and are identified as reportable segment based on the dominant source and nature of risks and returns as primary segments. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

4.22 Measurement of EBITDA

As permitted by the *Guidance Note 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/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs, finance income and tax expense.

5. Capital and other commitments

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**As At**				
		31 March 2014	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
Capital commitments	27.57	51.27	34.47	57.86	107.07	15.98
(estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances))						
Repair & Maintenance	2.33	14.46	Nil	-	-	-
Other Commitments	12.32	10.16	5.80	1.42	-	-

As at December 31, 2014, March 31, 2014 and March 31, 2013, the Group has issued a letter of comfort to a bank for term loan of Rs 300 million and Cash credit facility of Rs 30 million taken by subsidiary company , assuring that it will take all necessary steps so that the repayment of the loan by the subsidiary is honored as and when due and payable

The Parent Company will acquire the remaining 20% equity of Valuable Digital Screen Private Limited from Valuable Technologies Limited in the financial year 2017-18 for a further consideration to be calculated in accordance with the terms of the investment agreement.

6. Contingent Liability

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**As At**				
		31 March 2014	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
In respect of the bond(s) issued by the Group towards fulfillment of export obligation given to Custom authorities arising out of grant of EPCG License for import of Digital Projectors.	-	-	-	174.82	174.82	174.82
Dividend on 4,885,925 - 6% Cumulative Convertible Preference Shares of Rs. 100/- each.	31.00	31.00	31.00	31.00	31.00	31.00
Performance guarantees issued by the group on behalf of Subsidiaries to two studios for the performance of obligation relating to distribution of their digital content in certain by its subsidiaries, step down subsidiaries and associates of subsidiary in certain overseas market (Refer Note a)	2,216.60	1,802.99	1,359.73	-	-	-
Corporate Guarantee to a bank on behalf of Joint venture of Subsidiary (Refer Note b)	70.00	-	-	-	-	-
Corporate Guarantee to a bank on behalf of enterprises owned or significantly influenced by Key management personnel or their relatives (Refer Note c)	10.00	-	-	-	-	-
Financial guarantees issued by the group on behalf of Subsidiary (Refer Note d)	-	75.12	67.99	-	-	-
Bank guarantees issued by the group in favour of various State Government for Sales tax registration	0.75	0.45	0.45	0.45	-	-
Labor Guarantee	0.57	0.54	0.40	-	-	-
Letter of credit	0.62	-	-	-	-	-
Indirect Tax Matters						
West Bengal VAT matter	4.20	4.20	4.23	4.23	2.50	0.73
Andra Pradesh for VAT matter	0.63	6.74	9.24	8.21	-	-
Kerala, Corporation Tax matter	-	0.98	0.98	0.98	-	-
Bihar, VAT matter	5.30	5.30	-	-	-	-
Service Tax matters (Refer Note e)	233.20	-	-	-	-	-
Income Tax Matters	27.35	4.64	1.90	1.90	1.90	-
Total Contingent liabilities	**2,600.22**	**1,931.96**	**1,475.92**	**221.59**	**210.22**	**206.55**

a) During the year ended March 31, 2014, the Group has issued performance guarantees of US$ 20 Mn each to a studio on behalf of Scrabble Entertainment Mauritius Limited and Scrabble Entertainment JLT by terminating the earlier guarantees of US $ 10 Mn each. The aggregate liability under the aforesaid two guarantees has been capped at an overall ceiling of US$ 20Mn.

-US$ 5 Mn to a studio on behalf of Scrabble Entertainment JLT
-US$ 5 Mn to a studio on behalf of Scrabble Entertainment Mauritius Limited.
During the period ended December 31, 2014, the Group has issued performance guarantee to a studio on behalf of an associate of a subsidiary for similar obligation for US$ 5 million.

b) During the period ended December 31, 2014, the Group has provided Corporate guarantee to bank for Overdraft facility of Rs 70,000,000 for a tenure of 12 months taken by joint venture of subsidiary assuring that it will take all necessary steps so that the repayment of the loan is honored as and when due and payable.

c) During the period ended December 31, 2014, the Group has provided bank guarantee of Rs 10,000,000 to Chief Secretary, Revenue Department, Government of Maharashtra for a period of 12 months on behalf of Impact Exchange Media Pvt Limited, for declaring it as approved satellite based computer ticketing system provider in Maharashtra.

d) During the period ended December 31, 2014, the financial guarantee issued by the Group, on behalf of the subsidiary, stands terminated since the subsidiary has repaid its obligation for which the financial guarantee was issued.

e) The Group has received show cause notices from service tax authorities challenging the qualification of Digital Cinema Equipments as 'capital goods' under the Cenvat Credit legislation, and accordingly denying the Cenvat Credit availed on procurement of such goods which have been leased out to various theatres / third parties. The Group has filed its responses to the authorities. In an event, any liability crystallising on the Group, the Group will consider capitalising the CENVAT credit

f) The Company had made downstream investments and being a foreign owned or controlled company, there have been delays in filings to be made with the regulators within the specified period as required by exchange control regulations. The ultimate outcome of these delays in filing cannot be estimated currently on the company's financial position and results of operations, for the nine month period ended December 31, 2014.

The Group is contesting the demand/matter relating to VAT, Income Tax and Service Tax listed above and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

7. Gratuity and other post-employment benefit plans

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Group in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense recognized in the employee cost **Rs. in million**

Particulars	Nine months period ended December 31, 2014	Gratuity				
		31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Current service cost	5.27	4.67	3.20	3.28	1.18	0.92
Interest cost on benefit obligation	1.71	1.22	0.88	0.52	0.30	0.21
Expected return on plan assets	(1.40)	(1.09)	(0.84)	(0.60)	(0.26)	(0.18)
Net actuarial (gain) / loss recognized in the year	0.30	1.38	1.53	1.07	1.20	(0.03)
Net benefit expense	5.88	6.18	4.76	4.27	2.42	0.92
Actual return on plan assets	1.40	1.09	0.84	0.60	0.26	0.18

Balance sheet						
Benefit asset/ liability						
Present value of defined benefit obligation	30.88	22.57	15.34	11.09	6.47	3.79
Fair value of plan assets	(24.09)	16.31	9.75	7.30	4.88	2.70
Plan (asset) / liability	6.79	6.27	5.60	3.79	1.58	1.09

Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligation	22.73	15.28	11.21	6.47	3.79	2.69
Current service cost	4.97	3.06	2.71	3.28	1.18	0.21
Interest cost	2.89	1.22	1.39	0.52	0.30	0.92
Benefits paid	(0.01)	(0.50)	(0.86)	(0.24)	0.00	0.00
Actuarial (gains) / losses on obligation	0.30	1.38	1.53	1.07	1.20	(0.03)
Closing defined benefit obligation	30.88	20.44	15.34	11.09	6.47	3.79

Changes in the fair value of plan assets are as follows:

Opening fair value of plan assets	16.31	9.75	7.30	4.88	2.70	1.30
Expected return	1.40	1.09	0.84	0.60	0.26	0.18
Contributions by employer	6.51	5.97	2.37	2.06	1.92	1.22
Benefits paid	(0.12)	(0.50)	(0.77)	(0.24)	0.00	0.00
Actuarial gains / (losses)	-	-	-	-	-	-
Closing fair value of plan assets	24.09	16.31	9.75	7.30	4.88	2.70

The principal assumptions used in determining gratuity as shown below:

Particulars	Nine months period ended December 31, 2014	Gratuity				
		31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Expected rate of return on assets	8.75%	8.75%	9.15%	8.75%	9.15%	9.15%
Employee turnover	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age

Amounts for the current and previous five periods are as follows: **Rs. in million**

	31 Dec 2014	31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Gratuity						
Defined benefit obligation	30.88	22.57	15.34	11.09	6.47	3.79
Plan assets	(24.09)	16.31	9.75	7.30	4.88	2.70
Surplus / (deficit)	6.79	6.27	5.60	3.79	1.58	1.09
Experience adjustments on plan liabilities	0.30	1.38	1.53	1.07	1.20	(0.03)
Experience adjustments on plan assets	-	-	-	-	-	-

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Nine months period ended December 31, 2014	Gratuity				
		31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Investments with insurer	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

8. Leases
Operating lease : Group as lessee

The Group's significant leasing arrangements are in respect of operating leases taken for Office Premises, Stores & Digital equipments. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the office lease generally is for 11 to 36 months. The initial tenure of the Digital equipments on lease generally is for 36 to 72 months.

Rs.in million

Particulars	Nine months period ended December 31, 2014	Year ended				
		31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2010
Lease payments for the year	80.66	98.94	93.47	93.12	57.63	50.86

Operating lease commitments – Group as lessor

The Group has leased out Digital Cinema Equipment to theaters and franchisees on operating lease arrangement. The lease term is generally for 5 to 10 years. The Group as well as the theaters and franchisees have an option of terminating this lease arrangement any time during the tenure of the lease as per the provisions of the lease agreement. Based on the management assumptions there is a reasonable certainty that the lease will continue for the lease term of 5 to 10 years.

Rs. in million

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31 March 2014	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
Gross carrying amount	4,071.20	3,777.29	2,875.38	1,866.97	1,598.39	1,352.81
Accumulated Depreciation	1,279.72	829.14	504.45	296.47	553.95	354.40
Depreciation recognized in the statement of Profit & Loss	381.78	426.68	328.28	180.97	205.99	155.49

9. Deferred tax assets / (liability)(net)

The following are components of deferred tax assets **Rs. in million**

Particulars	**Nine months period ended December 31, 2014**	**Year ended**				
		31 March 2014	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
(A) Deferred Tax Liabilities						
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	0.17	-	0.00	0.01	0.20	0.29
Gross Deferred Tax Liabilities	**0.17**	-	**0.00**	**0.01**	**0.20**	**0.29**
(B) Deferred Tax Assets						
Deferred Tax Liabilities						
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	-	0.00	0.00	0.02	-	87.76
Deferred revenue expenses/Other difference	0.05	0.09	-	-	-	0.02
Gross Deferred Tax Liabilities	**0.05**	**0.10**	**0.00**	**0.02**	-	**87.78**
Effect on account of Carry forward of losses		10.20	78.16	-	138.22	258.21
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	133.84	95.36	50.97	0.92	-	-
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	12.75	10.44	3.85	-	0.02	-
Provision for doubtful debts	26.27	18.53	18.57	9.60	3.86	3.11
Provision for Gratuity and Leave Encashment	10.67	9.12	7.04	0.34	3.43	2.31
Provision for advance recoverable in cash or kind	1.24	0.54	-	-	-	-
Provision for Warranty	2.33	3.06	4.37	2.19	-	-
Share Issue Expenses	0.00	-	-	-	8.61	-
Gross Deferred Tax Assets	187.11	147.26	162.96	13.06	154.14	263.63
Net Deferred Tax Assets	187.06	147.16	162.96	13.04	154.14	175.85
Net Deferred tax assets recognised	**187.06**	**131.39**	**21.93**	**13.04**	**154.14**	**175.85**

* Less than Rs 0.01 million

The group has recoginsed Deferred Tax Assets to the extent of Deferred Tax Liabilities for the year ended March 31, 2010,March 31, 2011,March 31, 2012 and March 31, 2013 in absence of virtual certainty, one of the subsidiary recoganised Deferred Tax Assets to the extent of Deferred Tax Liabilities for the year ended March 31, 2014 in absence of virtual certainty.

10. Employee stock option plans

a) ESOP 2006

The group had granted 9,700 Options under the Employee Stock Option Plans – 2006 Scheme ('the Scheme') which was approved by the Board of Directors at its meeting held on December 22, 2006 and by Members at the Extra Ordinary General meeting held on December 22, 2006. As per the Scheme, an adjustment in the number of options or the exercise price or both would be made if the Company issues bonus.

Pursuant to the amalgamation of UFO Moviez Limited with the Parent Company, the Scheme is operated and administered by UFO Moviez India Limited. As per the Scheme of Amalgamation, the eligible employees were eligible to receive 915 options for every 100 options held, accordingly the revised number of options stood at 88,741.

The Scheme provided the vesting of the options by March 31, 2009 and exercise by March 31, 2010. Pursuant to the amalgamation, the Scheme was revised whereby 30% of the options were vested by September 30, 2009 and the balance 70% by December 31, 2009 and the exercise period was extended up to June 15, 2011. No options have been exercised by the employees.

Pursuant to bonus issue by the Parent Company in the Ratio of 2:1 during the year, the compensation committee of the Board has made the following adjustments in the existing ESOP holdings:

Each outstanding option got adjusted as three outstanding options and exercise price per option got revised from Rs.300.55 to Rs.100.18.

During the financial year 2010-11, the Company granted 10,960 options under the ESOP Scheme 2006 (ESOP Grant 2010) to eligible employees at an exercise price of Rs.100.18 per equity share.

The Shareholders of the Parent Company in their Annual General Meeting held on August 17, 2011 revised the terms and conditions of the Exercise Period of the Options granted under ESOP Scheme 2006 to make it in consonance with ESOP Scheme 2010. The salient features with respect to the revised terms and conditions of the Exercise Period are as follows:

i) For the employees while in employment of the Company: All options vested can be exercised within a period of one year from the date on which the shares of the Parent Company get listed on a Recognized Stock Exchange.

ii) For the retired employees, termination due to permanent disability, death: All vested options may be exercised immediately after but in no event later than six months from the date of listing with a recognised stock exchange.

b) ESOP 2010

The Compensation Committee recommended the new ESOP Scheme 2010. Board approved the new ESOP Scheme 2010 at its meeting held on October 15, 2010 and Shareholders approved this ESOP Scheme 2010 at its meeting held on November 22, 2010.

Under ESOP Scheme 2010 a total number of 1,413,497 options were granted in he year ended March 31,2011, at an exercise price of Rs. 161.87 per share. As per the ESOP Scheme 2010, 25% of the options shall vest at the end of each year from the date of grant. The exercise period for the same is within a period of two years from the date on which the shares of the Company get listed on a Recognized Stock Exchange.

During the year 2013-14, Parent Company granted a total number of 174,157 options under ESOP Scheme 2010 at an exercise price of Rs.178.18 per share to certain employees and key managerial personnels of the company and certain employees of subsidiaries. Out of the options granted, in respect of 82,157 options 25% vest equally over a period of 4 years from the date of grant and in respect of 92,000 options entire options vest at the end of one year from the date of grant.

Exercise period for options under ESOP 2010 is as follows:

i) For the employees while in employment of the Company: All options vested can be exercised within a period of one year from the date on which the shares of the Company get listed on a recognized stock exchange.

ii) For the retired employees, termination due to permanent disability, death: All vested options may be exercised immediately after but in no event later than six months from the date of listing with a recognised stock exchange.

c) ESOP 2014

The Compensation Committee recommended the new ESOP Scheme 2014. Board approved the new ESOP Scheme 2014 at its meeting held on November 11, 2014 and Shareholders approved this ESOP Scheme 2014 at its meeting held on November 20, 2014.

Under ESOP Scheme 2014,the aggregate number of options to be granted is such number of stock options exercisable into 1,150,000 Equity Shares. Each option granted under the ESOP 2014 is convertible into one Equity Share. During the period 932,500 options were granted at an exercise price of Rs. 600 per share. As per the ESOP Scheme 2014, 25% of the options shall vest at the end of each year from the date of grant.

The exercise period for options under ESOP 2014 is as follows:

i) For the employees while in employment of the Company : All options vested can be exercised within a period of two years from the date of Vesting of the respective Employee Stock Options.

ii) For the retired employees, termination due to permanent disability, death: All vested options may be exercised immediately after but in no event later than six months from the date of retirement, termination due to physical disability and death respectively.

a) The details of activity under the ESOP scheme 2006 with weighted average exercise price of Rs.100.18 have been summarised below:

Particulars		Number of options				
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding at the beginning of the period/year	211324	211,597	212,968	216,808	209,412	71,450
Granted during the period/year	-	-	-	-	10,960	-
Exercised during the period/year	-	-	-	549	-	-
Forfeited during the period/year	(273)	(273)	(1,371)	(3,291)	(3,564)	(1,646)
Bonus adjustment (2:1)	-	-	-	-	-	139,608
Outstanding at the end of the period/year	211,051	211,324	211,597	212,968	216,808	209,412
Exercisable at the end of the period/year	211,051	211,324	211,597	212,968	216,808	209,412
Weighted average remaining contractual life (in months)	-	-	-	-	12	-

Weighted average fair value of options granted on date of grant was Rs. 53.80

b) The details of activity under the ESOP scheme 2010 with weighted average exercise price of Rs.100.18 to 178.17 to have been summarised below:

Particulars		Number of options				
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding at the beginning of the period/year	1,505,489	1,363,865	1,395,679	1,413,497	-	-
Granted during the year	-	174,157	-	-	1,413,497	-
Exercised during the period/year	-	-	-	-	-	-
Forfeited during the period/year	(2,000)	(32,533)	(31,814)	(17,818)	-	-
Outstanding at the end of the period/year	1,503,489	1,505,489	1,363,865	1,395,679	1,413,497	-
Exercisable at the end of the period/year	1,327,332	1,004,722	681,933	348,920	-	-
Weighted average remaining contractual life (in years)	-	1	2	2	3	-

Weighted average fair value of options granted on date of grant was Rs 63.11

c) The details of activity under the ESOP scheme 2014 with weighted average exercise price of Rs.600 have been summarised below:

Particulars		Number of options				
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding at the beginning of the period/year	-	-	-	-	-	-
Granted during the year	932,500	600	-	-	-	-
Exercised during the period/year	-	-	-	-	-	-
Forfeited during the period/year	(2,750)	600	-	-	-	-
Outstanding at the end of the period/year	929,750	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-
Weighted average remaining contractual life (in years)	54	-	-	-	-	-

Weighted average fair value of options granted on date of grant was Rs 315.08

2. Impact on the reported net profit and earnings per share by applying the fair value based method

As per guidance note on 'Accounting for Employees Share Based Payments' issued by the Institute of Chartered Accountants of India, the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements on the reported net profit and earnings per share would be as follows:

Rs. in million

Particulars	Nine months period ended December 31, 2014	Year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Profit / (loss) as per consolidated restated financials	368.61	465.42	333.89	43.59	(96.59)	(237.76)
Less: Dividends on convertible preference shares & tax thereon	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)
Less: Employee stock compensation under fair value method	(14.47)	(9.14)	(17.23)	(33.23)	(14.20)	(1.67)
Proforma profit / (loss)	323.14	425.27	285.66	(20.64)	(141.79)	(270.43)
Earnings per share						
Basic earnings per share						
As reported	13.04	16.77	11.70	0.62	(6.56)	(15.84)
Proforma	12.48	16.42	11.03	(1.02)	(7.29)	(15.93)
Diluted earnings per share						
As reported	12.55	16.66	11.39	0.47	(6.56)	(15.84)
Proforma	12.01	16.31	10.74	(0.78)	(7.29)	(15.93)

Note: There were potential equity shares as on March 31,2010 and March 31, 2011 in the form of stock Options granted to employees and warrants as on March 31,2010 and March 31, 2011. As these are anti-dilutive, the diluted earnings per share is same as basic earnings per share.

3. Fair value of stock options granted during the year

The fair value of stock options under ESOP 2006 granted during the previous year ended March 31, 2011 with vesting period of 4 years was Rs 53.80. The Black Scholes valuation model has been used for computing the fair value considering the following inputs

Particulars	**Nine months period ended December 31, 2014***	**31 March 2014***	**31 March 2013***	**31 March 2012***	**31 March 2011**	**31 March 2010***
Expected volatility	-	-	-	-	-	-
Risk-free interest rate	-	-	-	-	7.69%	-
Weighted average share price	-	-	-	-	164.00	-
Exercise price	-	-	-	-	161.87	-
Expected life of options granted in years	-	-	-	-	4.00	-

* Not applicable since no ESOP's were granted during these year/period

The fair value of stock options under ESOP 2010 granted during the previous year ended March 31, 2014 with vesting period of 1 year is Rs.25.46. The Black Scholes valuation model has been used for computing the fair value considering the following inputs:

Particulars	**Nine months period ended December 31, 2014***	**31 March 2014**	**31 March 2013***	**31 March 2012***	**31 March 2011***	**31 March 2010***
Expected volatility	-	25%	-	-	-	-
Risk-free interest rate	-	8.75%	-	-	-	-
Weighted average share price	-	178.17	-	-	-	-
Exercise price	-	178.17	-	-	-	-
Expected life of options granted in years	-	4	-	-	-	-

* Not applicable since no ESOP's were granted during these year/period

The fair value of stock options under ESOP 2010 granted during the previous year ended March 31, 2014 with vesting period of 4 year is Rs.63.11. The Black Scholes valuation model has been used for computing the fair value considering the following inputs:

Particulars	**Nine months period ended December 31, 2014***	**31 March 2014**	**31 March 2013***	**31 March 2012***	**31 March 2011***	**31 March 2010***
Expected volatility	-	**25%**	-	-	-	-
Risk-free interest rate	-	**8.75%**	-	-	-	-
Weighted average share price	-	**178.17**	-	-	-	-
Exercise price	-	**178.17**	-	-	-	-
Expected life of options granted in years	-	**1**	-	-	-	-

* Not applicable since no ESOP's were granted during these year/period

The fair value of stock options granted during the nine months period with vesting period of 4 year is Rs.315.08 (March 31, 2014: Nil). The Black Scholes valuation model has been used for computing the fair value considering the following inputs:

Particulars	**Nine months period ended December 31, 2014**	**31 March 2014***	**31 March 2013***	**31 March 2012***	**31 March 2011***	**31 March 2010***
Expected volatility	0.5%	-	-	-	-	-
Risk-free interest rate	8.13%	-	-	-	-	-
Weighted average share price	378.71	-	-	-	-	-
Exercise price	600	-	-	-	-	-
Expected life of options granted in years	3.5	-	-	-	-	-

* Not applicable since no ESOP's were granted during these year/period

11. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The group does not have suppliers who are registered as micro or small enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at December 31, 2014, March 31, 2014, March 31, 2013, 2012, 2011, 2010 and 2010. The information regarding micro or small enterprises has been determined on the basis of information available with the management.

12. Particulars of unhedged foreign currency exposure at the reporting date

Rs. in million

Particulars of un-hedged exposure	**Nine months period ended December 31, 2014**	**As At**				
		31 March 2014	**31 March 2013**	**31 March 2012**	**31 March 2011**	**31 March 2010**
Trade Receivable (US$)	7.57	2.29	7.13	13.45	-	-
Import trade payable (US$)	13.53	48.58	211.83	316.35	37.70	62.38
Advance Recoverable in cash or kind	12.96	15.06	2.04	0.99	-	-
Import creditors - Advance remittance	7.83	0.46	0.03	0.78	-	-
Cash Balances	0.38	0.14	0.47	0.06	-	-
Bank Balances	0.49	0.25	0.08	0.49	-	-
Foreign Currency Employee Loan	-	-	-	0.20	-	-
Financial guarantees given for subsidiary	-	75.12	67.99	-	-	-
Performance guarantees given for subsidiary, associate of subsidiary	2,216.60	1,802.99	1,359.73	-	-	-

13. Details of Joint venture entity

V N Films Private Limited, a subsidiary of the Company has 45% stake in joint venture Company Mukta VN Films Limited along with Mukta Arts Limited which has 55% in this Joint Venture.

The group's share of assets, liabilities, income and expenses of the jointly controlled entity for the period ended 31st December are as follows:

Rs. in million

Particulars	Amount
EQUITY AND LIABILITIES	
Shareholders' funds	2.60
Non - current liabilities	2.48
Current - liabilities	157.47
Total	**162.55**
Non - current assets	0.73
Current assets	161.82
Total	**162.55**
Total revenue from operations and other income considered in the consolidated financial statements	21.94
Total expenses considered in the consolidated financial statements	19.55
Profit considered in consolidated financial statements	**2.39**

14. Other Receivables (share issue expenses)

Other receivables comprises share issue expenses incurred in connection with proposed Initial Public offer (IPO) of the Parent Company. As per offer agreement between the Parent Company and the selling shareholders of the parent company, all expenses with respect to the Initial public offering will be borne by the selling shareholders. Accordingly, the Company has classified the expenses incurred in connection with the Initial public offering as receivable from selling shareholders under Other receivables, since these are not the expenses for the Parent Company.

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Govind Ahuja
Partner
Membership No.: 48966

Place of signature : Mumbai
Date: March 04, 2015

For and on behalf of the Board of Directors
of UFO Moviez India Limited

Sanjay Gaikwad
Managing Director
Place : Mumbai
DIN No.: 01001173

Kapil Agarwal
Joint Managing Director
Place : Mumbai
DIN No.: 00024378

Sameer Chavan
Company secretary

Ashish Malushte
Chief Financial Officer

Place of signature : Mumbai
Date: March 04, 2015

UFO Moviez India Limited

Annexure V - Restated consolidated Statement of Reserves and Surplus

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A. Securities premium account						
Balance as per last financial statements	3,481.22	3,481.22	3,481.22	1,930.79	1,711.34	1,453.26
Add: receipt on issue of equity shares	-	-	-	1,550.38	257.40	382.48
Add: additions on ESOPs exercised	-	-	-	0.05	-	-
Less: share issue expenses	-	-	-	-	(31.66)	-
Less: utilized for bonus shares issued	-	-	-	-	(6.29)	(124.40)
Closing balance	**3,481.22**	**3,481.22**	**3,481.22**	**3,481.22**	**1,930.79**	**1,711.34**
B. Legal Reserve						
Balance as per the last financial statements	17.68	4.93	-	-	-	-
Add: Transferred from surplus in statement of profit & loss	0.60	12.75	4.93	-	-	-
Closing balance	**18.28**	**17.68**	**4.93**	**-**	**-**	**-**
C. Stock options outstanding account						
Gross employee stock compensation for option granted in earlier years	0.13	0.13	0.13	0.07	-	-
Less: deferred employee compensation outstanding	(0.06)	(0.07)	(0.08)	(0.07)	-	-
Closing balance	**0.07**	**0.06**	**0.05**	**-**	**-**	**-**
D. Surplus/(deficit) i.e. the balance in statement of profit and loss as restated						
Balance as per last financial statements as restated	77.06	(375.61)	(704.62)	(765.76)	(860.99)	(623.23)
Add: restated profit for the period/year	368.61	465.42	333.89	43.59	(96.60)	(237.76)
Less: adjustments						
Adjustment of depreciation	(2.98)	-	-	-	-	-
Parent' share in pre acquisition reserve	-	-	0.05	17.55	191.82	-
Transfer to Legal reserve	(0.60)	(12.75)	(4.93)	-	-	-
Net surplus/(deficit) in the statement of profit and loss as restated	**442.09**	**77.06**	**(375.61)**	**(704.62)**	**(765.76)**	**(860.99)**
E. Foreign Currency Translation Reserve						
Balance as per the last financial statements	166.82	95.82	61.61	(0.25)	(5.74)	-
Add: Addition during the year (net)	51.61	71.00	34.21	61.86	5.49	(5.74)
Closing balance	**218.43**	**166.82**	**95.82**	**61.61**	**(0.25)**	**(5.74)**
Total (A + B + C + D + E)	**4,160.09**	**3,742.83**	**3,206.40**	**2,838.20**	**1,164.78**	**844.61**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure VI - Restated consolidated Statement of Long-Term Borrowings

Rs in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Long term-borrowings						
Rupee term loans (secured)						
From bank:						
Non-current portion	661.34	914.10	632.36	469.80	328.13	45.40
Current maturities	628.37	644.99	425.50	192.85	112.50	50.00
From financial institutions (secured)						
Non-current portion	-	-	1.26	2.93	-	-
Current maturities	-	1.26	1.68	1.68	-	-
Vehicle loan (secured loan)						
Non-current portion	13.81	21.34	26.37	5.81	2.04	3.58
Current maturities	13.84	17.06	11.26	4.31	4.18	2.80
Foreign currency term loan from bank (secured)						
Non-current portion	-	-	-	-	-	301.52
Deferred payment liabilities (unsecured)						
Non-current portion	-	63.71	23.92	58.22	-	-
Current maturities	-	43.87	-	-	-	-
	1,317.36	**1,706.33**	**1,122.35**	**735.60**	**446.85**	**403.30**
Less: Current maturities disclosed under the head "Other Current Liabilities"	(642.21)	(707.18)	(438.43)	(198.83)	(116.68)	(52.80)
Total Long term - Borrowings	**675.15**	**999.15**	**683.92**	**536.77**	**330.17**	**350.50**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Deferred payment liability is amount payable to the supplier for purchase of digital cinema equipment on a deferred payment basis and bears interest at the rate of 7% p.a and it is payable in 48 equal monthly installments along with interest upto October 15, 2016. This liability is repaid as at December 31, 2014.

Key Terms and break down of the Rupee term loan and foreign currency term loan are as follows:

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Non current portion						
Term loan 1 from Yes Bank	-	-	-	-	-	37.50
Term loan 2 from Axis Bank	-	-	-	225.00	328.12	7.90
Term loan 3 from Axis Bank	-	-	211.49	237.11	-	-
Term loan 4 from Axis Bank	136.67	290.42	308.37	7.69	-	-
Term loan 5 from HDFC Bank	-	-	112.50	-	-	-
Term loan 6 from HDFC Bank	31.49	112.49	-	-	-	-
Term loan 7 from Axis Bank	259.05	293.29	-	-	-	-
Term loan 8 from Axis Bank	72.13	-	-	-	-	-
Term Loan 9 Yes Bank	121.43	185.71	-	-	-	
Term Loan 10 HDFC Bank	40.57	32.19	-	-	-	-
Term Loan 11 Financial Institution (Tata Capital)	-	-	1.26	2.93	-	-
Foreign currency term loan	-	-	-	-	-	301.52
Subtotal (A)	**661.34**	**914.10**	**633.62**	**472.73**	**328.12**	**346.92**
Current Maturities						
Term loan 1 from Yes Bank	-	-	-	-	-	50.00
Term loan 2 from Axis Bank	-	-	-	112.50	112.50	-
Term loan 3 from Axis Bank	-	-	108.00	79.03	-	-
Term loan 4 from Axis Bank	205.00	205.00	205.00	1.31	-	-
Term loan 5 from HDFC Bank	28.13	112.50	112.50	-	-	-
Term loan 6 from HDFC Bank	108.00	108.00	-	-	-	-
Term loan 7 from Axis Bank	124.99	124.99	-	-	-	-
Term loan 8 from Axis Bank	56.25	0.00	-	-	-	-
Term Loan 9 Yes Bank	85.71	85.71	-	-	-	-
Term Loan 10 HDFC Bank	20.29	8.78	-	-	-	-
Term Loan 11 Financial Institution (Tata Capital)	-	1.26	1.68	1.68	-	-
Subtotal (B)	**628.37**	**646.24**	**427.18**	**194.52**	**112.50**	**50.00**
Total (A+B)	**1,289.71**	**1,560.34**	**1,060.80**	**667.25**	**440.62**	**396.92**

Rupee Term loan 1 to term loan 8 and foreign currency term loan from banks are secured by first charge on all the fixed assets of the Company except vehicles and first charge on all the current assets.

Term loan 1 having interest of bank 13.5% p.a is repayable after twelve month moratorium in 12 equal quarterly installments of Rs 12,500,000/- each along with interest from October 24, 2008.

Term loan 2 having interest of bank prime lending rate less 3.25% p.a. is repayable in 48 monthly installments of Rs 9,375,000 each along with interest commencing from March 31, 2011.

Term loan 3 having interest of bank base rate plus 3.25% p.a. is repayable in 48 monthly installments of Rs 9,000,000/- each along with interest from April 30, 2012.

Term loan 4 having interest of bank base rate plus 2.00% p.a. is repayable in 48 monthly installments of Rs 17,083,333/- each along with interest from September 30, 2012.

Term loan 5 having interest of bank base rate plus 2.60% p.a. is repayable in 31 monthly installments of Rs 9,375,000/- each along with interest from September 30, 2012.

Term loan 6 having interest of bank base rate plus 2.40% p.a. is repayable in 31 monthly installments of Rs 9,000,000/- each along with interest from July 31, 2013

Term loan 7 having interest of bank base rate plus 2.00% p.a. is repayable in 48 monthly installments of Rs 10,416,000/- each along with interest from April 30, 2014.

Term loan 8 having interest of bank base rate plus 2.00% p.a. is repayable in 48 monthly installments of Rs 4,687,500/- each along with interest from December 31, 2014.

Term loan 9 having floating interest rate of YBL Base Rate plus 3.00 p.a. (@ 13.75% p.a.) and is repayable in 42 monthly installments along with interest after 7 months from disbursement. The term loan is secured against the first pari passu charge with HDFC Bank over entire current and fixed assets both present and future (excluding assets charged to Tata Capital Ltd for term loan) of Scrabble Entertainment Limited (SEL).

Term loan 10 having floating interest rate of HDFC Base Rate plus 2.50 p.a. (@ 12.50% p.a.) and is repayable in 42 monthly installments along with interest from July 31, 2014.The term loan is secured against the First pari passu charge with YBL on all fixed assets except assets charged to Tata Capital and Second pari passu charge with YBL on all the current assets of the both present and future of SEL.

Term loan 11 having interest of long term lending rate minus 2.25% subject to a minimum of 12% and is repayable in 60 monthly installments of Rs. 139,600/- each along with interest. The term loan is secured against the hypothecation of specific equipments and assignment of future rent receivable arising from Cinemax by SEL.

Foreign Currency Term Loan having interest of 6 months LIBOR + 3.50 bps p.a, payable monthly.

6) Key Terms and break down of Vehicle loan are as follows:

Particulars	**As at**					
	31-Dec-14	**31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Non Current portion						
Vehicle Loan 1 from Axis Bank Ltd.	13.79	20.90	23.91	0.86	-	-
Vehicle Loan 2 from Kotak Mahindra Prime Ltd.	0.02	0.43	2.46	4.95	2.04	3.58
Sub total (A)	13.81	21.34	26.37	5.81	2.04	3.58
Current maturities						
Vehicle Loan 1 from Axis Bank Ltd.	13.72	15.24	8.69	0.24	-	-
Vehicle Loan 2 from Kotak Mahindra Prime Ltd.	0.12	1.83	2.56	4.07	4.18	2.80
Sub total (B)	13.84	17.06	11.26	4.31	4.18	2.80
Total (A) + (B)	27.65	38.40	37.63	10.12	6.22	6.39

Vehicle Loan 1 from Axis Bank is having interest rate ranges from 10.01% to 10.80%, repayable in 48 monthly installments and are secured against hypothecation of vehicles.

Vehicle Loan 2 from Kotak Mahindra Prime Limited is having interest rate range from 11.43% to 17.44% repayable in 36 to 60 monthly installments and are secured against hypothecation of vehicles.

7) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

8) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

9) There are no unsecured loans taken from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Associate Companies.

10) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure VII - Restated consolidated Statement of Other Long-Term Liabilities and Long-Term Provisions

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Other long-term liabilities						
Deferred lease rental income	22.33	25.06	23.67	17.95	102.03	72.92
Deposit from theatre and regional dealers	443.13	418.10	362.73	299.40	152.62	123.03
Payable for purchase of Investment	99.99	-	-	-	-	-
Total other long-term liabilities	**565.45**	**443.16**	**386.40**	**317.35**	**254.65**	**195.95**
Long-term provisions						
Provision for gratuity	5.42	4.99	2.81	1.64	-	-
Provision for warranties	3.90	3.45	8.97	3.94	-	-
Total long-term provisions	**9.32**	**8.44**	**11.78**	**5.58**	**-**	**-**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) There is no amounts no due to Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Associates Companies.

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure VIII - Restated consolidated Statement of Short-Term Borrowings

Rs in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Loans from Others						
Interest bearing	42.86	-	-	37.55	-	-
Interest free	-	-	-	0.45	-	-
Cash credit from Axis bank (secured)	242.44	8.59	168.07	-	-	-
Overdraft facility from TJSB sahakari bank Ltd	8.27	-	-	-	-	-
Overdraft facility from YES bank Ltd	26.26	-	-	-	-	-
		-	-	-	-	-
Total Short-Term Borrowings	**319.83**	**8.59**	**168.07**	**37.99**	**-**	**-**

Notes:

1) Cash credit Axis bank is secured by first charge on all the fixed assets of the company except vehicles and first charge on all the current assets. The cash credit is repayable on demand and carries interest @ 12.25 % p.a.

2) Overdraft facility from TJSB sahakari Bank Ltd is secured by lien of Fixed Deposit of Rs 98 lakhs of Valuable Digital Screen Private Limited and carries interest @ 9.75% p.a .

3) Overdraft facility from Yes Bank is secured by charges on all the movable and immovable assets of Mukta VN Films Limited. The cash credit is repayable on demand and carried interest @ 12.75 p.a

4) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

5) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

6) Following are the unsecured loans taken from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors/Associates Companies.

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Valuable Infrastructure Pvt Ltd	10.83	-	-	-	-	-
Valuable Innovation Pvt Ltd	8.00	-	-	-	-	-
Valuable Infra-Tech Private Limited	2.00	-	-	-	-	-

UFO Moviez India Limited

Annexure IX - Restated consolidated Statement of Trade Payables, Other Current Liabilities and Short-Term Provisions

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current liabilities						
A. Trade payables						
Total outstanding dues of micro and small enterprises						
Total outstanding dues of trade payables other than micro and small enterprises (Refer Note 11 of Annexure IVC)	667.08	591.58	350.70	201.19	209.10	79.15
Total trade payables	**667.08**	**591.58**	**350.70**	**201.19**	**209.10**	**79.15**
B. Other current liabilities						
Current maturities of long-term debt	642.21	707.18	438.43	198.83	116.68	52.80
(Refer Annexure VI)						
Interest accrued but not due on borrowings	18.67	19.10	14.55	7.52	5.01	3.54
Deferred lease rental income	6.89	6.19	6.21	7.67	25.17	42.62
Deferred advertisement income	9.05	1.93	-	-	-	-
Deferred revenue on AMC services	11.72	9.74	3.47	3.67	-	-
Advance from customers	274.08	167.06	122.94	83.60	42.12	34.09
Deposit from theatre and regional dealers	110.97	123.88	91.48	75.95	39.18	32.23
Payables for purchase of fixed assets	19.92	74.88	238.68	289.03	33.13	102.98
Trade / Security deposits received	1.82	-		-	-	-
Payable for purchase of Investment	128.00	-	117.39	-	-	-
Salary & reimbursement payable	37.91	8.08	1.34	0.70	0.03	-
Other statutory dues (employee related liabilities)	4.49	3.89	3.44	2.84	-	-
Bank book overdraft	0.15	-	-	-	24.02	19.70
Service tax payable	1.46	-	-	-	-	-
Sales tax payable	10.89	14.03	5.86	6.39	0.23	0.25
TDS payable	14.99	25.65	22.08	11.87	0.03	0.02
Forward contract payable	-	-	-	-	-	7.32
Other Taxes Payable	2.31	0.31	0.39	0.12	-	-
Other creditors (other than trade)	72.33	16.67	18.01	13.69	0.28	39.62
Total other current liabilities	**1,367.86**	**1,178.59**	**1,084.27**	**701.88**	**285.88**	**335.17**
C. Short-term provisions						
Provision for gratuity	1.52	1.28	3.42	2.27	1.58	1.09
Provision for compensated absences	27.86	23.87	17.04	12.83	8.50	5.71
Provision for Warranties	2.95	5.97	3.89	6.81	-	-
Provision for Indirect taxes	1.02	3.00	1.85	-	-	-
Provision for others	-	-	-	0.13	-	-
Provision for taxation	4.60	12.91	-	-	-	-
Total short-term provisions	**37.95**	**47.03**	**26.20**	**22.04**	**10.08**	**6.80**

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 of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due to Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Associates Companies

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Valuable Technologies Limited	0.32	-	-	3.73	-	-
Dusane Infotech (India) Private Limited	-	-	-	0.13	-	-
Media Infotek Park	-	-	0.18	0.49	3.46	-
Sanjay Gaikwad	-	-	-	-	-	8.45
Impact Media Exchange Ltd	-	-	-	0.18	-	-
Valuable Infra-tech Private Limited	2.00	-	-	-	-	-
Valuable Media Limited	5.02	-	-	-	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure X - Restated consolidated Statement of Non-Current Investments

Rs. in million

Particulars	No. of shares/units						As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Non current investments												
Investment in equity instruments (subsidiaries) - other than trade unquoted (valued at cost)		-	-	-	-	-	-	-	-	-	-	-
Equity Shares of USD 1 each fully paid up in UFO Europe Limited	1	1	1	-	-	-	*	*	*	-	-	-
Equity Shares of USD 1 each fully paid up in Scrabble Entertainment Israel Limited	1	1	-	-	-	-	*	*	-	-	-	-
Equity Shares of USD 1 each fully paid up in Digital Film Brokers SPRL*	-	-	-	-	-	3	-	-	-	-	-	*
Investment In Associates												
Equity Shares of Rs. 10 each fully paid up in Scrabble Digital Limited (Note 1)	197,714	128,000	128,000	128,000	-	-	50.35	49.30	17.41	15.05	-	-
Equity Shares of AED 1000 each at par fully paid up in Scrabble Digital JLT (Note 2)	100	100	100	100	-	-	6.00	3.34	0.61	0.48	-	-
Equity Shares of Mexican Pesos each fully paid up in Scrabble Venture S.de R.L.De C.V, Mexico (Note 3)	2,500	2,500	-	-	-	-	-	-	-	-	-	-
Equity Shares in Scrabble Venture LLC, USA of no par value.(Note 3)	5,000	5,000	-	-	-	-	1.49	-	-	-	-	
Non- trade investment in others (unquoted) (valued at cost or net relisable value whichever is lower)												
Scrabble Entertainment Limited, (India) equity shares of INR 10 each fully paid	-	-	-	-	19,173	-	-	-	-	-	20.00	-
Southern Digital Screenz India Private Limited, (India) equity shares of INR 10 each fully paid	-	-	-	-	155,500	-	-	-	-	-	11.66	-
Southern Digital Screenz India Private Limited, (India) 10% Optionally convertible preference shares of INR 100 each fully paid	-	-	-	-	15,250,000	-	-	-	-	-	152.50	-
DG2L Technologies Pte. Limited, (Singapore) Ordinary shares of US $ 1 each, fully paid	-	186,500	186,500	186,500	186,500	186,500	81.44	81.44	81.44	81.44	81.44	81.44
Less : Provision for diminution in value of investments	-	-	-	-	-	-	-	(81.44)	(81.44)	(81.44)	(81.44)	(72.85)
Less : written-off during the year (Refer note 5 below)	-	-	-	-	-	-	(81.44)	-	-	-	-	-
Total Non current investments							**57.84**	**52.64**	**18.02**	**15.53**	**184.16**	**8.60**

Notes:

* Amount less than 0.01 million

1) Investment in Scrabble Digital Limited (SDL)

During the year ended March 31, 2012, the group acquired additional 28,000 share of Rs. 10 each at a premium of Rs 115 per share of Scrabble Digital Limited, as a part of strategic long term investment. The Company's stake in Scrabble Digital Limited remains unchanged at 33.33%.

During the year ended March 31, 2013, the group had allotted 44,285 shares against Rs 15.50 million of share application money given in the year ended March 31, 2011 and 25,429 shares has been allotted against RS 8.90 million. The group stake in Scrabble Digital Limited remains unchanged at 33.33%

2) Investment in Scrabble Digital JLT

During the year ended March 31, 2012, the group had invested in Scrabble Digital JLT by subscribing to 100 Ordinary shares of AED 1000 each at par fully paid up in Scrabble Digital JLT .

3) Investment in Scrabble venture LLC and Scrabble venture S.de R.L.De C.V, Mexico

During the year ended March, 31, 2014, Scrabble Digital Inc. and Scrabble Entertainment JLT has invested USD 0.50 million (RS. 30.05 million) and 2500 Mexican Pesos (Rs. 0.01 million) in Scrabble venture LLC and Scrabble venture S.de R.L.De C.V, Mexico.
The Group is holding 2000 shares of scrabble Venture LLC and 1000 shares of Scrabble venture S.de R.L.De C.V, Mexico. On behalf of others, where group is not a beneficial owner.
The groups total investment in these entities is presented net of shares held on behalf of others, where the group is not a beneficial owner.

The Group's share in losses of the Scrabble Ventures LLC is restricted to cost of investment in the year ended March 31, 2014.

The Group's share in losses of Scrabble Venture S.de.R.L.De. C.V, Mexico is restricted to cost of investment in the nine months period ended December 31, 2014 and the year ended March 31, 2014.

4) Write off of investment in DG2L Technologies Pte. Limited

The Company has written off the investment made in DG2L Technologies Pte. Limited, Singapore on receipt of approval from Reserve Bank of India (RBI).

5) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

6) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

7) These investments are in the name of the Parent Company or subsidiaries as the case maybe.

UFO Moviez India Limited

Annexure XI - Restated consolidated Statement of Long-Term Loans and Advances and Other Non-Current Assets

Rs. in million

Particulars	As at					
	31-Dec-14	**31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
A. Long-term loans and advances						
Unsecured, considered good						
Loans and advances to related parties	-	-	9.88	9.50	-	1.54
Capital advances	1.56	7.34	16.18	5.76	201.00	0.00
Security deposits	48.91	51.13	5.84	41.72	-	21.52
Advances recoverable in cash or kind	-	-	-	0.02	-	-
Advance taxes (net of provision)	311.29	239.96	158.61	110.34	48.46	18.06
Balance with statutory / government authorities	15.09	21.83	9.69	5.37	-	2.09
Advance for Purchase of Investments	-	20.00	-	-	-	-
Vat credit receivable	-	-	-	0.49	-	-
MAT credit entitlement	-	27.10	26.23	0.85	-	-
Prepaid expense	8.37	10.87	-	-	-	-
Share application money for investment in associate	-	-	15.50	-	-	-
Others	0.11	0.04	0.06	0.06	-	-
Total Long-term loans and advances (A)	**385.33**	**378.27**	**241.99**	**174.11**	**249.46**	**43.21**
B. Other non-current assets						
Non-current bank balances	84.38	36.51	62.06	0.94	-	0.42
Total other non-current assets (B)	**84.38**	**36.51**	**62.06**	**0.94**	**-**	**0.42**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Associates Company

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Media infotek Park	35.77	35.77	-	34.09	-	-
Scrabble Digital Limited	-	-	-	1.22	-	-
Scrabble Digital JLT	-	-	9.77	8.29	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure XII - Restated consolidated Statement of Non - Current Trade Receivables (Unsecured, considered good) unless otherwise stated

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding for a period exceeding six months from the date they are due for payment						
considered good	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-
Provision for doubtful receivables	-	-	-	-	-	-
Total (A)	-	-	-	-	-	-
Other trade receivables (less than six months)						
considered good	-	1.00	4.55	4.31	-	-
considered doubtful	-	0.06	-	-	-	-
		1.06	4.55	4.31	-	-
Provision for doubtful receivables	-	(0.06)	-	-	-	-
Total (B)		1.00	4.55	4.31	-	-
Total (A + B)	**-**	**1.00**	**4.55**	**4.31**	**-**	**-**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) There is no amounts due from Directors / Promoters / Promoter group / Relatives of Promoters/Relatives of Directors/Associates Company

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure XIII - Restated consolidated Statement of Current Investments

Rs. in million

Particulars	No. of units						As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current investments												
Current investments in mutual funds (valued at lower of cost and fair value) (other than trade unquoted)	-	-	-	-	-	-	-	-	-	-	-	-
HDFC Liquid Fund - dividend - daily reinvest	-	-	3,027,405	-	-	-	-	-	30.87	-	-	-
ICICI Prudential Liquid - direct plan - daily dividend	-	-	668,045	-	-	-	-	-	66.82	-	-	-
HDFC Cash Management Fund	-	47,597	537,737	505,746	-	-	-	0.48	5.39	5.07	-	-
Axis Liquid Fund	95712	17,078	11,046	5,350	-	-	95.74	52.51	11.05	5.35	-	-
BSL Ultra - Retail Growth	-	-	13,529.164	13,529.164	-	-	-	-	2.50	2.50	-	-
Total current investments in mutual funds	-	-	-	-	-	-	**95.74**	**52.99**	**116.63**	**12.92**	**-**	**-**
Total Current Investments	-	-	-	-	-	-	**95.74**	**52.99**	**116.63**	**12.92**	**-**	**-**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.
3) These investments are in the name of the Parent Company or subsidiaries, as the case may be.

UFO Moviez India Limited

Annexure XIV - Restated consolidated Statement of Current Trade Receivables (secured, considered good)

Rs. in million

Particulars	As at					
	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding for a period exceeding six months from the date they are due for payment						
considered good	132.60	95.21	28.26	36.29	57.38	23.28
considered doubtful	79.46	60.19	61.63	39.26	11.37	9.01
	212.06	155.40	89.89	75.55	68.75	32.29
Provision for doubtful receivables	(79.46)	(60.19)	(61.63)	(39.26)	(11.37)	(9.01)
Total (A)	132.60	95.21	28.26	36.29	57.38	23.28
Other trade receivables (less than six months)						
considered good	1,203.10	817.10	725.63	351.09	330.54	119.40
considered doubtful		-	0.81	2.33	-	0.15
	1,203.10	817.10	726.44	353.42	330.54	119.55
Provision for doubtful receivables		-	(0.81)	(2.33)	-	(0.15)
Total (B)	1,203.10	817.10	725.63	351.09	330.54	119.40
Total (A + B)	**1,335.70**	**912.31**	**753.89**	**387.38**	**387.92**	**142.68**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors / Associates Company.

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Valuable Media Limited	0.31	0.13	2.73	0.71	0.25	-
Valuable Technologies Limited	-	-	-	-	5.76	-
Impact Media Exchange Limited	-	-	1.82	-	0.39	-
Valuable Technologies Inc.	-	-	-	-	1.43	-
Qwik Entertainment India Limited	0.65	-	-	-	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited

Annexure XV - Restated consolidated Statement of Short-Term Loans and Advances and Other Current Assets

Rs. in million

Particulars	As at					
	31-Dec-14	**31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Unsecured, considered good						
Loans and advance to others	0.41	0.41	0.40	0.41	0.36	0.12
Loans and advances to related parties	54.33	23.39	34.09	2.84	-	74.69
Security deposits	7.61	7.76	45.30	11.45	35.04	10.44
Advances recoverable in cash or kind	24.02	20.08	16.98	8.80	7.81	14.58
Other receivables (Refer Note 14 to Annexure IVC)	62.65	-	-	-	-	-
Advance taxes (net of provision)	-	0.10	0.06	-	-	-
Balance with statutory / government authorities	9.51	18.98	14.86	5.59	5.52	2.77
Advances to Supplier	8.73	11.47	7.89	0.06	5.09	0.68
Advance to employees	2.22	0.04	0.21	1.90	-	-
Insurance claim receivable	10.91	3.69	1.68	1.47	-	-
Deferred premium on Forward contract		-	-	-	-	6.21
Service tax credit receivable	1.94	37.69	82.00	131.09	100.78	100.42
Vat credit receivable	0.98	0.64	1.79	1.05	0.62	0.86
Prepaid expense	41.61	25.15	13.33	10.34	0.59	0.32
Others	-	1.37	1.34	0.63	-	-
Total Short-term loans and advances (A)	**224.92**	**150.77**	**219.93**	**175.63**	**155.81**	**211.10**
B. Other current assets						
Unbilled revenue	113.93	65.82	23.81	6.89	-	10.21
Interest accrued on fixed deposit	7.98	3.48	0.77	3.08	0.02	0.36
Other Assets	1.45	-	-	-	-	-
Total Other current assets (B)	**123.36**	**69.30**	**24.58**	**9.97**	**0.02**	**10.57**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Following are the amounts due from Directors / Promoters / Promoter Group / Relatives of Promoters / Relatives of Directors/Associates Company

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Impact Media Exchange Limited	-	-	-	2.84	-	-
Media infotek Park	-	-	34.09	-	-	-
Scrabble Digital JLT	13.34	12.54	-	-	-	-
Scrabble Venture LLC	-	10.85	-	-	-	-

4) List of persons/ entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

UFO Moviez India Limited
Annexure XVI - Restated consolidated Statement of Revenue from operations

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sale of Services						
Advertisement revenue	866.22	998.64	694.97	370.36	324.29	97.37
Virtual Print Fees - Non - DCI (E-Cinema)	667.65	821.27	760.83	617.38	304.39	203.67
Virtual Print Fees - DCI (D-Cinema)	1,109.34	1,305.20	749.43	247.12	-	-
Lease rental income - Non - DCI (E-Cinema)	267.59	282.30	252.20	238.12	248.26	194.96
Lease rental income - DCI (D-Cinema)	111.41	137.26	82.06	24.74	-	-
Digitisation income	50.17	65.15	66.67	55.30	40.86	32.31
Registration fees income	7.81	8.75	14.98	18.53	12.60	14.34
Others services (Refer Note 3 below)	57.61	29.34	8.57	6.95	3.48	5.44
(A)	**3,137.80**	**3,647.92**	**2,629.71**	**1,578.50**	**933.88**	**548.09**
Sales of Products						
Lamp sale	129.06	171.09	154.30	139.50	116.98	92.06
Sale of digital cinema equipments	280.50	385.29	578.29	349.05	37.16	91.45
(B)	**409.56**	**556.38**	**732.59**	**488.55**	**154.14**	**183.51**
Total Revenue from operation (A)+(B)	**3,547.36**	**4,204.30**	**3,362.30**	**2,067.05**	**1,088.02**	**731.60**

Notes :

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

3) Other services include revenue from theatre programming activity, Technology service and annual maintenance.

UFO Moviez India Limited
Annexure XVII - Restated consolidated Statement of Other Income and Finance Income

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10	Nature: Recurring/ non-recurring	Related / business activity
A Other Income								
Income from Cinema India Expo event	-	-	-	1.35	-	-	Non- recurring	Related
Gain on foreign exchange	-	-	-	-	1.73	-	Non- recurring	Related
Profit on Sale of Fixed Assets	-	0.03	-	-	-	-	Non- recurring	Related
Sundry balance written back	8.52	-	-	-	-	-	Non- recurring	Related
Commission Income	4.13	-	-	-	-	-	Recurring	Related
Miscellaneous Income	12.29	6.25	12.21	7.68	9.73	3.45	Non- recurring	Related
Delivery charges	-	0.31	0.46	0.42	0.23	-	Recurring	Related
Total Other Income	**24.94**	**6.59**	**12.67**	**9.45**	**11.69**	**3.45**		
B Finance Income								
Interest received on bank deposit	25.46	24.07	21.33	50.83	5.52	3.95	Non- recurring	Non Related
Interest received on others	6.48	5.44	5.34	1.96	5.74	0.22	Non- recurring	Non Related
Dividend on current investment	4.71	4.68	4.19	3.39	-	-	Non- recurring	Non Related
Gain on sale of current investment	-	-	-	10.10	-	-	Non- recurring	Non Related
Total Finance Income	**36.65**	**34.19**	**30.86**	**66.28**	**11.26**	**4.17**		

Notes

1. The classification of other income as recurring/not-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 statements of profits and losses of the Group.

3. The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XVIII - Restated consolidated Statement of Operating direct Cost

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Advertisement revenue share	287.65	309.58	125.89	67.23	100.54	22.95
Repair and maintenance - exhibition equipments	116.37	138.37	102.73	77.31	41.72	42.78
Technical service fees	51.56	53.51	46.82	37.61	33.76	27.80
Bandwidth charges	39.74	52.76	47.67	49.66	43.09	41.46
Purchase of digital cinema equipments	32.52	33.95	19.24	38.62	30.34	71.99
Rent on equipments	8.96	11.95	13.66	15.67	14.33	19.91
Content processing charges	21.70	28.11	14.04	10.70	3.48	4.55
Virtual Print Fee Sharing	471.81	519.56	273.58	27.67	-	-
Delivery and Distribution Charges	27.01	29.60	18.78	7.64	-	-
Other expenses	4.81	25.06	16.63	9.85	1.13	0.01
Total (A)	**1,062.13**	**1,202.45**	**679.04**	**341.95**	**268.39**	**231.45**
Consumables / Stores/ Spares						
Opening stock	93.87	102.69	131.27	119.26	31.29	32.02
Add : purchases	325.82	453.85	601.84	372.26	80.71	80.08
Less : closing stock	(85.63)	(93.87)	(130.98)	(102.98)	(26.41)	(47.23)
Total (B)	**334.06**	**462.67**	**602.13**	**388.54**	**85.59**	**64.88**
Total Operating direct cost (A)+(B)	**1,396.19**	**1,665.12**	**1,281.17**	**730.49**	**353.98**	**296.32**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XIX - Restated consolidated Statement of Employee benefits expense

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Salaries & wages	380.76	479.64	391.70	291.37	172.76	132.16
Contribution to provident and other funds	19.18	23.75	20.04	17.08	11.07	8.96
Employee stock option scheme cost	*	0.01	(0.08)	0.06	-	-
Gratuity expenses & other employee benefits	11.10	13.60	10.45	9.27	5.56	4.53
Staff welfare expenses	20.00	35.56	26.08	15.21	8.93	5.49
Total Employee benefits expense	**431.04**	**552.57**	**448.18**	**333.00**	**198.32**	**151.14**

Notes:

* Amount less than 0.01 million

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XX - Restated consolidated Statement of Other expenses

Rs. in million

Particulars	Nine months period ended 31-Dec-14	For the year ended 31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Rent	71.70	88.10	79.81	77.45	43.30	30.95
Freight & forwarding charges	47.02	65.38	45.52	43.21	24.05	20.05
Legal, professional and consultancy charges	70.54	71.95	68.33	57.57	55.18	20.59
Directors Sitting Fees	0.70	-	-	-	-	-
Commission on advertisement revenue	63.55	90.94	78.78	41.47	47.51	9.86
Rebates & discount on advertisement revenue	-	-	19.04	2.86	-	-
Commission on other revenue	29.12	19.33	16.84	17.65	19.49	19.11
Commission & Brokerage	-	26.73	-	-	-	-
Sales promotion expenses	26.91	30.71	24.55	24.03	16.01	17.95
Electricity charges	14.93	15.76	14.75	11.87	8.87	6.94
Rates & taxes	12.99	13.30	9.80	26.37	11.58	3.10
Auditor's remuneration	3.94	7.30	6.10	5.06	2.27	1.85
Repairs and maintenance						
-Plant & machinery	1.70	7.49	10.32	10.02	8.53	7.81
-Building	0.12	0.10	0.14	0.25	-	-
-Furniture & fixtures	0.28	2.63	1.31	0.34	0.07	0.29
-Others	13.91	7.25	3.24	6.85	3.46	1.02
Insurance	10.31	12.13	10.66	8.85	6.41	4.93
Travelling & conveyance expenses	35.67	66.85	51.64	47.88	20.60	18.67
Communication & courier expenses	17.23	21.93	19.46	19.75	12.94	11.63
Printing and stationery	3.91	5.56	4.75	5.12	3.53	2.75
Bad debts written-off	3.78	3.71	15.70	9.88	73.79	0.52
Loss on sale & write off of fixed assets (net)	3.56	12.58	3.71	3.27	10.22	6.68
Provisions for doubtful debts and advances	31.50	33.24	32.57	8.96	10.79	13.07
Donations	0.42	-	-	-	-	-
Impairment in value of investment	-	-	-	-	8.60	-
Provision for diminution in value of fixed assets	2.61	1.05	6.56	-	-	-
Provision for dispute on taxes with revenue authorities	-	-	1.85	-	-	-
Provision for obsolete Inventories	-	-	-	-	8.57	-
Foreign exchange loss (net)	19.48	25.47	16.89	19.39	-	56.38
Foreign exchange loss on disposal of subsidiary	-	-	5.75	-	-	-
Loss on dispose of subsidiary	-	-	1.71	-	-	-
Miscellaneous expenses	48.74	46.74	26.36	41.87	23.17	13.90
Total Other expenses	**534.62**	**676.23**	**576.13**	**489.97**	**418.94**	**268.06**

Notes

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Group.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XXI - Restated consolidated statement of Accounting Ratios

Rs. in million (except per share data in Rs.)

Particulars		**Nine months period ended 31-Dec-14**	**For the year ended 31-Mar-14**	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Basic earnings per share (Rs.)	A/B	13.04	16.77	11.70	0.62	(6.56)	(15.84)
Diluted earnings per share (Rs.)	A/C	12.55	16.66	11.39	0.47	(6.56)	(15.84)
Net Profit/(loss) after tax (before preference dividend and related tax) as restated attributable to equity shareholders of Parent Company		368.61	465.42	333.89	43.59	(96.60)	(237.76)
Less : dividends on convertible preference shares & tax thereon		(31.00)	(31.00)	(31.00)	(31.00)	(31.00)	(31.00)
Net Profit /(loss) after tax (after preference dividend and related tax) as restated attributable to equity shareholders of Parent Company	A	337.61	434.42	302.89	12.59	(127.60)	(268.76)
Weighted average no. of equity shares outstanding during the period/year (Refer Note 2 below)	B	25,897,669	25,897,669	25,897,669	20,197,817	19,452,623	16,972,602
Weighted average number of convertible preference share		-	-	-	5,589,735	-	-
Weighted average no. of equity shares (including ESOP) which should be considered for calculating Diluted EPS (Refer Note 6 below)	C	26,906,342	26,081,849	26,594,722	20,908,512	19,452,623	16,972,602
Weighted average no. of equity shares which should be considered for diluted EPS (post conversion of preference shares and exercise of ESOP) (Refer Note 6 below)	C1	26,906,342	26,081,849	26,594,722	26,498,247	19,452,623	16,972,602
Net Worth at the end of the period/year (excluding preference share capital and cumulative preference dividend) (Refer Note 3 below	D	4,388.07	3,970.81	3,434.37	3,066.18	1,335.28	1,000.20
Total no. of equity shares outstanding at the end of the period/year	E	25,897,669	25,897,669	25,897,669	25,897,669	20,150,370	18,659,316
Return on Net Worth (%) (Refer Note 1 (c) below)	A / D *100	**7.69%**	**10.94%**	**8.82%**	**0.41%**	**-9.56%**	**-26.87%**
Net asset value per equity share (Rs.) (Refer Note 1(d) below)	D/E	**169.44**	**153.33**	**132.61**	**118.40**	**66.27**	**53.60**

Notes

1. The Ratios have been computed as below:

a) Basic Earnings per share (Rs.) = $\frac{\text{Net profit after tax (as restated) attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$

b) Diluted Earnings per share (Rs.) = $\frac{\text{Net profit after tax (as restated)}}{\text{Weighted average number of diluted equity shares outstanding during the period/year}}$

c) Return on net worth (%) = $\frac{\text{Net Profit after tax (after preference dividend and related tax) as restated}}{\text{Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend}}$

d) Net asset value per share (Rs.) = $\frac{\text{Net worth at the end of the period/year excluding preference share capital and cumulative preference dividend}}{\text{Total number of equity shares outstanding at the end of the period/year}}$

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/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 period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve, Stock options outstanding and surplus in statement of Profit and Loss)

4) The figures disclosed above are based on the consolidated restated summary statements of the Company.

5) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

6) There were potential equity shares as on March 31,2010 and March 31, 2011 in the form of stock Options granted to employees and warrants as on March 31,2010 and March 31, 2011. As these are anti-dilutive, the diluted earnings per share is same as basic earnings per share.

7) Ratios for the nine months period ended December 31, 2014 are not annualised.

UFO Moviez India Limited
Annexure XXII - Capitalisation Statement

Rs in million

Particulars	Pre IPO as at December 31, 2014	As adjusted for IPO (Refer note 2 below)
Long Term Borrowings		
Current maturities (A)	642.21	642.21
Non current portion (B)	675.15	675.15
Total Long term borrowings (C) = (A+B)	**1,317.36**	**1,317.36**
Short term borrowings (D)	319.83	319.83
Total debt (E) = (C)+(D)	**1,637.19**	**1,637.19**
Shareholders' funds		
Share Capital	258.98	258.98
Reserves and Surplus, as restated		
Securities premium account	3,481.22	3,481.22
Surplus in the statement of profit and loss	442.09	442.09
Stock option outstanding account	0.07	0.07
Foreign currency translation reserve	218.43	218.43
Legal reserve	18.28	18.28
Total shareholders' funds (F)	**4,419.07**	**4,419.07**
debt / equity (E / F)	**0.37**	**0.37**
long term debt / equity (C / F)	**0.30**	**0.30**

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 Company is proposing to have an initial public offering through offer for sale. Hence there will be no change in the shareholder's funds post issue

3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IVA, IVB & IVC.

UFO Moviez India Limited

Annexure XXIII - Restated consolidated Statement of Related Party Transactions

List of related parties and transactions as per requirements of Accounting Standard - 18, 'Related Party Disclosures'

Particulars	Nine months period ended 31-Dec-14	For the year ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Related parties where transactions have been entered into during the year/ period						
Enterprises owned or significantly influenced by key management personnel or their relatives						
	Media Infotek Park	Media Infotek Park	Media Infotek Park	Media Infotek Park		
	Valuable Media Limited	Valuable Media Limited	Valuable Media Limited	Valuable Media Limited	Valuable Media Limited	
	Valuable Technologies Limited	Valuable Technologies Limited	Valuable Technologies Limited	Valuable Technologies Limited	Valuable Technologies Limited	Valuable Technologies Limited
	Qwik Entertainment India Limited		Valuable Technologies Inc.	Valuable Technologies Inc.	Valuable Technologies Inc.	
	Impact Media Exchange Limited		Crown Infotainment Limited	Crown Infotainment Limited	Crown Infotainment Limited	Crown Infotainment Limited
		Impact Media Exchange Limited	Impact Media Exchange Limited	Impact Media Exchange Limited	Impact Media Exchange Limited	
	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited	Dusane Infotech (India) Private Limited
	Shree Enterprises	Shree Enterprises	Shree Enterprises	Shree Enterprises	Shree Enterprises	
		Apollo International Limited	Apollo International Limited		Apollo International Limited	Apollo International Limited
	Valuable Infra-Tech Private Limited					
	Valuable Infrastructure Private Limited					
	Valuable Design Studio Private Limited					
	Valuable Networks Marketing Private Limited					
	Valuable Realtors Private Limited					
	Valuable Land Resource Private Limited					
Associate Enterprises	Scrabble Digital JLT	Scrabble Digital JLT	Scrabble Digital JLT	Scrabble Digital JLT		
	Scrabble Digital Ltd	Scrabble Digital Ltd	Scrabble Digital Ltd	Scrabble Digital Ltd		
	Scrabble Venture LLC, USA	Scrabble Venture LLC, USA				
	Scrabble Ventures, S. de R.L. de C.V.	Scrabble Ventures, S. de R.L. de C.V.				
Key Management Personnel	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director	Mr. Sanjay Gaikwad - Managing Director
	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director	Mr. Kapil Agarwal - Joint Managing Director
Relatives of Key Management personnel	Ms. Apeksha Agarwal	Ms. Apeksha Agarwal				Mrs. Smita Gaikwad
Joint Venture entity of subsidiary	Mukta VN Films Limited (w.e.f June 10, 2013)	Mukta VN Films Limited (w.e.f June 10, 2013)				

UFO Moviez India Limited

Annexure XXIII - Restated consolidated Statement of Related Party Transactions (contd.)

Details of Transactions with Related Parties

(Rs. in million)

S.No	Particulars	For the nine months ended	For the year ended				
		31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Transactions during the year						
1	Enterprises owned or significantly influenced by Key Management Personnel or their relatives						
	Purchase of equipment						
	i) Valuable Media Limited	-	-	-	-	5.30	-
	ii) Impact Media Exchange Limited	-	-	-	-	35.93	-
	iii) Apollo International Limited	-	-	-	-	-	0.17
	iv) Valuable Technologies Limited	-	-	2.73	11.07	-	5.96
	v) Dusane Infotech (India) Private Limited	-	0.38	-	-	-	-
	Sale of equipment						
	i) Valuable Media Limited	-	-	2.32	0.39	0.14	-
	ii) Valuable Technologies Inc.	-	-	0.00	0.46	1.43	-
	Expenses reimbursed						
	i) Valuable Media Limited	-	0.04	-	0.05	0.11	-
	ii) Valuable Technologies Limited	*	3.47	0.67	0.02	0.77	0.03
	iii) Impact Media Exchange Limited	-	-	-	-	0.15	-
	iv) Media Infotek Park	6.84	8.33	7.59	8.65	-	-
	v) Valuable Infrastructure Private Limited	0.76	-	-	-	-	-
	Expense incurred on our behalf						
	i) Valuable Media Limited	0.53	-	-	-	-	-
	ii) Valuable Infrastructure Private Limited	0.76	-	-	-	-	-
	iii) Valuable Technologies Limited	0.14	-	-	-	-	-
	Purchase of Software						
	i) Valuable Technologies Limited	-	-	-	-	-	15.60
	ii) Impact Media Exchange Limited	-	-	-	-	-	-
	Purchase of consumables/stores/spares						
	i) Valuable Media Limited	0.75	-	-	-	0.71	-
	ii) Impact Media Exchange Limited	-	-	-	-	0.75	-
	iii) Valuable Technologies Limited	2.00	-	-	-	-	-
	Software development charges						
	i) Dusane Infotech (India) Private Limited	4.58	3.52	5.60	1.10	0.32	-
	Technical services (expense)						
	i) Valuable Technologies Limited	51.56	53.51	46.82	37.61	35.21	27.38
	Technology service fee (income)						
	i) Crown Infotainment Limited	-	-	-	-	2.21	3.31
	Direct Expenses (License fees on 3D movie)						
	i) Valuable Technologies Limited	0.11	0.05	0.72	1.79	0.12	-
	Direct Expenses (Licensee fees – Impact)						
	i) Impact Media Exchange Limited	1.92	1.74	1.45	1.12	0.66	-
	Licensee fee- Club X (income)						
	i) Valuable Media Limited	0.87	1.06	0.85	0.50	-	-
	Security deposit paid						
	i) Media Infotek Park	-	1.68	-	34.09	-	-
	Editing Charges (Income)						
	i) Valuable Media Limited	-	0.07	-	-	-	-
	Claim against loss of assets						
	i) Impact Media Exchange Limited	-	-	-	2.84	-	-

UFO Moviez India Limited

Annexure XXIII - Restated consolidated Statement of Related Party Transactions (contd.)

Details of Transactions with Related Parties

(Rs. in million)

S.No	Particulars	For the nine months ended	For the year ended				
		31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Rent paid (expense)						
	i) Media Infotek Park	33.04	45.09	44.52	42.23	3.49	-
	ii) Apollo International Limited	-	0.02	0.06			
	Advertisement revenue						
	i) Qwik Entertainment India Limited	7.68	-	-	-	-	-
	Consultancy Fees & Reimbursement of expenses						
	i) Shree Enterprises	0.50	0.56	0.51	0.45	0.30	-
	Bank Guarantee given (Refer Annexure IVC, Note 5 (b))						
	i) Impact Media Exchange Private Limited	10.00	-	-	-	-	-
	Purchase of Investment in Valuable Digital Screen Private Limited						
	i) Valuable Technologies Limited	27.00	-	-	-	-	-
2	Associate Enterprises						
	Sale of goods						
	i) Scrabble Digital Limited	0.20	4.65	8.26	1.92	-	-
	Digital Conversion Expenses & Content Processing Charges						
	i) Scrabble Digital Limited	17.26	13.68	2.13	1.16	-	-
	Performance Guarantee given						
	i) Scrabble Ventures LLC	316.66	-	-	-	-	-
	Investment in Shares						
	i) Scrabble Digital Limited	-	24.40	-	3.50	-	-
	ii) Scrabble Digital JLT	-	-	-	1.27	-	-
	Share Application Money Given						
	i) Scrabble Digital Limited	-	-	15.50	-	-	-
	Loan Given						
	i) Scrabble Digital Limited	-	-	0.97	4.45	-	-
	ii) Scrabble Digital JLT	-	9.29	-	7.58	-	-
	Loan Repaid						
	i) Scrabble Digital JLT	-	11.75	-	-	-	-
	Advance Repaid						
	i) Scrabble Digital Limited	-	-	2.19	7.69	-	-
	Interest income						
	i) Scrabble Digital JLT	-	0.67	1.10	0.51	-	-
	Delivery Distribution Income						
	i) Scrabble Digital Limited	18.08	18.79	11.58	0.00	-	-
	Miscellaneous expenses						
	i) Scrabble Digital Limited	0.53	0.90	-	-	-	-
	Rent						
	i) Scrabble Digital Limited	0.39	1.24	-	-	-	-
	Sale of fixed assets						
	i) Scrabble Digital Limited	-	1.61	-	-	-	-
	Installation Income						
	i) Scrabble Digital Limited	-	0.03	-	-	-	-

UFO Moviez India Limited

Annexure XXIII - Restated consolidated Statement of Related Party Transactions (contd.)

Details of Transactions with Related Parties

(Rs. in million)

S.No	Particulars	For the nine months ended	For the year ended				
		31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	Recovery of expense						
	i) Scrabble Digital Limited	-	0.05	-	-	-	-
	Reimbursement of expenses						
	i) Scrabble Ventures LLC, USA	-	11.21	-	-	-	-
	Investment in Shares						
	i) Scrabble Ventures LLC, USA	-	18.03	-	-	-	-
	ii) Scrabble Venture S.de R.L.De C.V, Mexico	-	0.01	-	-	-	-
	Recovery of Expenses						
	i) Scrabble Ventures LLC	3.28	-	-	-	-	-
	Dividend income						
	i) Scrabble Digital Limited	7.12	-	-	-	-	-
3	**Joint Venture Entity**						
	Corporate Guarantee given on borrowing (Refer Annexure IVC (5) (a))						
	i) Mukta V N Films Limited	70.00	-	-	-	-	-
	Loan given						
	i) Mukta V N Films Limited	40.98	-	-	-	-	-
4	Key Management Personnel						
	Remuneration						
	i) Mr. Sanjay Gaikwad, Managing Director	18.75	25.00	25.00	25.00	14.60	13.95
	ii) Mr. Kapil Agarwal, Joint Managing Director	18.75	25.00	25.00	25.00	14.60	15.00
	Remuneration to relatives of key managerial personnel						
	i) Ms. Apeksha Agarwal	0.59	0.29	-	-	-	-
	Consultancy Fees & Reimbursement of expenses						
	i) Mrs. Smita Gaikwad	-	-	-	-	-	0.10
	Balance Outstanding at the year end						
	Enterprises owned or significantly influenced by Key Management Personnel or their relatives						
1	Amount receivable						
	i) Impact Media Exchange Limited	-	-	1.82	2.84	0.39	-
	ii) Valuable Media Limited	0.31	0.13	2.73	0.71	0.25	-
	iii) Valuable Technologies Limited	-	-	-	-	5.76	-
	iv) Valuable Technologies Inc.	-	-	-	-	1.43	-
	v) Qwik Entertainment India Limited	0.65	-	-	-	-	-
	vi) Valuable Land Resource Private Limited	0.00	-	-	-	-	-
	vii) Valuable Realtors Private Limited	0.00	-	-	-	-	-
	viii) Valuable Design Studio Private Limited	0.00	-	-	-	-	-
	ix) Valuable Networks Marketing Private Limited	0.00	-	-	-	-	-
	Deposit receivable						
	i) Media Infotek Park	35.77	35.77	34.09	34.09	-	-
	Unbilled revenue						
	i) Crown Infotainment Limited	-	-	-	-	-	3.31
	Amount payable						
	i) Impact Media Exchange Limited	-	-	-	0.18	-	-
	ii) Valuable Technologies Limited	0.32	-	-	3.73	-	-
	iii) Media Infotek Park	-	-	0.18	0.49	3.46	-
	iv) Dusane Infotech (India) Private Limited	-	-	-	0.13	-	-
	v) Valuable Innovation Private Limited	8.00	-	-	-	-	-
	vi) Valuable Infrastructure Private Limited	10.83	-	-	-	-	-
	vii) Valuable Infra-tech Private Limited	2.00	-	-	-	-	-
	viii) Valuable Media Limited	5.02	-	-	-	-	-

UFO Moviez India Limited

Annexure XXIII - Restated consolidated Statement of Related Party Transactions (contd.)

Details of Transactions with Related Parties

(Rs. in million)

S.No	Particulars	For the nine months ended	For the year ended				
		31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
2	Associate Enterprise						
	Amount receivable						
	i) Scrabble Digital Limited	3.05	6.66	5.48	-	-	-
	Loan and advance given						
	i) Scrabble Digital Limited	-	-	-	1.22	-	-
	ii) Scrabble Digital JLT (Including interest receivable)	13.34	12.54	9.77	8.29	-	-
	Share Application Money Given						
	i) Scrabble Digital Limited	-	-	15.50	-	-	-
	Amount recoverable in cash or Kind						
	i) Scrabble Venture LLC	-	10.85	-	-	-	-
3	Joint Venture Entity						
	Amount receivable						
	i) Mukta V N Films Limited	40.98	-	-	-	-	-
4	Key Management Personnel						
	Amount payable						
	i) Sanjay Gaikwad	-	-	-	-	-	8.45

UFO Moviez India Limited

Annexure XXIV Restated consolidated statement of Segment Information

The Group is engaged in the business of Digital Cinema Services and the financial statements reflect the result of this business segment, which is the primary segment in accordance with the requirement of Accounting Standard 17 on Segment Reporting. The Group's operations are based on the distribution of the group by geographical markets, based on the location of the assets.

Revenue by Geographical Market

(Rs. in million)

Particulars	31-Dec-14	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue by Geographical Market						
-Within India	2,904.05	3,375.27	2,606.81	1,907.51	1,085.90	722.97
-Middle East	573.60	757.36	753.90	157.65	-	-
-Outside India	69.71	71.67	1.59	1.90	2.12	8.63
Total	**3,547.36**	**4,204.30**	**3,362.30**	**2,067.05**	**1,088.02**	**731.60**
Carrying Amount of Segment Assets						
-Within India	6,090.51	5,637.88	5,161.57	4,208.87	2,360.57	1,687.52
-Middle East	548.30	469.71	285.31	115.48	-	-
-Outside India	990.13	913.03	658.76	616.59	488.09	293.74
Total	**7,628.94**	**7,020.62**	**6,105.64**	**4,940.94**	**2,848.66**	**1,981.26**
Cost incurred to acquired Segment Fixed Assets						
-Within India	325.24	1,276.86	1,251.35	985.66	315.06	375.24
-Middle East	0.23	4.40	2.51	62.76	-	-
-Outside India	-	178.06	-	0.84	-	0.58
Total	**325.47**	**1,459.33**	**1,253.86**	**1,049.26**	**315.06**	**375.83**

FINANCIAL INDEBTEDNESS

As on December 31, 2014, the Company and Scrabble had total outstanding secured borrowings (comprising of long term borrowings and current maturities of long term borrowings) amounting to ₹ 1,046.99 million and ₹269.92 million, respectively.

A. Loans availed by our Company

As on December 31, 2014, there were no unsecured loans availed by the Company that were outstanding.

Secured Term Loans and Other Credit Facilities

Provided below is a brief description of the secured term loans and other credit facilities obtained by our Company that are outstanding as on December 31, 2014:

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
1.	**Axis Bank Limited** **Loan Documents:** 1. Sanction letter dated January 20, 2012; and 2. Term loan agreement dated January 25, 2012.	Capex letter of credit facility for ₹ 920 million (with a sub-limit of ₹ 820 million by way of term loan)	341.67	1. *Purpose:* Purchase and import of projectors and other capital expenditure. 2. *Interest rate for the term loan:* Axis Bank Base Rate + 2%, which was 12.25% p.a. as of December 31, 2014. 3. *Repayment*: The term loan is repayable in 48 equal monthly instalments of ₹17,083,000 each, commencing from September 30, 2012. 4. *Prepayment:* To the extent of the term loan of ₹ 820 million, prepayment will be accepted on terms and conditions to be decided by the bank. 5. *Penalties*: The non-payment of interest or installment on the due date will attract a penal interest of 2.00% p.a. on the overdue interest or installment. 6. *Events of default*: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal other charges, or any obligation of the payment of

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue. 7. *Security*: The facility is secured amongst others, by a primary security of a first *pari passu* charge on all the fixed assets of our Company except vehicles financed by other lenders. The secondary collateral is a first charge on all the current assets of our Company.
2.	**Axis Bank Limited** **Loan Documents:** 1. Sanction letter dated May 13, 2013 as modified by the further sanction letter dated May 28, 2013; and	Capex letter of credit facility for ₹ 550 million (with a sub-limit of ₹500 million by way of	384.04	1. *Purpose:* Purchase and import of projectors and other capital expenditure 2. *Interest rate for term loan*: ABBR + 2.00%, which was 12.25 % p.a. as of December 31, 2014. 3. *Repayment*: The term loan is repayable in 48 equal monthly

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
	2. Term loan agreement dated June 13, 2013.	term loan)		instalments of ₹ 10,416,000 each commencing from April 30, 2014. 4. *Prepayment:* - To the extent of the term loan of ₹ 500 million, the Company will have the option to prepay the loan after May 31, 2015 without any prepayment penalty on September 30th, and March 31st every year subject to the Company intimating the bank in writing 30 days in advance. 5. *Penalties*: The non-payment of interest or installment on the due date will attract penal interest of 2.00% p.a. on the overdue interest or installment. 6. *Events of default*: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal other charges, or any obligation and in the payment of any other amounts to the bank when due and payable, (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person, (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank, and (d) any information provided by the Company to

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue. 7. *__Security__*: The facility is secured amongst others, by a primary security of a first *pari passu* charge on all the fixed assets of our Company except vehicles financed by other lenders. The secondary collateral is a first charge on all the current assets of our Company.
3.	Axis Bank Limited **Loan Documents:** 1. Sanction letter dated January 20, 2012; and 2. Revised sanction letters dated March 28, 2013 and March 20, 2014; and 3. Letter of arrangement: Cash credit advance dated January 25, 2012.	**A.** Cash credit facility of ₹300 million**	242.44	1. *__Purpose__:* The purpose of the cash credit facility is to meet working capital requirements 2. *__Interest rate__*: ABBR + 2.00%, which was 12.25% p.a. as of December 31, 2014. 3. *__Repayment__*: The cash credit facility is repayable on demand. 4. *__Prepayment__:* - N.A 5. *__Penalties__*: The delay in submission, or non submission of stock statements or financial follow-up reports will attract penal interest of 2.00% p.a. on the outstanding amount from the date of default. 6. *__Events of Default__*: The bank reserves the right to discontinue the facility and to withhold/stop any disbursement without giving any notice in case of non-compliance/breach of any terms and conditions stipulated herein and from time to time as also in the relevant documents or any information/particulars furnished to the bank is found to be incorrect or in case of any development or situations in the opinion of the bank, its interest

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				will be/is likely to be prejudicially affected by such continuation or disbursement. 7. *Security*: The facility is secured amongst others, by first charge on all the current assets of our Company, present and future and a collateral by way of a first *pari passu* charge on all fixed assets of our Company, except vehicles financed by other lenders.
		B. Letter of credit of ₹100 million	43.73	1. *Purpose:* The purpose of the letter of credit is for the purchase and import of projector lamps. 2. *Commission*: 0.75% p.a. all inclusive, plus applicable service tax. 3. *Usance period*: The usance period is 180 days 4. *Prepayment:* - N.A 5. *Penalties*: The delay in submission or non submission of stock statements or financial follow-up reports will attract penal interest of 2.00% p.a. on the outstanding amount from the date of default. 6. *Events of Default*: The bank reserves the right to discontinue the facility and to withhold/stop any disbursement without giving any notice in case of non-compliance/breach of any terms and conditions stipulated herein and from time to time as also in the relevant documents or any information/particulars furnished to the bank is found to be incorrect or in case of any development or situations in the opinion of the bank, its interest

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				will be/is likely to be prejudicially affected by such continuation or disbursement. 7. *Security*: The facility is secured amongst others, by first charge on all the current assets of our Company, present and future and a collateral by way of a first *pari passu* charge on all fixed assets of our Company, except vehicles financed by other lenders.
		C. Loan Equivalent Risk on Forward Contracts) of ₹ 35 million	0.00	1. *Purpose:* For covering the foreign exchange exposure of our Company towards import letter of credit. 2. *Interest rate*: N.A. 3. *Prepayment:* N.A. 4. *Penalties*: Delay or non submission of stock statements /or financial follow up reports will attract a penal interest of 2.00% p.a. from the date of default on the outstanding amount 5. *Events of Default*: The bank reserves the right to discontinue the facility and to withhold/stop any disbursement without giving any notice in case of non-compliance/breach of any terms and conditions stipulated herein and from time to time as also in the relevant documents or any information/particulars furnished to the bank is found to be incorrect or in case of any development or situations in the opinion of the bank, its interest will be/is likely to be prejudicially affected by such

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				continuation or disbursement. 6. *Security*: NA.
4.	Axis Bank Limited Sanction letter dated March 28, 2013; and bank guarantees of ₹0.17 million and ₹0.02 million each dated June 26, 2013	**A.** Bank Guarantees of ₹0.17 million and ₹0.02 million*	0.17 and 0.02	1. *Purpose:* Finance in lieu of advance or security deposits in favour of value added tax and other government or semi governmental departments, as earnest money for tenders or any other in connection with the trade activities of borrower. 2. *Commission*: 1.25% p.a. plus applicable service tax. 3. *Repayment*: Upon demand or claim within validity period, i.e., June 19, 2015. 4. *Prepayment:* N.A. 5. *Penalties*: Delay or non submission of stock statements or financial follow up reports will attract a penal interest of 2.00% p.a. from the date of default on the outstanding amount. 6. *Events of Default*: The bank reserves the right to discontinue the facility and to withhold/stop any disbursement without giving any notice in case of non-compliance/breach of any terms and conditions stipulated in the sanction letter and from time to time as also in the relevant documents or any information/particulars furnished to the bank is found to be incorrect or in case of any development or situations in the opinion of the bank, its interest will be/is likely to be prejudicially affected by such continuation or disbursement. 7. *Security*: The facility is secured

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				by a counter guarantee of the Company with all primary or collateral securities stipulated for cash credit facilities also to be extended to cover the guarantee facility.
5.	Axis Bank Limited **Loan Documents:** 1. Sanction letter dated December 24, 2013; and 2. Term loan agreement dated March 14, 2014	Capex letter of credit facility of ₹250 million (with a sub-limit of ₹225 million by way of term loan)	128.38	1. *Purpose:* Purchase and import of projectors and other capital expenditure. 2. *Interest rate for term loan*: ABBR + 2.00%, which was at 12.25 % p.a. as of December 31, 2014. 3. *Repayment*: The loan is repayable in 48 equal monthly instalments of ₹4,687,500 commencing from December 31, 2014. 4. *Prepayment:* The Company will have the option to prepay without any penalty on March 31, 2016 and thereafter on September 30, and March 31 of every year subject to a prior intimation of 30 days to the bank. The Company has the option to prepay without any penalty at any time on or after March 31, 2015 if the prepayment is out of equity infusion subject to the Company intimating the bank in writing 30 days in advance. On prepayment between June 30, 2014 and March 31, 2015, a 1.00% p.a. prepayment penalty will apply. 5. *Penalties*: The non-payment of interest or installment on the due date, will attract penal interest of 2.00% p.a. on the overdue interest or installment. If security is not created within the stipulated timeframe then a penal interest of 2.00% p.a.

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				would be levied over and above the stipulated interest rate. 6. *Default*: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal other charges, or any obligation and in the payment of any other amounts to the bank when due and payable, (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person, (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank, and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue. 7. *Security*: The facility is secured amongst others, by way of first *pari passu* charge on all fixed assets of our Company, present and future, except vehicles financed by other lenders and second *pari passu* charge on all the current assets of our Company, present and future;
6.	Axis Bank Limited **Loan Document:** 1. Sanction letter	Bank Guarantee of ₹20 million of	10.00	1. *Purpose:* Bank guarantee in favour of the Chief Secretary, Revenue Department, Government of Maharashtra at

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
	dated October 10, 2014 2. Letter dated November 13, 2014	which our Company has availed a bank guarantee of ₹10.00 million		the request of our Company, on behalf of Impact Media Exchange Limited as a security to the Government of Maharashtra in terms Resolution No.ENT2013/PRA.No.33/T1 issued by the Government of Maharashtra. 2. *Commission*:N.A. 3. *Interest rate*: N.A. 4. *Repayment*: N.A. 5. *Prepayment:* N.A. 6. *Penalties*: N.A. 7. *Events of default*: N.A. 8. *Security*:N.A.
8.	HDFC Bank Limited **Loan Documents:** 1. Sanction letter dated September 5, 2012;and 2. Loan agreement dated September 19, 2012.	Term Loan of ₹290.65 million	28.13	1. *Purpose:* Takeover of term loan facility from Axis Bank, sanctioned vide their sanction letter dated February 22, 2010. 2. *Interest rate*: The interest rate is computed as 260bps over HDFC base rate which was 12.60 % p.a., as of December 31, 2014. 3. *Repayment*: The loan is repayable in 31 equal monthly instalments of ₹ 9,375,000 each. 4. *Prepayment:* - N.A. 5. *Penalties*: The non-payment of, or delay of any monies payable or in submission of documents will attract penal interest of 2.00 % p.a. on the overdue interest or installment. For any non-submission, or delayed submission of financial statements, the Company is liable to pay ₹500 for each day of delay. 6. *Events of default*: Events of default under this facility include: (a) If the

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				representations, or statements or particulars made in the Company's proposal/ application are found to be incorrect or if the Company commits any breach or default in performance or observance of these presents or failure to keep or perform any of the terms or provisions of any other agreement between the bank and the Company in respect of this loan; (b) if the Company commits any default in payment of principal or interest, of any obligation of the Company to the bank when due and payable; (c) if any attachment, distress, execution, or other process against the Company, or any of the securities is enforced or levied upon; (d) if the Company goes into liquidation for the purpose of amalgamation or reconstruction, except with prior written approval of the bank; (e) if any circumstance or event occurs which is prejudicial to, or impairs or imperils, or jeopardise or is likely to prejudice, impair, imperil, depreciate or jeopardise any security given by the Company or any part thereof; (f) if any circumstance or event occurs which would or is likely to prejudicially or adversely affect in any manner, the capacity of the Company to repay the loan or any part thereof; and (g) if the loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Company and sanctioned by the bank. **7.** *Security*: The facility is secured amongst others, by a *pari passu*

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				charge on all the fixed assets of our Company, present and future, except vehicles financed by other banks or financial institutions present and future and a collateral of a second *pari passu* charge on the entire current assets of our Company, present and future along with a post-dated cheque for the full takeover amount along with three post-dated cheques for monthly instalments.
9.	HDFC Bank Limited **Loan Documents:** 1. Sanction letter dated June 6, 2013; and 2. Loan agreement dated June 14, 2013.	Term loan of ₹ 301.50 million	139.49	1. *Purpose:* Takeover of term loan facility from Axis Bank sanctioned vide their sanction letter dated October 12, 2011. 2. *Interest rate*: The interest rate is computed as 240 bps over HDFC base rate, which was 12.40 % p.a., as of December 31, 2014. 3. *Repayment*: The loan is repayable in 34 equal monthly instalments of ₹ 9,000,000 each. 4. *Prepayment:* - N.A. 5. *Penalties*: The non-payment of, or delay of any monies payable, or in submission of documents will attract penal interest of 2.00 % p.a. on the overdue interest or installment. For any non-submission, or delayed submission of financial statements, the Company is liable to pay ₹500 for each day of delay. 6. *Events of default*: Events of default under this facility include: (a) If the representations, or statements or particulars made in the Company's proposal/

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				application are found to be incorrect or if the Company commits any breach or default in performance or observance of these presents or failure to keep or perform any of the terms or provisions of any other agreement between the bank and the Company in respect of this loan; (b) if the Company commits any default in payment of principal or interest, of any obligation of the Company to the bank when due and payable; (c) if any attachment, distress, execution, or other process against the Company, or any of the securities is enforced or levied upon; (d) if the Company goes into liquidation for the purpose of amalgamation or reconstruction, except with prior written approval of the bank; (e) if any circumstance or event occurs which is prejudicial to, or impairs or imperils, or jeopardise or is likely to prejudice, impair, imperil, depreciate or jeopardise any security given by the Company or any part thereof; (f) if any circumstance or event occurs which would or is likely to prejudicially or adversely affect in any manner, the capacity of the Company to repay the loan or any part thereof; and (g) if the loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Company and sanctioned by the bank.. **7.** <u>*Security*</u>: The facility is secured by a primary security of a *pari passu* first charge on all the fixed assets of our Company, present and future, except

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				vehicles financed by other banks/financial institutions. Collateral of second *pari passu* charge on all the current asset of our Company, present and future.

*A bank guarantee limit of ₹50 million was sanctioned by Axis Bank Limited by a sanction letter dated January 20, 2012 and revised sanction letter dated March 28, 2013. We have availed ₹0.17 million and ₹0.02 million of such bank guarantee limit. Subsequently, the bank guarantee of ₹50 million was reduced to nil by Axis Bank under its sanction letter dated March 20, 2014.

**Our Company has also been sanctioned a bank guarantee limit of ₹ 40 million by Axis Bank Limited by a sanction letter dated April 14, 2015 earmarked against the existing cash credit facility of ₹300 million from Axis Bank Limited. The facility is secured by a counter guarantee of the Company.

Our Board of Directors has approved the issue of a corporate guarantee by our Company in favour of Axis Bank Limited for securing cash credit of ₹30 million and a term loan of ₹208.4 million to be availed by VDSPL from Axis Bank Limited to meet working capital requirements and for the purchase of caravan vehicles and other capital expenditure related to caravan business division of VDSPL in terms of a sanction letter dated March 20, 2015. Our Company in terms of such sanction letter will undertake to (i) arrange to meet cost overrun and shortfall in resources of the VDSPL in respect of completion of the project; (ii) bring in any shortfall in respect of the lenders dues; (iii) bring in any additional fund, required to meet the shortfall in operating expenses and the stipulated minimum debt service coverage ratio covenant during the operations period till the tenor of the loan; and (iv) retain management control (of at least 51% shareholding of VDSPL either directly or through affiliates/ associates/ subsidiaries) during the tenor of this facility. In addition, the board of directors of Scrabble has agreed to give an unsecured loan of ₹100 million.

There has not been any re-scheduling, prepayment, penalty or default by our Company in respect of the term loans and other credit facilities detailed above, until the date of this Prospectus.

Vehicle Loans availed by the Company

The Company has entered into 45 arrangements with Axis Bank Limited and one arrangement with Kotak Mahindra Prime Limited for the purposes of financing purchase of motor vehicles for our Company. The total sanctioned amount is ₹ 48.00 million and the total amount outstanding as on December 31, 2014 was ₹ 25.29 million. The rate of interest for the abovementioned vehicle loans varies from 10.15% p.a. to 11.43% p.a. and are typically repayable in 48 monthly instalments. The penal rate of interest in the event of a default is 3.00% per month for loans availed from Kotak Mahindra Prime Limited and 2.00% per month. for loans availed from Axis Bank Limited with a foreclosure charge of 5.00% p.a. if foreclosed after six months and 10.00% p.a. if foreclosed prior to six months for Axis Bank. The vehicles acquired pursuant to these loans have been hypothecated with the respective lenders.

The events of default for the vehicle loans include the following:

a. Failure to pay the equated monthly instalments or a part thereof, or other payment required under the loan agreement, whether due, whether on demand or not.
b. Failure to effect insurance cover or failure to pay insurance premium as and when due for the vehicle,

c. Transferring, sub letting, or charging, or encumbering or creating any lien on the vehicle,
d. If the vehicle is stolen or if there is total loss of the vehicle, and
e. Transfer of the product into a different state from the one where the delivery was effected.

Restrictive covenants with respect to our borrowings

Under our secured financing arrangements, our Company cannot take the following actions, amongst others, without the lender's prior written consent during the pendency of the loan:

a. Effect any change in the Company's shareholding structure or make any changes in their management set up,
b. Conclude any fresh borrowings or create any further charge over their fixed assets,
c. Invest by way of share capital in, or lend or advance to, or place deposits with any other concerns,
d. Diversify into non-core areas, viz. business other than current business,
e. Undertake guarantee obligations on behalf of other companies,
f. Sell, assign, mortgage or otherwise dispose off any of the fixed asset, other than vehicles;,
g. Pay any dividend if there are any defaults in principal or interest servicing,
h. Make any change in the Company's memorandum and articles of association.

B. Loans availed by our Subsidiaries - Scrabble

Unsecured Loans

As on December 31, 2014, there were no unsecured loans availed by Scrabble that were outstanding.

Secured Term Loans and Other Credit Facilities

Set forth below is a brief description of the secured term loan and other credit facilities obtained by Scrabble that are outstanding as on December 31, 2014.

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
1.	Yes Bank Limited **Loan Documents:** 1. Facility letter dated January 30, 2013; 2. Loan agreement dated March 11, 2013; and 3. Amendment to the facility letter dated January 30, 2013 by a letter dated February 11, 2014, which was further amended by a letter dated April 29,	Term loan for ₹ 300 million.	207.14	1. *Purpose:* For making payment to overseas suppliers by converting the letter of credit outstanding with Yes Bank Limited. 2. *Interest rate*: Floating interest of lender's base rate and 1.75% p.a., which was 12.50 % p.a. as of December 31, 2014. 3. *Repayment*: Repayment through 42 monthly payments. Door to door maturity over 49 months, with a moratorium of 7 months. 4. *Prepayment:* N.A 5. *Penalties*: An additional interest and default interest of 2.00% p.a. or other such rate as Yes Bank Limited deems fit shall be

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
	2014			levied over and above applicable rate of interest. 6. *Events of default*: Events of default under this facility includes (a) if the Company commits any default in the payment of principal or interest of any obligation of the Company to this bank when due and payable; (b) any statement, representation, or particulars made in the Company's proposal is found to be incorrect; (c) there is a breach or default by the Company in performance or observance of these presents or failure to keep or perform any of the terms or provisions of any other agreement between the Company and the bank in respect of this loan; (d) if there is any deterioration or impairment of the securities/ the said property or any part thereof or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated), which causes the securities, in the judgment of the bank to become unsatisfactory as to character or value; and (e) if the Company ceases or threatens to cease or carry on its business and (f) if a receiver is appointed in respect of the whole or any part of the property or assets of the Company. 7. *Security:* The facility is secured by a first *pari passu* charge over entire current and fixed assets of Scrabble, both present and future, excluding assets charged to Tata Capital Limited for the term loan, and secondary security of a comfort letter from UFO Moviez India Limited and a debt service reserve account equal to principal and interest for three months; and an additional security of 30 undated cheques of ₹10 million each.
2.	Yes Bank Limited **Loan Documents:** 1. Facility letter dated January 30, 2013; 2. Master facility agreement between	Cash credit facility for ₹ 30 million.	0.00	1. *Purpose:* For working capital requirements. 2. *Interest rate*: Floating interest of lender's base rate and 1.75 % p.a., which was 12.50 % p.a. as of December 31, 2014. 3. *Repayment*: The loan is repayable on

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
	Yes Bank Limited and Scrabble Entertainment Limited dated March 12, 2013 for facility of ₹30 million; and 3. Amendment to the facility letter dated January 30, 2013 by a letter dated February 11, 2014, which was further amended by a letter dated April 29, 2014			demand. 4. *Prepayment:* - N.A 5. *Penalties*: - An additional interest and default interest of 2.00% p.a. or other such rate as Yes Bank Limited deems fit shall be levied over and above applicable rate of interest. 6. *Events of default*: Events of default under this facility includes (a) the Company failing to pay/repay on the due date thereof the indebtedness or other sum whatsoever in accordance with the terms and conditions of the master facility agreement;(b)any statement, representation, warranty or confirmation made in the master facility or the Company's proposal/ application is found to be untrue or incorrect or subsequently becomes untrue or incorrect; (c) there is a breach or default by the Company of any covenant or other obligations under the master facility or the facility letter or under any security or other documents executed by the Company with the bank; (d) the security tendered to the bank or the charges created thereon in the bank's favour shall become wholly or partially invalid or unenforceable for any reason, or are prejudiced for any reason; and (e) if the Company for any reason ceases or is unable to carry out its business or appointment of a receiver of the Company's assets or the Company failing to maintain the financial covenants as stipulated. *Security*: The facility is secured amongst others, by a *pari passu* first charge on all the current and fixed assets of Scrabble both present and future, excluding assets charged to Tata Capital Limited for the term loan. and an undated cheque for the facility amount along with a second *pari passu* charge on all the current assets of Scrabble, both present and future.

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
3.	HDFC Bank **Loan Documents:** 1. Sanction letter dated December 05, 2013; and 2. Loan Agreement dated December 23, 2013	Letter of credit of ₹100 million (with a sub-limit of ₹90 million by way of term loan)	60.86	1. *Purpose:* For import of digital projectors and severs and components or accessories and theatre management system. 2. *Interest rate*: The interest rate is computed as 250bps over HDFC base rate, which was 12.50 % p.a., as of December 31, 2014. 3. *Repayment*: The loan is repayable in 42 monthly instalments of ₹2,142,858 each starting from the 7^{th} month from the date of first disbursement of the term loan or issuance of first letter of credit or July 31, 2014, whichever is earlier. 4. *Prepayment:* - (a) Put/Call option with NIL foreclosure charges every 6 months after 1 year after the last disbursement of the Term loan for part/full amount; and (b) Flat 2% of the facility outstanding on the day of the foreclosure plus applicable taxes and cess. 5. *Penalties*: The penal interest is 2.00% p.a. in addition to the interest rates mentioned for all over dues or delays of moneys payable (principal as well as interest) or in submission of documents as required. 6. *Events of default*: Events of default under this facility include: (a) If the representations, or statements or particulars made in the Company's proposal/ application are found to be incorrect or the Company commits any breach or default in performance or observance of these presents or failure to keep or perform any of the terms or provisions of any other agreement between the bank and the Company in respect of this loan; (b) if the Company commits any default in payment of principal or interest, of any obligation of the Company to the bank when due and payable; (c) if any attachment, distress, execution, or other process against the Company, or any of the securities is enforced or levied upon; (d) if the Company goes into liquidation for the

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on December 31, 2014 (In ₹ million)	Key terms and conditions
				purpose of amalgamation or reconstruction, except with prior written approval of the bank; (e) if any circumstance or event occurs which is prejudicial to, or impairs or imperils, or jeopardise or is likely to prejudice, impair, imperil, depreciate or jeopardise any security given by the Company or any part thereof; (f) if any circumstance or event occurs which would or is likely to prejudicially or adversely affect in any manner, the capacity of the Company to repay the loan or any part thereof; and (g) if the loan or any part thereof is utilised for any purpose other than the purpose for which it is applied by the Company and sanctioned by the bank. 7. *Security*: The facility is secured amongst others, by a first *pari passu* charge with Yes Bank Limited over all fixed assets, except assets charged to Tata Capital Limited, and a second *pari passu* charge with Yes Bank Limited on all the current assets, present and future. Additionally, nine post-dated cheques of ₹ 10 million each, comfort letter by UFO Moviez India Limited to HDFC Bank dated December 23, 2013 and DSRA equal to principal and interest of three months have been provided to the bank.

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Vehicle loans availed by Scrabble

Scrabble has entered into three arrangements with Axis Bank Limited for the purposes of financing purchase of motor vehicles for Scrabble. The total sanctioned amount is ₹ 3.27 million and the total amount outstanding as on December 31, 2014 was ₹ 1.91 million. The rate of interest for the abovementioned vehicle loans varies from 10.01% p.a. to 10.80% p.a. and such loans are repayable in 48 monthly instalments. The penal rate of interest in the event of a default is 2.00% per month with a foreclosure charge of 5.00% p.a. if foreclosed after six months and 10.00% p.a. if foreclosed prior to six months for Axis Bank. The vehicles acquired pursuant to these loans have been hypothecated with the lender.

The events of default for the vehicle loans include the following:

a. Failure to pay the equated monthly instalments or a part thereof, or other payment required under the loan agreement, whether due, whether on demand or not.
b. Failure to effect insurance cover or failure to pay insurance premium as and when due for the vehicle,

c. Transferring, sub letting, or charging, or encumbering or creating any lien on the vehicle,
d. If the vehicle is stolen or if there is total loss of the vehicle, and
e. Transfer of the product into a different state from the one where the delivery was effected

Restrictive covenants with respect to the borrowings of Scrabble

Under our secured financing arrangements, the Subsidiaries cannot take the following actions, amongst others, without the lender's prior written consent during the pendency of the loan:

a. Effect any change in the shareholding structure or make any changes in their management set up.
b. Diversify into non-core areas, viz. business other than current business
c. Undertake guarantee obligations on behalf of other companies.
d. Sell, assign, mortgage or otherwise dispose off any of the fixed asset, other than vehicles.
e. Pay any dividend if there are any defaults in principal or interest servicing.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our consolidated financial condition and results of operations in conjunction with the sections entitled "Summary Financial Information" and "Financial Statements" on pages 72 and 336, respectively. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 23. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the section entitled "Forward-Looking Statements" on page 21. We prepare our Restated Summary Statements in accordance with ICDR Regulations and the Companies Act, which differs in certain respects from IFRS and U.S. GAAP.

Overview

We are India's largest digital cinema distribution network and in-cinema advertising platform (in terms of numbers of screens) as at October 31, 2014, according to CRISIL. We operate India's largest satellite-based, digital cinema distribution network (in terms of numbers of screens) using our UFO-M4 platform, as well as India's largest D-Cinema network (in terms of numbers of screens), according to CRISIL. In fiscal year 2014, we digitally delivered more than 1,500 movies in 22 languages to 4,703 screens with aggregate seating capacity of approximately 2.15 million viewers spread across India. Since the beginning of our operations, we have digitally delivered more than 8,800 movies in India. As at February 28, 2015, our global network spans 6,626 screens worldwide, including 4,911 screens across India and 1,715 screens across Nepal, the Middle East, Israel, Mexico and the USA.

We have created a pan-India, high-impact, in-cinema advertising platform with generally long-term advertising rights to 3,770 screens, with an aggregate seating capacity of approximately 1.85 million viewers and a reach of over 1,800 locations across India, as at February 28, 2015. We believe our in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. We believe that our in-cinema advertising platform offers a number of key advantages over traditional advertising methods, including (i) high levels of transparency, such as logging of actual advertisements played, which enhances advertiser confidence in the medium, (ii) remote capability (in approximately 3,330 screens), which allows for last minute scheduling and content changes, and (iii) advanced technology, such as multi-lingual support. Further, our in-cinema advertising platform simplifies the logistics of advertising, as we control and arrange advertising on our network, eliminating the need for advertisers to deal with a large and fragmented group of exhibitors. We have been able to attract 1,056 advertisers from private and government sectors in fiscal year 2014, compared with 563 advertisers in fiscal year 2013. We have also been able to grow our consolidated advertisement revenue from ₹370.36 million to ₹998.64 million from fiscal year 2012 to 2014, at a compound annual growth rate of 64.21%. Our in-cinema advertising platform also allows small exhibitors who otherwise are not able to effectively monetise their advertising inventory due to their limited scale and reach to receive a greater share of advertisement revenue than they are able to using traditional advertising methods.

We deliver movie content through (i) our satellite-based cinema distribution network using our UFO-M4 platform, and (ii) D-Cinema network:

- UFO-M4 is our satellite-based, E-Cinema movie delivery platform. "E-Cinema" is a commonly used term to describe various technologies used to digitally deliver movie content other than through D-Cinema. Our UFO-M4 platform provides an end-to-end platform for the satellite delivery of movies (excluding movies from the major Hollywood studios that created the D-Cinema standard format), to exhibitors across 3,462 cinema screens across India as at February 28, 2015, which then exhibit our movies using our digital cinema equipment.

- Under our D-Cinema network, our primary activities include: (i) collecting VPF D-Cinema from certain major Hollywood studios and other movie studios, and (ii) providing D-Cinema equipment to D-Cinemas across India. We have D-Cinema deployment contracts with certain major Hollywood studios which allows us to collect VPF D-Cinema from those studios. As at February 28, 2015, we collect VPF D-Cinema for 1,449 screens across India. We further provide D-Cinema equipment to 680 D-Cinema screens across India as at February 28, 2015. In fiscal year 2014, we digitally delivered 57 movies from major Hollywood studios across our D-Cinema network.

Recently a movie produced by a major Hollywood studio that would have otherwise been delivered only through D-Cinema platform was simultaneously delivered on both our E-Cinema and D-Cinema platforms.

For fiscal years 2012, 2013 and 2014, our consolidated total revenues were ₹2,076.50 million, ₹3,374.97 million and ₹4,210.89 million, respectively. Our consolidated total revenue increased by ₹2,134.39 million from fiscal year 2012 to fiscal year 2014, representing a compound annual growth rate of 42.40%. For fiscal years 2012, 2013 and 2014, our consolidated restated earnings before interest, tax, depreciation and amortisation (EBITDA) was ₹523.04 million, ₹1,069.49 million and ₹1,316.97 million, respectively, representing a compound annual growth rate of 58.68% from fiscal 2012 to fiscal 2014. For fiscal years 2012, 2013 and 2014, our consolidated restated profit after tax attributable to equity shareholders of the Company was ₹43.59 million, ₹333.89 million and ₹465.42 million, respectively, representing a compound annual growth rate of 226.76% from fiscal 2012 to fiscal 2014. For the nine months ended December 31, 2014, our consolidated total revenue was ₹3572.30 million and our consolidated profit after tax attributable to equity shareholders of the Company was ₹368.61 million. We expect our advertising revenue and EBITDA for the quarter ended March 31, 2015 to be lower than the quarter ended March 31, 2014 primarily due to lower number of new blockbuster movies released for screening during the quarter ended March 31, 2015 as well as the cricket world cup held during the quarter ended March 31, 2015 that diverted a significant share of advertising budget from our advertisers.

Recent Developments

Acquisition of Valuable Digital Screens Private Limited ("VDSPL")

On December 18, 2014, the Company entered into an investment agreement with Valuable Technologies Limited (one of our Promoters, referred to herein as "**VTL**"), VDSPL and other parties for the acquisition of the entire equity share capital of VDSPL, in two tranches. The Company completed the acquisition of the initial tranche for cash consideration of approximately ₹44.01 million, with VTL and other parties having transferred to and VDSPL having issued and allotted to the Company a total of 11,580 equity shares representing 80% of the equity share capital of VDSPL as of January 6, 2015.

Further, as per the terms of the investment agreement, by no later than August 31, 2018, the Company will acquire the remaining 20% equity of VDSPL from VTL for a further consideration to be calculated in accordance with the terms of the investment agreement. Completion of the second tranche may remain subject to satisfaction of conditions precedent such as the transfer to VDSPL of all intellectual property and brands necessary to conduct the business of VDSPL, which may not occur until a later date.

Additionally, VTL and certain other parties to the investment agreement agreed that, in exchange for a non-compete fee of ₹1.0 million payable by VDSPL, save and except for certain existing businesses, during the non-compete term (which commences from the date of completion of the acquisition by the Company of the initial tranche of 80% of the equity share capital of VDSPL and expires on such date as specified in the agreement), the parties shall not compete, directly or indirectly, in India or any other part of the world, and shall ensure that none of their respective affiliates, in India or any other part of the world, competes, directly or indirectly, with the businesses as specified in the agreement or any part thereof. See "*History & Certain Corporate Matters – Agreements in relation to Valuable Digital Screens Private Limited"* on page 221 of this Prospectus, for further information on this acquisition.

VDSPL is an India-based business that has two primary operations:

- The "Club Cinema" business provides digital screening of movies in clubs and community centres at private screens, such as remote industrial townships, corporate auditoriums, educational institutions and other leisure and entertainment complexes. Club Cinema provides a complete digital cinema solution for screening of recently released films outside of traditional cinemas, facilitating content acquisition for such screening from movie producers and distributors and renting and provision of digital cinema equipment.

- The "Caravan Cinema" business provides movie screenings with low capital expenditures in targeted rural areas, especially "Haats" (weekly market place at villages), creating a unique opportunity for advertisers to reach a captive audience by partnering with various brands. Currently, movies are screened free to viewers and Caravan Cinema derives its revenues through advertising.

Our Income

Revenue from Operations

We receive revenue primarily from (i) advertisers, for in-cinema advertising, (ii) movie producers and distributors, for the secured delivery and screening of their movies and (iii) exhibitors, who are the owners of screens, through equipment rental and sales of digital cinema equipment. We also receive other revenues from distributors for digitisation and exhibitors for registration fees for exhibitors using our network, as well as other miscellaneous income.

The majority of our revenue from operations is generated within India, and the remainder is generated in Nepal, the Middle East, Israel, Mexico and the USA.

Breakdown of revenue from Operations

	For the year ended March 31,			Nine months ended December 31, 2014
	2012	2013	2014	
		₹ (in millions)		
Sale of Services				
Advertisement revenue	370.36	694.97	998.64	866.22
Virtual Print Fees – Non-DCI (E-Cinema)	617.38	760.83	821.27	667.65
Virtual Print Fees –DCI (D-Cinema)	247.12	749.43	1,305.20	1,109.34
Lease rental income – Non-DCI (E-Cinema)	238.12	252.20	282.30	267.59
Lease rental income – DCI (D-Cinema)	24.74	82.06	137.26	111.41
Digitisation income	55.30	66.67	65.15	50.17
Registration fees income	18.53	14.98	8.75	7.81
Other services (includes revenue from theatre programming activity, Technology service and annual maintenance)	6.95	8.57	29.34	57.61
Total Sale of Services (A)	**1,578.50**	**2,629.71**	**3,647.92**	**3,137.80**
Sales of Products				
Lamp sale	139.50	154.30	171.09	129.06
Sale of digital cinema equipments	349.05	578.29	385.29	280.50
Total Sale of Products (B)	**488.55**	**732.59**	**556.38**	**409.56**

Total Revenue from operations (A)+(B)	**2,067.05**	**3,362.30**	**4,204.30**	**3,547.36**

* The advertisement revenue and Virtual Print Fees – Non-DCI (E-Cinema) and Virtual Print Fees –DCI (D-Cinema) shown in the table above is the gross revenue we receive from advertisers and movie producers/distributors, respectively, and does not deduct the amount of revenue we share with exhibitors. That amount is reflected in our operating direct costs.

Advertisement revenue. We receive revenue from advertisers through in-cinema advertising using our advertising platform. We share a portion of our advertisement revenues from advertisers with exhibitors, which aligns their interests with ours. With respect to exhibitors using our UFO-M4 platform, exhibitors receive a flat 10% or 25% of our advertisement revenue, subject to a minimum assured fee payment (a negotiated amount) that we began offering to a significant number of exhibitors. In fiscal year 2014 and the first nine months of fiscal year 2015, we paid the minimum assured fee to close to half of the total screens using our UFO-M4 platform and the advertising revenue share payments including the abovementioned minimum assured fees were higher than 25% in those periods. With respect to D-Cinema screens, for the screens using an entry level D-Cinema system rented from us, the exhibitor's share in advertisement revenue is fixed at 25% subject to a minimum assured fee payment (a negotiated amount) and with respect to other D-Cinema screens arrangements, the revenue sharing is determined on a case-by-case basis subject to a minimum assured fee payment (a negotiated amount) and the exhibitor's share of advertisement revenue depends on negotiations.

Distribution revenue. We receive revenue from movie producers and distributors in two primary ways, through collection of VPF E-Cinema and VPF D-Cinema.

- *Virtual Print Fees – Non-DCI (E-Cinema) (VPF E-Cinema).* VPF E-Cinema is a content delivery charge paid by movie producers and distributors for our distribution of their movies through our UFO-M4 platform. We receive a majority of VPF E-Cinema from distributors through direct sign-ups, as well as a portion through sign-ups through franchisees. We enter into franchise agreements for the operation of a portion of our UFO-M4 business. Under these agreements, franchisees lease digital cinema equipment from us and in turn sub-lease the equipment to exhibitors, as well as install the equipment at cinemas. The franchisee enters into the contractual arrangement with and raises the service fee bill and collects the fees from the distributors. However, the actual servicing of the distributors is done by us under a franchisee agreement entered into between us and the franchisee. Under these agreements, we provide the content delivery services and the franchisee agrees to share its revenue with us. One of our primary franchisees is Southern Digital Screenz India Private Limited, of which we own an 84.18% interest as at December 31, 2014. Southern Digital Screenz India Private Limited operates our business in South India. Another key franchisee is Arti Cinemas Private Limited, a third party franchisee, which operates our business in East India. The VPF E-Cinema revenue we receive depends on whether the exhibitor is signed up through us or a franchisee.

  c. *Direct sign-ups:* Distributors using our services for electronic delivery and secured playback of their films being released on our UFO-M4 network pay us a fixed fee on a per movie, per screening basis. VPF E-Cinema is typically applicable only to the first two weeks of a movie's release. Bollywood movies are subject to a total of ₹20,000 ceiling per cinema and in case of southern Indian screens where our subsidiary Southern Digital Screenz India Private Limited raises service fee bills on the distributor, the distributor pay us the fixed fee on a per movie, per week basis or a one-time flat fee of between ₹22,500 to ₹25,000 paid on a per movie, per property (consisting of one or more cinema screens) basis. This revenue is generally retained by us and not shared with exhibitors.

d. *Sign-ups through other franchisees:* Typically, one third of the revenue generated by the franchisee from distributor service fee is shared with us. In other cases, our share in distributor fee revenue is fixed at ₹7,500 per screen, per month. The balance amount after such sharing with us is retained by the franchisee.

- *Virtual Print Fees – DCI (D-Cinema) (VPF D-Cinema).* Our agreements with movie producers and distributors enable us to collect VPF D-Cinema from them. The agreements vary, but generally, VPF D-Cinema is a flat fee, typically of ₹20,000, paid on a per movie, per cinema basis. In the case of some non-Hollywood movies, VPF D-Cinema is ₹7,000 to ₹20,000 per movie, per week, for a fixed number of screenings within a week.

  Our D-Cinema contracts with major Hollywood studios differ from our contracts with other studios in that the VPF D-Cinema fees for movies from major Hollywood studios are only payable if a prescribed number of screens in each cinema are D-Cinema compliant by a specified date. Further, our rights to collect VPF D-Cinema under our agreements with major Hollywood studios (which represents a portion of our total VPF D-Cinema) are all set to expire by June 2018. We do not expect to extend or renew these contracts, and if they are not extended or renewed, we shall be unable to continue to collect VPF D-Cinema from major Hollywood studios. See "*Risk Factors — We depend on our relationships and agreements with movie producers and distributors, and any failure to maintain these relationships, or to establish and capitalise on new relationships, could have a material adverse effect on our business, prospects, financial condition and results of operations.*" on page 30.

  Certain of our D-Cinema exhibitors receive a share of VPF D-Cinema we receive from distributors, subject to negotiation and their investment in D-Cinema equipment. For example, certain exhibitors that invest in their own D-Cinema equipment and rely on our D-Cinema deployment contracts to collect VPF D-Cinema receive a higher share of VPF D-Cinema than exhibitors that rent D-Cinema equipment from us.

Exhibitor rental and sales revenue. We receive revenue from exhibitors in two primary ways, through rental and sales of digital cinema equipment and other products.

Rental revenue. We earn rental revenue from the renting, either directly or through our franchisees, of our digital cinema equipment to exhibitors for use on their premises.

- *Lease rental income – Non-DCI (E-Cinema):* With respect to our UFO-M4 business, exhibitors or franchisees rent a UFO-M4 digital cinema system from us, which includes a "Cine Blaster" server, digital projector, power supply and VSAT antenna for a fixed-periodic fee, typically over a contractual period of 10 years with the option to terminate for convenience only after a period of approximately four years. We bill the exhibitors on a monthly basis for the contractually fixed rental charge which is typically in the range of ₹3,000 to ₹17,500 per month.

- *Lease rental income – DCI (D-Cinema)*: With respect to our D-Cinema business, exhibitors rent D-Cinema servers and projectors from us, under contracts for a fixed-monthly fee, typically for a contractual period of five to ten years with an option to terminate for convenience only after a period of three to five years and we bill such exhibitors on a monthly basis for such contractually fixed rental charge which is typically in the range of ₹6,500 to ₹40,000 per month.

Sales revenue. From time to time, we also sell to exhibitors digital cinema equipment, as well as related consumables, such as lamps.

Other Income

The key components of our other income are miscellaneous income, which consists of digitisation for conversion of physical reels to digital movie files, registration fees for exhibitors using our network and other miscellaneous income.

Our Expenses

Our expenses primarily consist of the following:

- operating direct costs, which include:

    - advertisement revenue share payments to exhibitors. We share a portion of our advertisement revenues from advertisers with exhibitors, which aligns their interests with ours. With respect to exhibitors using our UFO-M4 platform, exhibitors receive a flat 10% or 25% of our advertisement revenue, subject to a minimum assured fee payment (a negotiated amount) that we began offering to the exhibitors. In fiscal year 2014 and the first nine months of fiscal year 2015, we paid the minimum assured fee to close to half of the total screens using our UFO-M4 platform and the advertising revenue share payments including the abovementioned minimum assured fees were higher than 25% in those periods. With respect to D-Cinema screens, for the screens using an entry level D-Cinema system rented from us, the exhibitor's share in advertisement revenue is fixed at 25% and with respect to other D-Cinema screens arrangements, the revenue sharing is determined on a case-by-case basis and the exhibitor's share of advertisement revenue depends on negotiations. Given our accounting treatment for advertisement revenue and expenses, an increase in advertisement revenue results in margin accretion;

    - VPF D-Cinema share payments to D-Cinema exhibitors. Certain exhibitors receive a share of VPF we receive from distributors, subject to negotiation and other factors, such as the amount of their investment in D-Cinema equipment;

    - cost of repair and maintenance of equipment. This includes costs, including engineering support costs, for the repair and maintenance of digital cinema equipment rented to exhibitors, technical service fee payments for the maintenance of "Cine Blaster" servers, as well as for the equipment we use in our operations;

    - bandwidth charges for transmission of data across third-party fibre lines and satellite networks; and

    - cost of goods sold for consumables and equipment;

- employee benefits expenses, which reflect salaries, incentives and ex-gratia, directors' remuneration, employee conveyance, staff welfare and other payments and amounts reserved to fulfil our statutory obligations to our employees. Employee benefits expenses also include costs for training of employees and medical and medi-claim expenses; and

- other expenses, which consist primarily of commission on advertisement revenue, rent, freight & forwarding charges, electricity charges, travel expenses, Internet charges, telecommunication expenses, insurance and other administrative expenses such as professional fees and legal expenses, general repair and maintenance expenses, bank charges, and other office expenses.

We also record depreciation and amortisation expenses, which reflect depreciation on digital cinema equipment (plant and machinery), computers, software, furniture and fixtures, office equipment, vehicles and amortization of the leasehold office premises. Further, we also accelerate depreciation on digital cinema equipment in our stock which is faulty.

Our Tax Expenses

The elements of our tax expenses are as follows:

- *Current tax*. Our current tax primarily consists of income tax on profits and other income.

- *Minimum alternate tax credit entitlement.* We recorded a MAT credit entitlement in the fiscal years ended March 31, 2013 and March 31, 2014 on the difference between normal tax and MAT, as per the provisions of Income Tax Act 1961. See "*– Our Critical Accounting Policies – Revenue Recognition*" on page 466. MAT paid in a year is charged to the statement of profit and loss as current tax. We recognise MAT credits as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period as per the Guidance Note on Accounting for Credit Available in respect of MAT under the Income Tax Act 1961.

- *Deferred tax charge / (credit)*. We recorded a deferred tax charge in the fiscal year ended March 31, 2012 and a deferred tax credit in the years ended March 31, 2013 and 2014. See *"– Our Critical Accounting Policies – Income Taxes*" on page 467. A deferred tax asset (net) represents a future tax credit to be applied when expenses and losses previously recognised in our profit and loss account become deductible in subsequent years under Indian income tax law. The realisation of a deferred tax asset is dependent on the future taxable income against which these deductions can be applied. As per Indian GAAP, we can record a deferred tax asset (net) when there are brought forward losses or unabsorbed deprecation and it is virtually certain that all or a portion of the deferred tax asset (net) will be realised and in other cases we can record a deferred tax asset (net) when it is reasonably certain that all or a portion of the deferred tax asset (net) will be realised.

Certain Key Measures of Financial Performance

The following are certain key measures of our financial performance:

Advertisement revenue per advertising screen

	Unit	Fiscal year ended March 31,			Nine months ended December 31,
		2012	2013	2014	2014
A. Advertisement Revenue	₹ millions	370.36	694.97	998.64	866.22
B. Average number of advertising screens*	Numbers	2,328	2,859	3,332	3,685

C. Advertisement Revenue Per Screen (A / B)**	₹ millions	0.16	0.24	0.30	0.31

* The average number of advertising screens (i.e. screens in which our in-cinema advertising platform is used) for a period have been calculated by taking the average of opening and closing advertising screens for that period and includes franchisee screens.

** Annual Advertisement Revenue Per Screen for the nine months ended December 31, 2014 is on an annualized basis and it is slightly higher than the previous year. We tend to receive increased advertisement revenue in the third quarter of each fiscal year as corporate advertisers tend to align their advertising spend with the festive season and key movie releases, as well as in the fourth quarter of each fiscal year, as Central Government and State Government advertisers tend to use the remainder of their annual advertising budget prior to the beginning of the next fiscal year.

Number of minutes of Advertisement sold per advertising screen

	Unit	Fiscal year ended March 31,			Eleven months ended February 28,
		2012	2013	2014	2015
A. Total number of minutes of Advertisement sold	Minutes	5,563,989	10,140,964	15,577,590	16,537,798
B. Average number of advertising screens*	Numbers	2,328	2,859	3,332	3,681
C. Number of minutes sold per show per Advertising Screen (A / B)	Minutes	1.66	2.46	3.25	3.36

* The average number of advertising screens (i.e. screens in which our in-cinema advertising platform is used) for a period have been calculated by taking the average of opening and closing advertising screens for that period and includes franchisee screens.

Average Gross VPF per E-Cinema Network screen (excluding the impact of VPF E-Cinema shared with exhibitors)

	Unit	Fiscal year ended March 31,			Nine months ended December 31
		2012	2013	2014	2014
A. Virtual Print Fees – Non-DCI (E-Cinema)*	₹ millions	617.38	760.83	821.27	667.65
B. Average number of E-Cinema screens**	Numbers	2,597	3,038	3,210	3,355
C. Virtual Print Fees – Non-DCI (E-Cinema) Per E-Cinema Screen (A / B)	₹ millions	0.24	0.25	0.26	0.27

* This amount does not reflect Virtual Print Fee shared with exhibitors. For our E-Cinema business, Virtual Print Fee sharing with exhibitors is insignificant.

** The average number of E-Cinema screens for a period are the average of opening and closing E-Cinema screens for that period using our UFO-M4 platform.

Average Gross VPF per D-Cinema Network screen (excluding the impact of VPF D-Cinema shared with exhibitors)

	Unit	Fiscal year ended March 31,			Nine months ended December 31,
		2012	**2013**	**2014**	**2014**
A. Virtual Print Fees – DCI (D-Cinema)*	₹ millions	247.12	749.43	1,305.20	1,109.34
B. Average number of D-Cinema screens**	Numbers	470	1,139	1,927	2,285
C. Virtual Print Fees – DCI (D-Cinema) Per D-Cinema Screen (A / B)	₹ millions	0.53	0.66	0.68	0.65

* This amount does not reflect Virtual Print Fee shared with exhibitors. For our D-Cinema business, Virtual Print Fee sharing with exhibitors is significant. For example, total Virtual Print Fee sharing (including Virtual Print Fee sharing for both D-Cinema and E-Cinema) for the fiscal year ended 2014 and nine months ended December 31, 2014 was ₹519.56 million and ₹471.81 million, respectively. The majority of Virtual Print Fee sharing was shared with D-Cinema exhibitors.

** The average number of D-Cinema screens for a period are the average of opening and closing D-Cinema screens for that period and includes D-Cinema screens in India, Middle East and Israel.

Factors Affecting Our Results of Operations

Our business and results of operations have been affected by a number of important factors that we believe will continue to affect our business and results of operations in the future. These factors include the following:

- ***The size and utilisation of our digital cinema distribution network.*** Our business depends upon the size and utilisation levels of our digital cinema distribution network. VPF D-Cinema and VPF E-Cinema revenue from distributors is based on the number of cinema locations in which movies are screened, and for VPF E-Cinema, the number of screenings of movies. Revenues from rental of equipment to exhibitors also depends upon the number of cinemas that use our digital cinema distribution network. A larger network with higher levels of audiences also increases the attractiveness of our in-cinema advertising platform. Therefore, an increase in the size of our digital cinema distribution network, particularly in regards to the number of cinemas and screens using our network, leads to higher revenues from all of our key revenue streams. We believe this creates a growth cycle that enables us to maintain a leading position in cinema digitisation and in-cinema advertising in India. Conversely, if the size of our digital cinema distribution network decreases or remains stagnant, our results of operations and growth prospects will be negatively impacted.

- ***The success of the cinema industry in India.*** Our business and results of operations are dependent on the overall success of the cinema industry in India. The amount of VPF D-Cinema and VPF E-Cinema we receive from distributors is directly related to the number of movies released using our network each year. Therefore, a higher number of movies released in cinemas in India each year, as well as a high-turnover of new films screened, helps us to maximize our revenues from distributors and exhibitors. Further, the quality and higher numbers of movies shown in cinemas are key attributes to draw higher cinema-goer attendance, which in turn increases the attractiveness of in-cinema advertising to advertisers.

- ***VPF D-Cinema agreements with distributors and exhibitors.*** Revenues from Virtual Print Fees – DCI (D-Cinema) represent a considerable portion of our total revenues, comprising 31.05% of our total revenue for the nine months ended December 31, 2014. Our rights to collect VPF D-Cinema under our agreements with major Hollywood studios are all set to expire by June 2018. We do not expect to extend or renew these contracts, and if they are not extended or renewed, we shall be unable to continue to collect VPF D-Cinema from major Hollywood studios. Further, we depend either on our rental agreements with exhibitors or separate VPF D-Cinema sharing agreements, to collect VPF D-Cinema on behalf of exhibitors. We continually look to grow the number of exhibitors using our systems and have dedicated sales teams to identify and target those exhibitors. With respect to our existing exhibitor customers, we rely on our ability to create value and additional streams of revenue, including from advertising, to retain our exhibitor customers. However, if these rental agreements or VPF D-Cinema sharing agreements are terminated, expire or are otherwise not renewed, we will be unable to collect VPF D-Cinema for that particular exhibitor and also lose rental revenue (if any) from that particular exhibitor.

- ***Sharing of VPF D-Cinema fees with exhibitors.*** Exhibitors receive a share of VPF D-Cinema we receive from producers and distributors, subject to negotiation and their investment in D-Cinema equipment. For example, certain exhibitors that invest in their own D-Cinema equipment and rely on our VPF D-Cinema deployment contracts to collect VPF D-Cinema receive a higher share of VPF D-Cinema than exhibitors that rent D-Cinema equipment from us. If, after negotiation, their share of VPF D-Cinema increases, it could directly reduce our revenues and impact our results of operations and financial condition.

- ***Growth of advertisement revenue.*** Advertisement revenues represent a considerable portion of our total revenues, comprising 24.25% of our total revenue for the nine months ended December 31, 2014. We focus on growing the number of advertising customers using our in-cinema advertising platform. Particularly, we have set up sales teams to focus upon and grow advertising customers in the Government and PSU and corporate sectors. We also focus on increasing the rates we charge for in-cinema advertising. Another factor affecting our advertisement revenue is the volume of our on-screen advertising which as at February 28, 2015, on a fiscal year to date basis, is at a level of 3.36 minutes sold per show per advertising screen and which we expect to grow.

Certain Observations noted by Auditors

In connection with the audits of our financial statements, certain qualifications have been noted in the annexures to the Auditor's reports on the financial statements of the Company:

- In the annexure to the Auditor's report on unconsolidated financial statements for the year ended March 31, 2010, the Auditors have qualified that there were two instances of employees misappropriating ₹604,000 from the Company, of which ₹475,000 has been recovered or is recoverable and the balance amount has been written off. Further, in the annexure to the Auditor's report on unconsolidated financial statements for the year ended March 31, 2011, the Auditors have qualified that one of our employees misappropriated funds amounting to ₹154,120 during the year from collections received from clients. We have taken legal action against the employee and his services are terminated and the amount has been written off. This qualification did not require any quantitative adjustment in the restated unconsolidated summary statements. We have implemented measures to minimize misappropriation by employees by: (i) where practicable, having separate employees responsible for collection and depositing of monies, (ii) confirming collections with exhibitors on a more regular basis and (iii) implementing a cash management system. To our knowledge, there have been no further instances of misappropriation by employees after we have implemented these controls.

- In the annexure to the Auditor's report on unconsolidated financial statements for the year ended March 31, 2011, the Auditors have qualified that undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. Further, the Auditors have qualified that undisputed dues of value added tax have not been regularly deposited with the appropriate authorities and there have not been serious delays in large number of cases. This qualification did not require any quantitative adjustment in the restated unconsolidated summary statements. We have implemented internal controls to check on the status of statutory payments and ensure statutory payments are made as they are due. After we have implemented these controls, there have been no further delays in statutory payments that have required auditor qualifications in the Annexures to the Auditor's report on financial statements of the Company.

- In the Auditor's report on consolidated financial statements for the year ended March 31, 2012, the auditors have qualified that Scrabble Entertainment Limited, one of our subsidiaries, did not physically verify inventory during and at year end for inventory lying at Mumbai and Bangalore amounting to ₹11,440,003, and accordingly our auditors could not observe the counting of physical inventories lying at those warehouses at the end of the year. Accordingly, our auditors were unable to obtain sufficient appropriate audit evidence concerning the inventory quantities held at March 31, 2012 and were unable to comment on the existence and valuation of this inventory and consequent adjustments on the cost of goods sold, if any, that might be required in our financial statements. This qualification did not require any quantitative adjustment in the restated consolidated summary statements since the financial effect of this item is not ascertainable. This lack of internal control was present prior to our acquisition of Scrabble Entertainment Limited, and after acquisition, we have implemented a stock management system to address these internal control issues. After we have implemented these controls, there have been no further related issues.

- In connection with the audit of our subsidiary, Southern Digital Screenz India Private Limited, for the year ended March 31, 2012, its auditors noted that Southern Digital Screenz India Private Limited has no internal audit system commensurate with the size and nature of its business. This lack of internal audit was present prior to our acquisition of Southern Digital Screenz India Private Limited, and after acquisition, we have implemented an internal auditing system to address these internal audit issues. After we have implemented this system, there have been no further related issues.

With respect to our downstream investments, we have the following non-compliance issues: (i) we have not intimated Secretariat for Industrial Assistance ("SIA"), Department of Industrial Policy and Promotion and Foreign Investment Promotion Board of our downstream investment within 30 days of the investment and (ii) we have not intimated the regional office of RBI about the non-filing of intimation to FIPB and SIA for downstream investments made within 90 days from the RBI Circular No 1 dated July 4, 2013, as per paragraph 3(iii) of the said circular. See "*Risk Factors – We have made delayed regulatory filings in the past. We may be* *subject to regulatory action, including monetary penalty that may be imposed on us.*" on page 44 for further details.

Our Critical Accounting Policies

Certain of our accounting policies require the application of judgment by our management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Our management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following are the critical accounting policies and related judgments and estimates used in the preparation of our financial statements. For more information on each of these policies, see the Restated Summary Statements included in this Prospectus on page 336.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from Services

- Advertisement Income is recognised in the period during which advertisement is displayed.
- Virtual Print Fees received from distributors of the films (D-Cinema and VPF E-Cinema income) is recognised in the period in which the services are rendered.
- Lease rental income on equipment is recognized as described in accounting policy for leases.
- Digitisation charges is recognised on rendering of services.
- Registration fee is recognised in the period in services are rendered.
- Technology service fee is recognised in the period in which services are rendered.
- Revenue from annual maintenance is recognized on rendering of services
- Theatre programming revenue is recognized for the period of exhibition of movies.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are recorded net of returns, trade discounts, and value added tax.

The Company recognises revenue from sales of equipment and stores as and when these are dispatched/issued to customers.

Depreciation on tangible and amortisation of intangible assets

Depreciation is provided using the straight line method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule II of the Companies Act, 2013 whichever is higher, except in case of one associate, where depreciation is provided using sum of digits method. The impact of alignment of such changes on group profitability is not material.

We have used the following rates to provide depreciation on our fixed assets :

	Rates as per management's estimate of useful lives from April 01, 2014 (SLM)	**Rates as per management's estimate of useful lives for the period upto March 31, 2014 (SLM)**
Exhibition Equipment	9.50% - 25%	9.50% - 25%
Plant & Machinery	16.21%	16.21%
Computer	33.33%	16.21%
Furniture and Fixtures	16.67%	16.67%
Office Equipment	33.33%	16.67%
Vehicles	20.00%	20.00%

Rates of depreciation are different from rates prescribed under schedule II in some cases and are based on evaluation of the useful life of the asset by an internal technical expert.

Leasehold improvements are written off over the period of lease or over a period of four years, whichever is lower.

Intangible assets are amortised over their estimated useful life as follows:

	Rates as per management's estimate of useful lives (SLM)
Computer Software	10% - 16.21%

Translation of foreign Operations

Translation of foreign branches, subsidiaries and associates are done in accordance with AS – 11 (Revised) "The Effects of Changes in Foreign Exchange Rates". The financial statements of integral operations are translated as if the transactions of foreign operations have been those of the Company.

In case of non- integral foreign operations, all assets and liabilities are converted at the closing rate at the end of the period and items of income and expenditure items have been translated at the average rate, which approximates the actual rates. All the resulting exchange differences are accumulated in the foreign currency translation reserves until the disposal of the net investment.

Any goodwill / Capital reserve arising on acquisition of a non – integral foreign operation is translated at the closing rate.

Exchange gain / loss arising on conversion are recognised under Foreign Currency Translation Reserve.

Income Taxes

Tax expense comprises of 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 and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws use to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised 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 Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is "virtual certainty" (as defined in Accounting Standard 22) supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised 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.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a 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.

Minimum alternate tax ("MAT") paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Employee Stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis. 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 the Company's 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 period and is recognised in employee benefits expense.

Segment Reporting

The Group's operations predominantly relate to providing digital cinema services to exhibitors and distributors of films in D-Cinema and E-Cinema format. The Group's operating businesses are organised and managed according to the services and are identified as reportable segment based on the dominant source and nature of risks and returns as primary and secondary segments. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Measurement of EBITDA

As permitted by the *Guidance Note on the Revised Schedule VI to the Companies Act, 1956*, the Company has elected to present earnings before interest, tax, depreciation and amortisation (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/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance costs, finance income and tax expense.

Our Results of Operations

The following table sets forth a breakdown of our restated consolidated results of operations and each item as a percentage of our total revenue for the periods indicated.

	Fiscal year ended March 31,						Nine months ended	
	2012		2013		2014		December 31, 2014	
	₹ (in millions)	(%)	₹ (in millions)	(%)	₹ (in millions)	(%)	₹ (in millions)	(%)
Income from continuing operations								
Revenue from operations	2,067.05	99.55	3,362.30	99.62	4,204.30	99.84	3,547.36	99.30
Other income	9.45	0.45	12.67	0.38	6.59	0.16	24.94	0.70
Total revenue	**2,076.50**	**100.00**	**3,374.97**	**100.00**	**4,210.89**	**100.00**	**3,572.30**	**100.00**
Expenses								
Operating direct costs	730.49	35.18	1,281.17	37.96	1,665.12	39.54	1,396.19	39.08
Employee benefits expense	333.00	16.04	448.18	13.28	552.57	13.12	431.04	12.07
Other expenses	489.97	23.60	576.13	17.07	676.23	16.06	534.62	14.97
Total expenses	**1,553.46**	**74.81**	**2,305.48**	**68.31**	**2,893.92**	**68.72**	**2,361.85**	**66.12**
Restated earning before interest, tax, depreciation and amortisation	**523.04**	**25.19**	**1,069.49**	**31.69**	**1,316.97**	**31.28**	**1,210.45**	**33.88**
Depreciation and amortisation expense	389.61	18.76	536.15	15.89	654.67	15.55	569.20	15.93
Finance cost	113.03	5.44	151.91	4.50	198.50	4.71	157.03	4.40
Finance income	(66.29)	(3.19)	(30.86)	(0.91)	(34.19)	(0.81)	(36.65)	(1.03)
						-		
Restated profit / (loss) before tax	**86.69**	**4.17**	**412.29**	**12.22**	**497.99**	**11.83**	**520.87**	**14.58**
Tax expense / (credit)								
Current tax	19.36	0.93	58.38	1.73	99.57	2.36	181.31	5.08
MAT credit entitlement	0.00	-	(25.38)	(0.75)	(0.88)	(0.02)	0.00	-
Deferred tax charge / (credit)	4.57	0.22	(8.89)	(0.26)	(109.46)	(2.60)	(54.30)	(1.52)
Total tax expense / (credit)	**23.93**	**1.15**	**24.11**	**0.71**	**(10.77)**	**(0.26)**	**127.01**	**3.56**
Restated profit / (loss) after tax and before minority interest and share in profit/(loss) of associates	**62.76**	**3.02**	**388.18**	**11.50**	**508.76**	**12.08**	**393.86**	**11.03**
Net share of profit / (loss) from associates	(1.24)	(0.06)	2.49	0.07	(7.81)	(0.19)	12.32	0.34

	Fiscal year ended March 31,						Nine months ended	
	2012		2013		2014		December 31, 2014	
	₹ (in millions)	(%)	₹ (in millions)	(%)	₹ (in millions)	(%)	₹ (in millions)	(%)
Restated profit /(loss) after tax before minority interest	**61.52**	**2.96**	**390.67**	**11.58**	**500.95**	**11.90**	**406.18**	**11.37**
Attributable to :								
Equity share holder of the parent company	43.59	2.10	333.89	9.89	465.42	11.05	368.61	10.32
Minority Interest	17.93	0.86	56.78	1.68	35.53	0.84	37.57	1.05
Profit for the period / year	**61.52**	**2.96**	**390.67**	**11.58**	**500.95**	**11.90**	**406.18**	**11.37**

Nine months ended December 31, 2014

Total revenue. We had total revenue of ₹3,572.30 million in the nine months ended December 31, 2014, 99.30% of which was from revenue from operations of ₹3,547.36 million.

- *Revenue from operations.* Our revenue from operations in the nine months ended December 31, 2014, totalled ₹3,547.36 million, 88.45% of which was derived from sales of services, primarily from:

  (i) advertisement revenue of ₹866.22 million;

  (ii) revenue from Virtual Print Fees – Non-DCI (E-Cinema) (VPF E-Cinema) of ₹667.65million and Virtual Print Fees – DCI (D-Cinema) (VPF D-Cinema) of ₹1,109.34 million; and

  (iii) lease rental income – Non-DCI (E-Cinema) of ₹267.59 million and Lease rental income – DCI (D-Cinema) of ₹111.41 million.

- *Other income*. Our other income totalled ₹24.94 million for the nine months ended December 31, 2014, principally from miscellaneous income, sundry balance written back and commission income.

Total expenses. Our total expenses were ₹2,361.85 million for the nine months ended December 31, 2014, which comprised of operating direct costs, employee benefits expenses and other expenses.

- *Operating direct costs.* Our operating direct costs totalled ₹1,396.19 million for the nine months ended December 31, 2014. This is principally attributable to (i) advertisement revenue share payments and (ii) VPF D-Cinema share payments to D-Cinema exhibitors, in line with our VPF D-Cinema revenues.

- *Employee benefits expenses*. Our employee benefits expenses totalled ₹431.04 million for the nine months ended December 31, 2014. This is principally attributable to remuneration levels as well as an increase in the number of on-roll employees to 430 on-roll employees as at December 31, 2014.

- *Other expenses.* Our other expenses totalled ₹534.62 million for the nine months ended December 31, 2014. This was principally attributable to key selling and general administration expenses, including rent, office establishment, legal, marketing, travelling expenses.

Restated Earnings before interest, tax, depreciation and amortisation. Our earnings before interest, tax, depreciation and amortisation was ₹1,210.45 million for the nine months ended December 31, 2014. As a percentage of total revenue, our earnings before interest, tax, depreciation and amortisation was 33.88% for the nine months ended December 31, 2014. This was higher than for the year ended March 31, 2014 on account of greater revenue from Virtual Print Fees – Non-DCI (E-Cinema) (VPF E-Cinema), which has relatively lower costs than for Virtual Print Fees – DCI (D-Cinema).

- *Depreciation and amortisation expense*. Depreciation and amortisation expense totalled ₹569.20 million for the nine months ended December 31, 2014, which was principally attributable to depreciation on plant and machinery, primarily digital cinema equipment.

- *Finance cost*. Our finance cost totalled ₹157.03 million for the nine months ended December 31, 2014, which was principally attributable to our borrowing for financing capital expenditures.

- *Finance income.* Our finance income totalled ₹36.65 million for the nine months ended December 31, 2014, which was principally attributable to an investment in fixed deposits and liquid mutual funds.

Restated Profit before tax. Our profit before tax totalled ₹520.87 million for the nine months ended December 31, 2014. As a percentage of total revenue, our profit before tax was 14.58% for the nine months ended December 31, 2014.

Tax expenses.

- *Current tax*. We recorded a current tax of ₹181.31 million for the nine months ended December 31, 2014. This was principally due to increase in our total taxable profits.

- *Minimum alternate tax credit entitlement.* We did not have a minimum alternate tax credit entitlement for the nine months ended December 31, 2014.

- *Deferred tax (credit).* We recorded a deferred tax (credit) of ₹(54.30) million for the nine months ended December 31, 2014. This was principally due to higher depreciation on fixed assets as per books as compared with the provisions of Income Tax Act leading to generation of deferred tax asset.

Share of profit from associates. Our share of profit from associates totalled ₹12.32 million for the nine months ended December 31, 2014. As a percentage of total revenue, profit from associates was 0.34% for the nine months ended December 31, 2014.

Profit attributable to minority interest. For the nine months ended December 31, 2014, our profit attributable to minority interests totalled ₹37.57 million. As a percentage of total revenue, profit attributable to minority interests was 1.05% for the nine months ended December 31, 2014.

Restated Profit for the period attributable to equity shareholders of the Company. As a result of the factors outlined above, our profit attributable to equity shareholders of parent was ₹368.61 million for the nine months ended December 31, 2014.

Fiscal year ended March 31, 2014 compared to fiscal year ended March 31, 2013

- *Total revenue.* We had total revenue of ₹4,210.89 million in the fiscal year ended March 31, 2014, an increase of 24.77% over our total revenue of ₹3,374.97 million in the fiscal year ended March 31, 2013. This increase in total revenue was primarily due to a 25.04% increase in revenue from operations in the fiscal year ended March 31, 2014 from the fiscal year ended March 31, 2013.

- *Revenue from operations*. Our revenue from operations increased by 25.04% from ₹3,362.30 million in the fiscal year ended March 31, 2013 to ₹4,204.30 million in the fiscal year ended March 31, 2014. The increase in revenue from operations was primarily due to increases in:

    (i) advertisement revenue, which increased by ₹303.67 million, or 43.70%, from ₹694.97 million in the fiscal year ended March 31, 2013 to ₹998.64 million in the fiscal year ended March 31, 2014, primarily due to an increase in private corporate advertising minutes sold as a result of the efforts of our dedicated corporate sales team, which has resulted in higher utilisation of our advertisement inventory;

    (ii) total revenue from Virtual Print Fees (which consists of Virtual Print Fees – DCI (D-Cinema) and Virtual Print Fees – Non-DCI (E-Cinema)), which increased by ₹616.21 million, or 40.80%, from ₹1,510.26 million in the fiscal year ended March 31, 2013 to ₹2,126.47 million in the fiscal year ended March 31, 2014, primarily due to growth in the number of D-Cinema screens that we provide services for in India and international markets, as well as growth in the number of new movies that are released on D-Cinema screens. Revenue from Virtual Print Fees – DCI (D-Cinema) (VPF D-Cinema) increased by ₹555.77 million, or 74.16%, from ₹749.43 million in the fiscal year ended March 31, 2013 to ₹1,305.20 million in the fiscal year ended March 31, 2014 and revenue from Virtual Print Fees – Non-DCI (E-Cinema) (VPF E-Cinema) increased by ₹60.45 million, or 7.94%, from ₹760.83 million in the fiscal year ended March 31, 2013 to ₹821.27 million in the fiscal year ended March 31, 2014; and

    (iii) total lease rental income (which consists of Lease rental income - Non - DCI (E-Cinema) and Lease rental income - DCI (D-Cinema)), which increased by ₹85.31 million, or 25.52%, from ₹334.26 million in the fiscal year ended March 31, 2013 to ₹419.56 million in the fiscal year ended March 31, 2014, primarily due to growth in the number of D-Cinema exhibitor screens that we provide services for in India. Lease rental income – Non-DCI (E-Cinema) increased by ₹30.10 million, or 11.94%, from ₹252.20 million in the fiscal year ended March 31, 2013 to ₹282.30 million in the fiscal year ended March 31, 2014 and lease rental income – DCI (D-Cinema) increased by ₹55.20 million, or 67.27%, from ₹82.06 million in the fiscal year ended March 31, 2013 to ₹137.26 million in the fiscal year ended March 31, 2014.

- *Other income*. Our other income decreased 47.96%, by ₹6.07 million from ₹12.67 million in the fiscal year ended March 31, 2013 to ₹6.59 million in the fiscal year ended March 31, 2014. This decrease was primarily due to a decrease in miscellaneous income as compared to previous year and a decrease in sundry balance written back by company.

Total expenses. Our total expenses were ₹2,893.92 million in the fiscal year ended March 31, 2014, a 25.52% increase over our total expenses of ₹2,305.48 million in the fiscal year ended March 31, 2013. This increase in total expenses was primarily due to increases in operating direct costs, employee benefit expenses and other expenses. As a percentage of our total revenue, our total expenses increased from 68.31% in the fiscal year ended March 31, 2013 to 68.72% in the fiscal year ended March 31, 2014.

- *Operating direct costs.* Our operating direct costs totalled ₹1,665,12 million for the fiscal year ended March 31, 2014, a 29.97% increase over our operating direct costs of ₹1,281.17 million in the fiscal year ended March 31, 2013, which was principally attributable to (i) increased advertisement revenue share payments and other costs associated with our increased advertisement revenue and (ii) increased VPF D-Cinema share payments to D-Cinema exhibitors, in line with our increased VPF D-Cinema revenues.

- *Employee benefits expenses*. Our employee benefits expenses totalled ₹552.57 million in the fiscal year ended March 31, 2014, a 23.29% increase over our employee benefits expenses of ₹448.18 million in the fiscal year ended March 31, 2013. This was principally attributable to an increase in the number of on-roll employees from 403 on-roll employees as at March 31, 2013 to 429 on-roll employees as at March 31, 2014, as well as an increase in remuneration levels. Our number of employees increased because of the growth of our operations.

- *Other expenses.* Our other expenses totalled ₹676.23 million for the fiscal year ended March 31, 2014, a 17.37% increase over our other expenses of ₹576.13 million in the fiscal year ended March 31, 2013. This was principally attributable to increased foreign exchange losses (due to the increase in the value of the U.S. dollar, which many of our digital cinema equipment purchase agreements are denominated in, against the Indian Rupee) and increased key selling and general administration expenses, including increased rent and office establishment, legal and marketing, travel, freight and forwarding expenses.

Restated Earnings before interest, tax, depreciation and amortisation. As a result of the factors outlined above, our earnings before interest, tax, depreciation and amortisation increased by 23.14% from ₹1,069.49 million in the fiscal year ended March 31, 2013 to ₹1,316.97 million in the fiscal year ended March 31, 2014. As a percentage of total revenue, our earnings before interest, tax, depreciation and amortisation decreased from 31.69% in the fiscal year ended March 31, 2013 to 31.28% in the fiscal year ended March 31, 2014. Despite an overall increase in total revenue (including an increase in advertisement revenue and revenue from Virtual Print Fees) in the fiscal year ended March 31, 2014 compared to the fiscal year ended March 31, 2013, our earnings before interest, tax, depreciation and amortisation margin was lower in the fiscal year ended March 31, 2014 on account of the growth of revenue from Virtual Print Fees – DCI (D-Cinema), which has a higher proportion of operating direct costs due to higher sharing of Virtual Print Fee, and due to lower margin realisation from advertisement revenue on account of increased advertisement revenue share payments and a relatively lower growth in our Virtual Print Fees – Non-DCI (E-Cinema), which are generally higher margin.

- *Depreciation and amortisation expense*. Our depreciation and amortisation expense totalled ₹654.67 million in the fiscal year ended March 31, 2014, a 22.11% increase over our depreciation and amortisation expense of ₹536.15 million the fiscal year ended March 31, 2013, which was principally attributable to an increase in depreciation, primarily from our increased inventory of D-Cinema equipment used, in line with the growth of our D-Cinema operations, as well as due to accelerated depreciation charges for faulty equipment in our inventory that is not covered by warranty.

- *Finance cost*. Our finance cost totalled ₹198.50 million in the fiscal year ended March 31, 2014, a 30.67% increase over finance cost of ₹151.91 million in the fiscal year ended March 31, 2013, which was principally attributable to our increased borrowing for financing capital expenditures.

- *Finance income.* Our finance income totalled ₹34.19 million in the fiscal year ended March 31, 2014, a

10.80% increase over finance income of ₹30.86 million in the fiscal year ended March 31, 2013, which was principally attributable to an increase in investment in fixed deposits and liquid mutual funds.

Restated Profit before tax. As a result of the factors outlined above, our profit before tax increased 20.79% from ₹412.29 million in the fiscal year ended March 31, 2013 to ₹497.99 million in the fiscal year ended March 31, 2014. As a percentage of total revenue, our profit before tax decreased from 12.22% in the fiscal year ended March 31, 2013 to 11.83% in the fiscal year ended March 31, 2014.

Tax expenses.

- *Current tax*. We recorded a current tax of ₹99.57 million for the fiscal year ended March 31, 2014 as compared to ₹58.38 million for the fiscal year ended March 31, 2013. This was principally due to an increase in our total taxable profits.

- *Minimum alternate tax credit entitlement.* We recorded a minimum alternate tax credit entitlement of ₹0.88 million for the fiscal year ended March 31, 2014 as compared to ₹25.38 million for the fiscal year ended March 31, 2013. This was principally due to an increase in tax liability as per normal tax calculations and a reduction of MAT.

- *Deferred tax (credit).* We recorded a deferred tax credit of ₹(109.46) million in the fiscal year ended March 31, 2014 as compared to deferred tax credit of ₹(8.89) million in the fiscal year ended March 31, 2013. This was principally due to higher recognition of deferred tax assets as we applied our entire carried forward losses in the fiscal year ended March 31, 2014 and also recognised additional deferred tax assets based on reasonable certainty that the Company will be profitable in the next fiscal year, per the 'reasonable certainty' principal as prescribed in Accounting Standard 22 issued by Institute of Chartered Accountants of India.

Share of profit/(loss) from associates. Our share of (loss) from associates totalled ₹(7.81) million for the fiscal year ended March 31, 2014, a 413.87% decrease over our share of profit from associates of ₹2.49 million in the fiscal year ended March 31, 2013. This change was principally due to our associates incurring higher preliminary expenses used in launching their operations in international markets, which resulted in losses for the year. As a percentage of total revenue, we had a share of profit from associates of 0.07% in the fiscal year ended March 31, 2013 and a share of (loss) from associates of 0.19% in the fiscal year ended March 31, 2014.

Profit attributable to minority interests. Profit attributable to minority interests decreased 37.43% from ₹56.78 million in the fiscal year ended March 31, 2013 to ₹35.53 million in the fiscal year ended March 31, 2014. The decrease in profit attributable to minority interests was primarily due to an increase of our equity shareholding in our subsidiary Scrabble Entertainment Limited, which decreased the minority interest in Scrabble Entertainment Limited.

Restated Profit for the year attributable to equity shareholders of the Company. As a result of the factors outlined above, our profits for the year attributable to equity shareholders of the Company increased 39.39%, from ₹333.89 million in the fiscal year ended March 31, 2013 to ₹465.42 million in the fiscal year ended March 31, 2014.

Fiscal year ended March 31, 2013 compared to fiscal year ended March 31, 2012

Total revenue. We had total revenue of ₹3,374.97 million in the fiscal year ended March 31, 2013, an increase of 62.53% over our total revenue of ₹2,076.50 million in the fiscal year ended March 31, 2012. This increase in total revenue was primarily due to a 62.66% increase in revenue from operations in the fiscal year ended March 31, 2013 from the fiscal year ended March 31, 2012.

- *Revenue from operations*. Our revenue from operations increased 62.66% from ₹2,067.05 million in the fiscal year ended March 31, 2012 to ₹3,362.30 million in the fiscal year ended March 31, 2013. The increase in revenue from operations was primarily due to increases in:

(i) advertisement revenue, which increased by ₹324.61 million, or 87.65%, from ₹370.36 million in the fiscal year ended March 31, 2012 to ₹694.97 million in the fiscal year ended March 31, 2013, primarily due to an increase in advertisement revenue from the Government and PSU advertisers, as well as from corporate advertising clients, due to the launch of our dedicated corporate sales team in the second half of the year, which has resulted in higher utilisation of our advertisement inventory;

(ii) total revenue from Virtual Print Fees (which consists of Virtual Print Fees – DCI (D-Cinema) and Virtual Print Fees – Non-DCI (E-Cinema)), which increased by ₹645.76 million, or 74.70%, from ₹864.50 million in the fiscal year ended March 31, 2012 to ₹1,510.26 million in the fiscal year ended March 31, 2013, primarily grew due to significant growth in the number of D-Cinema screens that we provide services for in India and international markets, as well as growth in the number of new movies that are released in cinemas. Revenue from Virtual Print Fees – DCI (D-Cinema) (VPF D-Cinema) increased by ₹502.31 million, or 203.27%, from ₹247.12 million in the fiscal year ended March 31, 2012 to ₹749.43 million in the fiscal year ended March 31, 2013 and revenue from Virtual Print Fees – Non-DCI (E-Cinema) (VPF E-Cinema) increased by ₹143.45 million, or 23.24%, from ₹617.38 million in the fiscal year ended March 31, 2012 to ₹760.83 million in the fiscal year ended March 31, 2013; and

(iii) total lease rental income (which consists of Lease rental income - Non-DCI (E-Cinema) and Lease rental income - DCI (D-Cinema)), which increased by ₹71.40 million, or 27.16%, from ₹262.86 million in the fiscal year ended March 31, 2012 to ₹334.26 million in the fiscal year ended March 31, 2013, primarily due to growth in the number of D-Cinema exhibitor screens that we provide services for in India. Lease rental income – Non-DCI (E-Cinema) increased by ₹14.08 million, or 5.91%, from ₹238.12 million in the fiscal year ended March 31, 2012 to ₹252.20 million in the fiscal year ended March 31, 2013 and lease rental income – DCI (D-Cinema) increased by ₹57.32 million, or 231.69%, from ₹24.74 million in the fiscal year ended March 31, 2012 to ₹82.06 million in the fiscal year ended March 31, 2013.

- *Other income*. Our other income increased 34.10%, from ₹9.45 million in the fiscal year ended March 31, 2012 to ₹12.67 million in the fiscal year ended March 31, 2013. This increase was primarily due to increase in sundry balance written back.

Total expenses. Our total expenses totalled ₹2,305.48 million in the fiscal year ended March 31, 2013, a 48.41% increase over our total expenses of ₹1,553.46 million in the fiscal year ended March 31, 2012. This increase in total expenses was primarily due to an increase in operating direct costs, employee benefits expenses and other expenses. As a percentage of our total revenue, our expenses decreased from 74.81% in the fiscal year ended March 31, 2012 to 68.31% in the fiscal year ended March 31, 2013.

- *Operating direct costs.* Our operating direct costs totalled ₹1,281.17 million for the fiscal year ended March 31, 2013, a 75.39% increase over our operating direct costs of ₹730.49 million in the fiscal year ended March 31, 2012, which was principally attributable to (i) increased advertisement revenue share payments and other costs associated with our increased advertisement revenue and (ii) increased VPF D-Cinema share payments to D-Cinema exhibitors, in line with our increased VPF D-Cinema revenues.

- *Employee benefits expenses*. Our employee benefits expenses totalled ₹448.18 million in the fiscal year ended March 31, 2013, a 34.59% increase over our employee benefits expenses of ₹333.00 million in the fiscal year ended March 31, 2012, which was principally attributable to an increase in the number of on-roll employees from 382 on-roll employees as at March 31, 2012 to 403 on-roll employees as at March 31, 2013 as well as an increase in remuneration levels. Our number of employees increased because of the growth of our operations.

- *Other expenses.* Our other expenses totalled ₹576.13 million for the fiscal year ended March 31, 2013, a 17.59% increase over our other expenses of ₹489.97 million in the fiscal year ended March 31, 2012, which was principally attributable to increased key selling and general administration expenses, including increased rent and office establishment, legal and marketing, travelling, freight and forwarding expenses.

Restated Earnings before interest, tax, depreciation and amortisation. As a result of the factors outlined above, our earnings before interest, tax, depreciation and amortisation increased 104.48% from ₹523.04 million in the fiscal year ended March 31, 2012 to ₹1,069.49 million in the fiscal year ended March 31, 2013. As a percentage of total revenue, our earnings before interest, tax depreciation and amortisation increased from 25.19% in the fiscal year ended March 31, 2012 to 31.69% in the fiscal year ended March 31, 2013. Our earnings before interest, tax, depreciation and amortisation margin was higher in the fiscal year ended March 31, 2013 than in the fiscal year ended March 31, 2012 on account of the growth of advertisement revenue which has relatively higher margins than some of our other sources of revenue.

- *Depreciation and amortisation expense*. Depreciation and amortisation expense totalled ₹536.15 million in the fiscal year ended March 31, 2013, a 37.61% increase over depreciation and amortisation of ₹389.61 million in the fiscal year ended March 31, 2012, which was principally attributable to an increase in depreciation, primarily from our increased inventory of D-Cinema equipment used, in line with the growth of our D-Cinema operations, as well as due to accelerated depreciation charges for faulty equipment in our inventory that is not covered by warranty.

- *Finance cost*. Our finance cost totalled ₹151.91 million in the fiscal year ended March 31, 2013, a 34.40% increase over finance cost of ₹113.03 million in the fiscal year ended March 31, 2012, which was principally attributable to our increased borrowing levels for financing capital expenditures to grow our D-Cinema business.

- *Finance income.* Our finance income totalled ₹30.86 million in the fiscal year ended March 31, 2013, a 53.44% decrease over finance income of ₹66.29 million in the fiscal year ended March 31, 2012, which was principally attributable to a decrease in investment in fixed deposits and liquid mutual funds.

Restated Profit before tax. As a result of the factors outlined above, our profit before tax increased 375.60%

from ₹86.69 million in the fiscal year ended March 31, 2012 to ₹412.29 million in the fiscal year ended March 31, 2013. As a percentage of total revenue, our profit before tax increased from 4.17% in the fiscal year ended March 31, 2012 to 12.22% in the fiscal year ended March 31, 2013.

Tax expenses.

- *Current tax*. We recorded a current tax of ₹58.38 million for the fiscal year ended March 31, 2013 as compared to ₹19.36 million for the fiscal year ended March 31, 2012. This was principally due to an increase in our total taxable profits.

- *Minimum alternate tax credit entitlement.* We recorded a minimum alternate tax credit entitlement of ₹25.38 million for the fiscal year ended March 31, 2013 as compared to nil for the fiscal year ended March 31, 2012. This was principally due to a decrease in tax liability as per normal tax calculations and calculation under MAT.

- *Deferred tax charge/(credit).* We recorded a deferred tax credit of ₹(8.89) million in the fiscal year ended March 31, 2013 as compared to deferred tax charge of ₹4.57 million in the fiscal year ended March 31, 2012. This was principally due to recognition of deferred tax assets by our subsidiary based on the reasonable certainty of profit as per the provision of Income Tax Act 1961.

Share of profit/(loss) from associates. Our share of profit from associates totalled ₹2.49 million for the fiscal year ended March 31, 2013, an increase over our share of (loss) from associates of ₹(1.24) million in the fiscal year ended March 31, 2012. This increase was principally due to increase in the profitability of our associates. As a percentage of total revenue, we had a share of (loss) from associates of (0.06)% in the fiscal year ended March 31, 2012 and a share of profit from associates of 0.07% in the fiscal year ended March 31, 2013.

Profit attributable to minority interests. Our profit attributable to minority interests increased 216.69% from ₹17.93 million in the fiscal year ended March 31, 2012 to ₹56.78 million in the fiscal year ended March 31, 2013. The increase in profit attributable to minority interests was primarily due to increase in the profit of our subsidiaries which we have a minority interest in, primarily, Scrabble Entertainment Limited.

Restated Profit for the year attributable to equity shareholders of the Company. As a result of the factors outlined above, our profits for the year attributable to equity shareholders of the Company increased 665.97%, from ₹43.59 million in the fiscal year ended March 31, 2012 to ₹333.89 million in the fiscal year ended March 31, 2013.

Liquidity and Capital Resources

Over the past three years, we have been able to finance our working capital requirements through cash generated from our operations and cash credit facilities from banks. We have relied on cash from operations, suppliers' credit and cash credit facilities from banks to finance the expansion of our business and operations, and we do not have any debt other than borrowings under our bank facilities. Since commencement of our operations, we have expanded our physical presence through expansion of our operations across India and in Nepal, the Middle East, Israel and United States. We believe that after taking into account the expected cash to be generated from our business, our short term borrowings and operations and our investment activities, we have sufficient working capital for our present requirements and anticipated requirements for capital expenditures and other cash requirements for 12 months following the date of this Prospectus.

As at December 31, 2014, we had ₹633.97 million of cash and bank balance (excluding non-current cash balance) and current investments and had ₹675.15 million non-current long-term borrowings.

The following table sets forth information on our current investments and cash and bank balances as at the dates indicated:

	As at			
	March 31, 2012	March 31, 2013	March 31, 2014	December 31, 2014
	₹ (in millions)			
Current investments	12.92	116.63	52.99	95.74
Cash and bank balances (excluding non-current cash balance)	518.11	420.56	517.50	538.23
Total	531.03	537.19	570.49	633.97

The following table sets forth certain information concerning our cash flows for the periods indicated:

	For the fiscal year ended			For the nine months ended
	March 31, 2012	March 31, 2013	March 31, 2014	December 31, 2014
	₹ (in millions)			
Net cash from/(used in) operating activities	693.78	842.96	1,199.44	691.27
Net cash from/(used in) investing activities	(1,841.26)	(1,095.29)	(1,428.59)	(555.23)
Net cash from/(used in) financing activities	1,116.61	418.70	230.55	(185.82)

Net cash from/(used in) operating activities

For the nine months ended December 31, 2014, our net cash from operating activities was ₹691.27 million, due to net profit before tax of ₹520.87 million, non-cash and non-operating profit adjustments of ₹728.22 million, direct taxes payment (net of refunds) of ₹(228.96) million and change in net working capital of ₹(328.85) million. For the fiscal year ended March 31, 2014, our net cash from operating activities was ₹1,199.44 million, which is due to net profit before tax of ₹497.99 million, non-cash and non-operating profit adjustments of ₹845.64 million, direct taxes payment (net of refunds) of ₹(166.23) million and change in net working capital of ₹22.00 million. For the fiscal year ended March 31, 2013, our net cash from operating activities was ₹842.96 million, due to net profit before tax of ₹412.29 million, non-cash and non-operating profit adjustments of ₹722.03 million, direct taxes payment (net of refunds) of ₹(81.32) million and change in net working capital of ₹(210.04) million. For the fiscal year ended March 31, 2012, our net cash from operating activities was ₹693.78 million, which is due to net profit before tax of ₹86.69 million, non-cash and non-operating profit adjustments of ₹447.56 million, direct taxes payment (net of refunds) of ₹(64.85) million and change in net working capital of ₹224.39 million.

Net cash from/(used in) investing activities

For the nine months ended December 31, 2014, our net cash used in investing activities was ₹(555.23) million. This was principally due to our procurement of additional digital cinema equipment and investment in our subsidiaries, Southern Digital Screenz India Private Limited where we increased our shareholding from 75.18% as March 31, 2014 to 84.18% as at December 31, 2014 and Scrabble Entertainment Ltd. where we increased our shareholding from 76.41% as at March 31, 2014 to 91.33% as at December 31, 2014. For the fiscal year ended March 31, 2014, our net cash used in investing activities was ₹(1,428.59) million, principally due to our procurement of additional digital cinema equipment. For the fiscal year ended March 31, 2013, our net cash used in investing was ₹(1,095.29) million. This was principally due to our procurement of additional digital cinema equipment and acquiring additional shareholding in Scrabble Entertainment Limited from 51.85% as at March 31, 2012 to 76.41% as at March 31, 2013. For the fiscal year ended March 31, 2012, our net cash used in investing activities was ₹(1,841.26) million. This was principally due to our procurement of additional digital cinema equipment and acquiring additional shareholding in Southern Digital Screenz India Private Limited from 6.86% as at March 31, 2011 to 75.18% as at March 31, 2012 and in Scrabble Entertainment Limited from 3.69% as at March 31, 2011 to 51.85% as at March 31, 2012.

Net cash from / (used in) financing activities

For the nine months ended December 31, 2014, our net cash used in financing activities was ₹(185.82) million. This was primarily due to repayment of long term borrowings. For the fiscal year ended March 31, 2014, our net cash from financing activities was ₹230.55 million. This was primarily due to increase in long term borrowing from banks. For the fiscal year ended March 31, 2013, our net cash from financing activities was ₹418.70 million, primarily due to an increase in long term borrowing from banks. For the fiscal year ended March 31, 2012, our net cash from financing activities was ₹1,116.61 million, primarily due to proceeds from issuance of preference share capital, including securities premium, amounting to ₹1,143 million. This issuance was done in April 2011 and was converted to equity capital in March 2012.

Borrowings

Our borrowings consist of long-term borrowings, including secured bank term loans and vehicle loans, and short-term borrowings. See the section entitled "*Financial Indebtedness*" on page 435 of this Prospectus for more details.

Capital expenditures

Our capital expenditures are mainly related to the purchase of fixed assets, primarily digital cinema equipment (including servers, projectors and UPS), office equipment, furniture and fixtures, computer hardware and software. The primary source of financing for our capital payments has been internal accruals and long term borrowings from banks.

The table below provides details of our net cash outflow on capital expenditures for the periods stated.

	Fiscal year ended March 31,		
	2012	**2013**	**2014**
	₹ (in millions)		
Cash used in purchase of fixed assets (including intangible assets, capital work in progress and capital advances)	1,326.43	1,126.56	1,342.68

Planned capital expenditures

We estimate our planned capital expenditures for the period between April 1, 2014 and March 31, 2015 to be in the range of 10% to 12% of our total revenue, which is planned to be used for procurement of digital cinema equipment (including servers, projectors and UPS).

The anticipated source of funding for our planned capital expenditures is internal accruals and borrowing from banks. The eventual sources of funding for our capital expenditure would depend on, among others, factors such as the cost and availability of financing and our available cash balances at any point in time.

Contractual Obligations

The table below sets forth, as at December 31, 2014, our contractual obligations with definitive payment terms. These obligations primarily relate to repayment of long-term borrowings.

	As at December 31, 2014			
	Total	**Less than 1 year**	**1 to 5 years**	**After 5 years**
	₹ (in millions)			
Non-Current Long-Term Borrowings	1,317.36	642.21	675.15	NIL
Operating Lease Obligations	40.48	40.48	NIL	NIL
Purchase obligations	27.57	27.57	NIL	NIL
Total	**1,385.41**	**710.26**	**675.15**	NIL

Contingent Liabilities

As at December 31, 2014, we had contingent liabilities according to Accounting Standard 29, as follows:

	₹ in millions
Particulars	**Nine months**

	period ended December 31, 2014
Dividend on 4,885,925 - 6% Cumulative Convertible Preference Shares of Rs. 100/- each.	31.00
Performance guarantees issued by the group on behalf of Subsidiaries to two studios for the performance of obligation relating to distribution of their digital content in certain by its subsidiaries, step down subsidiaries and associates of subsidiary in certain overseas market (Refer note a.)	2,216.60
Corporate Guarantee to a bank on behalf of joint venture of Subsidiary (Refer note b.)	70.00
Corporate Guarantee to a bank on behalf of enterprises owned or significantly influenced by key management personnel or their relatives (Refer note c.)	10.00
Bank guarantees issued by the group in favour of various State Government for Sales tax registration	0.75
Labor Guarantee	0.57
Letter of credit	0.62
Indirect Tax Matters	
West Bengal VAT matter	4.20
Andra Pradesh for VAT matter	0.63
Bihar, VAT matter	5.30
Service Tax matters (Refer note d.)	233.20
Income Tax Matters	27.35
Total Contingent liabilities	**2,600.22**

a. During the year ended March 31, 2014, the Company's subsidiary, Scrabble Entertainment Limited issued performance guarantees of US$ 20 million each to a studio on behalf of Scrabble Entertainment Mauritius Limited and Scrabble Entertainment JLT by terminating two prior guarantees in the amount of US$ 10 million each. The aggregate liability of these two guarantees was capped at an upper limit of US$ 20 million.

    a. US$ 5 million to a studio on behalf of Scrabble Entertainment JLT; and

    b. US$ 5 million to a studio on behalf of Scrabble Entertainment Mauritius Ltd.

    During the nine-month period, Scrabble Entertainment Limited issued a performance guarantee to a studio on behalf of an associate of a Subsidiary, Scrabble Ventures LLC, in the amount of US$ 5 million.

b. During the nine-month period ended December 31, 2014, the Company provided a corporate guarantee to a bank in respect of an overdraft facility of ₹70 million for a term of 12 months on behalf of Mukta VN Films Limited.

c. During the nine-month period ended December 31, 2014, the Company provided a bank guarantee in the amount of ₹10 million to the Chief Secretary, Revenue Department, Government of Maharashtra which is valid until March 31, 2016 on behalf of Impact Exchange Media Limited, for declaring Impact Media Exchange Limited as an approved satellite based computer ticketing system provider in Maharashtra.

d. The Company has received show cause notices from service tax authorities challenging the qualification of Digital Cinema Equipment as 'capital goods' under the CENVAT Credit legislation, and denying the CENVAT Credit claimed on the procurement of such goods which have been leased out to various theatres / third parties. The Company has filed its responses to the authorities. In the event of any liability crystallising on the Company, the Company will consider capitalising the CENVAT credit.

Income Tax Matters: The Company is contesting certain demands from tax authorities and the management, including its tax advisors, believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Other Matters: The Company had made downstream investments in its subsidiaries. As a foreign owned or controlled company, the Company is required to make certain filings with regulators in India. In the past, there have been delays in filings to be made with the regulators within the specified period as required by exchange control regulations. The ultimate outcome of these delays or their impact on the Company's financial position and results of operations cannot be currently estimated for the nine month period ended December 31, 2014.

For further details of contingent liability as per Accounting Standard 29, see the section titled "*Financial Statements*" on page 352.

Our contingent liabilities may become actual liabilities. In the event that any of our contingent liabilities materialise, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future.

Off-Balance Sheet Transactions

We do not have any off-balance sheet transactions.

Market Risks

Interest rate risk

We currently have long term debt facilities at floating interest rates from leading private sector banks such as Axis Bank Limited and HDFC Bank Limited and vehicle financing facilities from Axis Bank Limited and Kotak Mahindra Prime Limited. We also have short term credit facility from Axis Bank for working capital financing at a floating interest rate. We are exposed to the risk of increase in the interest rates of these loans, or for future financing, which may occur due to macroeconomic environment and monetary policy decisions of Reserve Bank of India.

Our borrowings at floating interest rates expose us to interest rate risk. Taking into account our floating rate borrowings, at December 31, 2014, if interest rates had been 50 basis points lower/higher, with all other variables held constant, our profit for the period would have been ₹4.19 million lower/higher.

Exchange rate risk

Some of the revenues for certain of our international subsidiaries, as well as of Scrabble Entertainment Limited, is received in U.S. dollars. We procure certain digital cinema equipment, such as servers, projectors and UPS, and a portion of our spare parts and consumables from international suppliers, usually denominated in U.S. dollars. As such we remain exposed to exchange risks relating to fluctuation in the exchange rates.

Inflation

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

Seasonality

Our results of operations vary from quarter-to-quarter as our business is closely linked with the film and advertising industries in India, which are subject to seasonality. Our revenues from operations in the third quarter of each fiscal year tend to be relatively higher due to: (i) increased VPF D-Cinema and VPF E-Cinema from distributors, due to the release of a higher number of big budget films corresponding to the festive period in India and (ii) increased advertisement revenue, as corporate advertisers tend to align their advertising spend with the festive season and key movie releases. Our advertisement revenue in the fourth quarter of each fiscal year also tends to be higher as Central Government and State Government advertisers tend to use the remainder of their annual advertising budget prior to the beginning of the next fiscal year. Our revenues from operations in the first quarter of each fiscal year tend to be relatively lower, because of decreased VPF D-Cinema and VPF E-Cinema from distributors, as there is generally a lower amount of films released due to factors such as the monsoon season and school examination period in India.

Material Increases in Net Revenues and Sales

As described in detail under "*Fiscal year ended March 31, 2014 compared to fiscal year ended March 31, 2013*" and "*Fiscal year ended March 31, 2013 compared to fiscal year ended March 31, 2012*" on pages 471 and 474 respectively, of this Prospectus, material increases in net revenues and sales are primarily due to increased sales volume.

Total Turnover of Each Major Industry Segment in Which the Company Operated

We operate only in one industry segment (i.e. the digital cinema industry). Turnover data for this industry is not available to us.

Unusual or Infrequent Events or Transactions

Other than as described in the section entitled "*Business – Recent Developments*" on page 186 of this Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Other than as described in the sections entitled "*Risk Factors*" and this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 23 and 455, respectively, of this Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our income or revenue from operations.

Future Relationships between Costs and Income

Other than as described in the sections entitled "*Risk Factors*" and this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 23 and 455, respectively, of this Prospectus, to our knowledge there are no known factors which will have a material adverse impact on our operations or finances.

New Product or Business Segments

Other than as described in the sections entitled "*Business – Our Strategy*" and "*Business – Recent Developments*" on pages 189 and 186 of this Prospectus, respectively, there are no new products or business segments in which we operate.

Competitive Conditions

We expect competitive conditions in our industry to intensify further as new entrants emerge and as existing competitors seek to emulate our business model and offer similar products and services. For further details, please refer to the sections entitled "*Risk Factors*" and "*Business*" on pages 23 and 184, respectively, of this Prospectus.

Suppliers or Customer Concentration

Other than as described in the section entitled "*Risk Factors – Certain of our customers account for a large portion of our revenues. The loss or reduction in spending by any of these customers could have a significant adverse effect on our business*." on page 32 of this Prospectus, we do not have any material dependence on suppliers or customers.

Significant Economic Changes that Materially affected or are Likely to Affect Income from Continuing Operations

Other than as described in the sections entitled "*Risk Factors – Any downturn in the Indian or international cinema industries could adversely affect our business, financial condition, results of operations and prospects.*" on page 24, "*Risk Factors – We are exposed to pricing pressure from our customers.*" on page 33, "*Risk Factors – As our operations in India contribute a significant source of our revenue, a slowdown in economic growth in India could cause our business to suffer. We are also subject to regulatory, economic, social and political uncertainties in India.*" on page 50, "*Risk Factors – We cannot ensure that our intellectual property is protected from copying or use by others, including current or potential competitors.*" on page 37, of this Prospectus and as otherwise disclosed in this Prospectus, we are not aware of any significant economic changes that materially affected or are likely to affect income from continuing operations.

Significant Developments after December 31, 2014 that May Affect Our Future Results of Operations

To our knowledge, except as disclosed in the section entitled "*Risk Factors – Our Company is presently involved in certain disputes with Real Image Media Technologies Private Limited, our competitor, with respect to certain patents held by Real Image. If such disputes are decided against us or are not settled on terms favorable to us, or at all, it would have a material adverse effect on our business, financial condition, results of operations, prospects and reputation and may also have a material adverse effect on our stock price*." on page 23, there is no subsequent development after the date of our financial statements contained in this Prospectus which materially and adversely affects, or is 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.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below there are no outstanding litigation, suits or criminal or civil proceedings or tax liabilities against us, our Promoters, Directors, Subsidiaries or Group Entities, Joint Venture, Associates or any other person, whose outcome would have a material adverse effect on our business and there are no defaults, non-payment or overdues of statutory dues, institutional or bank dues or dues payable to instrument holders such as holders of any debentures, bonds and fixed deposits and arrears on cumulative preference shares, that could have a material adverse effect on our business as of the date of this Prospectus. Furthermore, except as stated below, in the last five years preceding the date of this Prospectus there have been (a) no instances of material frauds committed against our Company or its Subsidiaries; (b) no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the case of our Company or its Subsidiaries and, no prosecutions have been filed (whether pending or not), fines imposed or compounding of offences for the Company or the Subsidiaries; (c) no litigation or legal action pending or taken by any ministry or department of the government or any statutory body against the Promoters. For details of contingent liability as per Accounting Standard 29, refer to the section "*Financial Statements*" on page 352 of this Prospectus.

Except as described below, there are no proceedings initiated for economic or civil offences (including past cases if found guilty) or any disciplinary action taken by SEBI or any stock exchange, penalties imposed by any authorities against our Company, the Subsidiaries and Directors and no adverse findings in respect of our Company or Subsidiaries, as regards compliance with securities laws. Further, except as described below, there are no instances where our Company, the Subsidiaries or Directors have been found guilty in suits or criminal or civil prosecutions, or proceedings initiated for economic or civil offences or any disciplinary action by SEBI or any stock exchange, or tax liabilities.

Except as disclosed below there are no (i) litigation against the Directors involving violation of statutory regulations or alleging criminal offence; (ii) past cases in which penalties were imposed by the relevant authorities on the Company, the Subsidiaries and the Directors; (iii) outstanding litigation or defaults relating to matters likely to affect the operations and finances of the Company and the Subsidiaries, including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013; and (iv) small scale undertakings or any other creditors to whom the Company owes a sum exceeding ₹100,000 which is outstanding for more than 30 days. Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

I. Litigation involving our Company and material developments

A. Outstanding litigation

Litigation against our Company

1. Criminal proceedings

There are no criminal proceedings currently pending against the Company.

2. Civil proceedings

(i) Our Company received a letter dated May 29, 2012, from the Maharashtra Engineering and General Kamgar Union, alleging that our Company had orally and, therefore, illegally terminated the employment of one of our former employees, Mr. Santosh Balan Kurup, with effect from April 18, 2012. The letter also requested that our Company allow Mr. Santosh Balan Kurup to resume his duty at his original post within seven - ten days of receipt of the letter.

Thereafter, a notice dated August 9, 2012 from the Fourth Labour Court at Thane, was received by our Company, enclosing a complaint filed by Mr. Santosh Balan Kurup, alleging, among others, unfair labour practices by our Company, and seeking, amongst other things, reinstatement of services with full wages and continuity of services with effect from April 18, 2012, as interim and final relief. By way of the complaint, it was alleged that having terminated Mr. Santosh Balan Kurup's employment, our Company was in contravention of Schedule IV of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 and Sections 25F and 25G of the Industrial Disputes Act, 1947. It was further alleged that our Company had failed to pay Mr. Santosh Balan Kurup minimum wages, overtime wages, and other statutory dues.

Subsequently, on January 17, 2013 our Company filed a reply before the Fourth Labour Court, disputing, among others, the existence of any employer-employee relationship between the Company and Mr. Santosh Balan Kurup, on account of Mr. Santosh Balan Kurup being hired by a contractor, United Corporate Resources Limited, with whom the contract for provision of services was terminated by our Company in 2011. The matter is in the stage of filing of evidence by Mr. Santosh Balan Kurup. The matter is currently pending.

(ii) Our Company has received a legal notice dated February 9, 2015 ("**February 9 Notice**") from Real Image Media Technologies Private Limited ("**Real Image**"), our competitor, wherein Real Image, has asserted that it is the inventor of certain technological processes protected by Indian patent no. IN 202969 titled "*A Method of Distributing & Tracking Media and Advertisements*" and Indian patent no. IN 202980 titled "*Remotely Configurable Media and Advertisement Player and Method of Manufacture and Operation Thereof*" ("**RI's Patents**"), and that it believes that aspects of RI's Patents also form a part of our Company's technology. The February 9 Notice requires our Company to obtain a license from Real Image if our technology contains the aspects covered under RI's Patents. Real Image has further alleged that any use of these aspects without obtaining a license from Real Image would be tantamount to an infringement of RI's Patents. Our Company then received two notices dated March 10, 2015 and March 17, 2015 from Real Image, requesting our Company to respond to the February 9 Notice.

Our Company has replied to the aforementioned notice by way of a letter dated April 1, 2015 ("**April 1 Response**"). The April 1 Response has refuted the allegations made by Real Image in the February 9 Notice on a number of grounds, including the invalidity of RI's Patents on account of concealment of material information from the Indian patent authorities and non-patentability of the subject matter, and the fact that there is no infringement of RI's Patents given the process used by our Company in the course of its business. Our Company has also obtained legal advice that RI's Patents are invalid and there is no infringement of the same. On March 27, 2015, our Company has also initiated revocation proceedings under Sections 64 of the Patents Act 1970 before the Intellectual Property Appellate Board, Chennai ("**IPAB Chennai**") for the revocation of RI's Patents. Subsequently, our Company has filed applications dated April 21, 2015 before the IPAB Chennai for withdrawal of the aforesaid revocation proceedings, with the understanding that Real Image will not initiate infringement proceedings against our Company in relation to RI's Patents until our Company and Real Image have discussed this matter. The withdrawal applications are currently pending before the IPAB Chennai.

Our Company has received proposals from Real Image for settlement of the above disputes. Our Company is discussing these matters with Real Image.

3. Regulatory proceedings

(i) Our Company received an order dated July 27, 2007 from the Commissioner of Customs (Export) ("**CC Export**"), whereby the CC Export had appropriated a total amount of ₹ 6,865,528 from a revenue deposit of ₹ 10 million made by our Company on March 28, 2007. The remaining amount of ₹ 3,134,742 was returned to our Company. Further, an additional deposit of ₹ 0.25 million was made by our Company on March 29, 2007. The same was also returned by the CC Export. Lastly, two projectors that had earlier been seized by the Superintendent of Customs, were released on provisional basis and returned to the importers. The Company had earlier been availing benefit under the EPCG Scheme. The Company has since surrendered two of three licenses issued under such scheme and is in the process of surrendering the third license, as the Company is now paying the entire customs duty on import of projectors.

(ii) Certain projectors imported by our Company were not cleared on December 3, 2008 by the Deputy Commissioner of Customs, Andheri (E), Mumbai ("**DC Customs Mumbai**") as the Retail Sale Price ("**RSP**") on import of such projectors had not been declared by our Company and the DC Customs Mumbai wanted to apply the provisions of Section 4A of the Central Excise Act, 1944 ("**Central Excise Act**") for the purpose of valuation of additional duty of customs with their retail price as the basis. A personal hearing to that effect was granted to us on December 15, 2008.

On December 15, 2008, our Company also sent a letter to the DC Customs Mumbai, wherein our Company contended that RSP on the imported equipment was not required to be declared as amongst others:

- The projectors imported do not fall under the category of notified goods under the Standard of Weights and Measures Act, 1976 ("**SWAM Act**");
- There was no retail sale of the projectors; and
- The projectors are not imported in the form in which they were installed in the theatres.

Thereafter, the DC Customs Mumbai passed an order dated January 14, 2009 wherein our Company was ordered to pay Countervailing Duty ("**CVD**") on RSP in terms of Section 4A of the Central Excise Act. Our Company filed an appeal on February 25, 2009 with the Commissioner of Customs (Appeals), Mumbai ("**CC Appeals Mumbai**") against the aforementioned order arguing the same facts as had been stated in the letter dated December 15, 2008 sent to the DC Customs Mumbai. Further, our Company filed a letter with the CC Appeals Mumbai on April 6, 2009 enclosing written submissions furthering our Company's claim. Thereafter, the CC Appeals Mumbai passed an order dated July 31, 2009 wherein the CC Appeals Mumbai upheld the order passed by the DC Customs Mumbai and the appeal was dismissed. Subsequently, our Company filed an appeal with the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai ("**CESTAT Mumbai**") on October 22, 2009 wherein our Company argued the same facts as had been stated in the previous appeal filed with the CC Appeals Mumbai and prayed, amongst others, that the order of the CC Appeals Mumbai be set aside and that operation of such order be stayed till disposal of this appeal. The CESTAT Mumbai, on November 10, 2010 fixed December 3, 2010 as the date of the hearing. On December 3, 2010 CESTAT Mumbai rejected such prayer for stay. The matter is currently pending.

(iii) Certain projectors imported by our Company were not cleared on May 19, 2009 by the appraising officer, Customs Department as the RSP had not been declared by our Company and the appraising officer wanted to apply the provisions of Section 4A of the Central Excise Act for the purpose of assessment of additional duty on customs with the RSP as the basis. Our Company filed an appeal on August 19, 2009 with the CC Appeals Mumbai against the non-clearance of projectors imported by our Company by the appraising officer, Customs Department and argued the same facts as had been stated in the abovementioned letter dated December 15, 2008 sent to the DC Customs Mumbai. Further, our Company sent a letter to the DC Customs Mumbai on May 21, 2009 wherein our Company contended that RSP on the imported equipment was not required to be declared arguing that the same were to be used as capital goods for captive usage and were not meant for sale and the bill of entry be assessed provisionally. Thereafter, our Company received a notice of hearing on January 28, 2010 from the Superintendent Customs (Appeals), Mumbai ("**SC Appeals Mumbai**") wherein the SC Appeals Mumbai stated that the CC Appeals Mumbai had directed our Company to appear in front of him on February 11, 2010 regarding this matter.

(iv) Certain projectors imported by our Company were not cleared on August 1, 2009 by the Assistant Commissioner of Customs, Andheri (E), Mumbai ("**AC Customs Mumbai**") as the RSP on such projectors had not been declared by our Company and the AC Customs wanted to apply the provisions of Section 4A of the Central Excise Act for the purpose of valuation of additional duty of customs with RSP as the basis. Our Company sent a letter to the AC Customs Mumbai on August 5, 2009 wherein our Company contended that RSP on the imported equipment was not required to be declared arguing the same facts as had been stated in the abovementioned letter dated December 15, 2008 sent to the DC Customs Mumbai. A personal hearing to that effect was granted to our Company on August 7, 2009, where our Company submitted that the goods are not covered under the MRP provision as, amongst others, the goods are not notified, there is no retail sale and the goods are exempted as they are provided to institutional customers. Thereafter, the AC Customs Mumbai passed an order dated August 7, 2009 wherein our Company was ordered to pay CVD on RSP in terms of Section 4A of the Central Excise Act. Our Company filed an appeal on October 26, 2009 with the CC Appeals Mumbai against the aforementioned order.

Thereafter, the CC Appeals Mumbai passed a common order dated April 21, 2010 for both (iv) and (v) above, wherein the abovementioned appeals were dismissed. Subsequently, our Company filed appeals with the CESTAT Mumbai on June 30, 2010 wherein our Company argued the same facts as had been stated in the previous appeals with the CC Appeals Mumbai and prayed that the order of the CC Appeals Mumbai be set aside and the matter be remanded back to the original authority. Both matters are currently pending.

(v) Our Company received notice from the Commissioner of Customs (Imports), GATT Valuation Cell, Mumbai ("**CC Import GATT**") on August 31, 2010 in relation to determination of imports made by our Company from UFO International Limited and their associates/affiliates. The notice required our Company to submit a list of documents in relation to such imports. Our Company, by way of a reply dated October 4, 2010 furnished all such information as had been requested by the CC Import GATT. The matter is currently pending.

4. Tax disputes

(i) By way of a notice dated January 23, 2009 the Income Tax Officer requested the Company to produce certain documents in connection with assessment year 2007-08. Thereafter the Deputy Commissioner of Income Tax, New Delhi ("**DCIT Delhi**") by way of its order dated December 31, 2009 disallowed expenses and thereby assessed at a loss of ₹ 248,405,386 on account of, amongst others, legal and professional charges, prior paid expenses and depreciation claimed. Our Company preferred an appeal before the Commissioner of Income Tax (Appeals)-XXI, New Delhi ("**CIT(A) Delhi**") on January 22, 2010 and the CIT(A) Delhi, by way of its order dated January 10, 2011 partially allowed the appeal. Thereafter, the Income Tax department preferred an appeal with the Income Tax Appellate Tribunal, New Delhi ("**ITAT Delhi**") on March 18, 2011 which was partially allowed by the ITAT Delhi by an order dated May 31, 2012 restoring the matter to the CIT(A) Delhi for fresh adjudication. Thereafter, the CIT(A) Delhi passed a fresh appellate order on January 31 2013 which disallowed legal and professional expenses of ₹ 2,548,492 and prior period expenses of ₹ 92,380. Thereafter, our Company received a notice dated February 24, 2014 from the DCIT Delhi, initiating penalty proceedings under Section 271(1)(c) of the Income Tax Act. 1961 ("**IT Act**"). Our Company filed a reply with the DCIT Delhi, on March 5, 2014 objecting to the initiation of penalty proceedings. Thereafter, by way of an assessment order dated March 24, 2014, the DCIT Delhi held that our Company had willfully and consciously concealed and/or furnished inaccurate particulars of services availed by the Company for assessment year 2007-08 and disallowed a total amount of ₹ 2,131,174. Pursuant to the aforesaid order, our Company received a demand notice for payment of ₹ 717,353. Thereafter, our Company filed an appeal before the CIT(A) Delhi on April 9, 2014. This matter is currently pending.

(ii) Our Company received a notice dated July 28, 2010 from the Assistant Commissioner of Income Tax, New Delhi ("**ACIT Delhi**"), requesting our Company to furnish certain documents in connection with return on income filed by our Company for assessment year 2008-09. Our Company, by way of replies dated August 11, 2010, August 20, 2010 and August 30, 2010 provided such documents. By way of an order dated August 18, 2011 under Section 92CA(3) of the IT Act, in connection with determination of arms' length pricing for the international transactions undertaken by our Company for the A.Y. 2008-09, which included, advancing a loan to ELC, our Subsidiary, at the rate of 7%, the transfer pricing officer ("**TPO**") concluded that since ELC fell in the CRISIL rating 'BB', the interest on the loan facility extended to ELC should have been calculated at the rate of 17.26%. Under the modified rate of interest, the interest amount to be recovered by our Company stood at ₹ 66,366,290 creating a disparity of ₹ 41,169,452 the same being the proposed adjustment u/s 92CA. Accordingly, our Company's income stood enhanced by ₹ 41,169,452. Thereafter, the ACIT Delhi passed a draft assessment order dated December 21, 2011, whereby our Company was assessed for an aggregate loss of ₹ 249,076,900. Our Company filed an appeal dated January 17, 2012 with the Dispute Resolution Panel-II, New Delhi ("**DRP Delhi**"), against the draft assessment order contending that as the loan provided to ELC was advanced in USD, the prevailing USD interest rate for that time should be applicable. The DRP Delhi has by way of its order dated September 18, 2012 ("**DRP Directions**"), directed that an interest rate of 4% above LIBOR would be reasonable, and, amongst others, directed the TPO to recompute the arm's length pricing ("**ALP**") for interest on loan by applying the aforementioned interest rate.

Pursuant to the DRP Directions, by way of a final assessment order dated November 1, 2012, the ACIT Delhi disallowed certain deductions claimed by our Company aggregating to ₹ 9,741,354 and added the same to the total income of the Company on account of, amongst others, capital expenditure made towards payment of security deposit to Reliance Communications Infrastructure Limited and adjustment on account of ALP. Further, the ACIT Delhi upheld the interest amount recalculated by the TPO and held that an adjustment of ₹ 7,420,785 is to be made to the income of the Company on account of ALP. Penalty proceedings were also initiated against the Company for filing of inaccurate particulars of income, thereby assessing an aggregate loss of ₹ 282,825,570. Pursuant to the aforementioned order, our Company received a demand notice for payment of penalty of nil amount.

Thereafter, our Company preferred an application with the Additional Director of Income Tax, Transfer Pricing Officer-II(4), New Delhi ("**ADIT TPO Delhi**") under Section 154 read with Section 92CA of the IT Act by way of a letter dated November 9, 2012 for rectification of interest rate, stating therein that the LIBOR rate for assessment year 2008-09 was 4.53%, as mentioned by our Company in the transfer pricing report, and therefore the interest for such assessment year should be charged at a rate of 8.53% p.a. instead of 8.5% p.a. Subsequently, our Company filed an appeal before the ITAT Delhi dated December 11, 2012 against the aforementioned order of the ACIT Delhi dated November 1, 2012. The appeal is currently pending. The ADIT TPO Delhi, by way of its order dated March 19, 2013 rectified interest charged on the loan advanced to ELC for assessment year 2008-09, and accordingly reduced the adjustment of ₹ 7,420,785 made by the ACIT Delhi in its order dated November 1, 2012 to ₹ 5,507,309 towards deficit in interest to the income of our Company on account of ALP calculation.

(iii) Our Company received a notice under Section 92CA(2) read with Section 92D(3) of the IT Act from the Deputy Director of Income Tax, Transfer Pricing Officer-II, Delhi ("**DDIT TPO Delhi**") on January 14, 2013 regarding computation of ALP for assessment year 2009-10. The DDIT TPO Delhi mentioned in the aforementioned notice that our Company had advanced a loan of ₹ 456,165,318 to ELC, for which our Company had charged interest at the rate of 7%. The interest received during the year stood at ₹ 36,025,978. The aforementioned notice further stated that ELC was not of such financial health to get the loan on its own and that there did not appear to be any repayment of principal amount till date or any record of any security provided against the loan. The DDIT TPO Delhi contended that under the CUP method, the interest rate is determined by the interest that would be earned if a loan was given to an unrelated party in similar situations. Additionally, relying on the DRP Directions dated September 18, 2012, the DDIT TPO Delhi held that a foreign currency loan will be benchmarked using the rate of LIBOR on which day the loan was given +4%, as the credit rating of ELC to whom the loan was to be given was considered as "BB". Thereafter, our Company submitted a reply with the DDIT TPO Delhi on January 18, 2013, informing the DDIT TPO Delhi that the LIBOR rate as applicable during the current assessment year was accepted in the preceding assessment year as per the DRP Directions. Additionally our Company contended that in order to benchmark the transaction of receipt of interest from a transfer pricing perspective, it was critical that the interest rate for the period in which the interest is received be considered rather that the rate on the date on which the loan was advanced. Finally, our Company stated that as the interest was charged at the rate of 7%, which was higher that the LIBOR rate, there was no need for any addition to our Company's liability. Subsequently, an order was passed by the ADIT TPO Delhi under Section 92CA of the IT Act dated January 21, 2013 wherein, reliance was placed on the DRP Directions, and the ADIT TPO Delhi held that the rating of ELC should be taken as "BB" and, interest rate should be calculated at 400 points over and above the LIBOR rate. It was further held that our Company's income be enhanced by ₹15,041,205 on the basis that the international transaction pertaining to receipt of interest on the loans advanced to ELC do not satisfy the ALP as envisaged under the IT Act.

Thereafter, a draft assessment order was passed by the DCIT Delhi on March 6, 2013 disallowing certain deductions claimed by our Company, aggregating to ₹ 19,895,450, on account of disallowance under Section 14A of the IT Act, bad and doubtful debts and adjustments to our declared income on account of the unsecured loan given to ELC together with penalty thereon thereby enhancing our Company's total income to ₹ 46,246,518.

Thereafter, our Company has, under Section 144C(2) of the IT Act, filed objections against the draft assessment order dated April 4, 2013 before the DRP Delhi challenging, amongst others, the enhanced rate of interest payable and the jurisdiction of the assessing officer in determination of ALP for the Company's international transactions. The DRP Delhi in its order dated December 20, 2013 disallowed our appeal, upheld the rate of interest payable as per the DRP Directions and directed the assessing officer to complete the assessment according to the directions of the DRP Delhi in such order.

Pursuant to the order of the DRP Delhi dated December 20, 2013, the DCIT Delhi passed a final assessment order dated December 27, 2013, disallowing certain deductions claimed by our Company aggregating to ₹ 19,895,450 and thereby assessing our Company's total income at ₹ 46,246,518. Such deductions had been claimed in relation to disallowance under Section 14A of the IT Act; provisional amounts set aside for bad and doubtful debts; and adjustments made to our Company's declared income on account of the unsecured loan given to ELC together with penalty thereon. Pursuant to the order dated December 27, 2013, our Company received a demand notice dated December 27, 2013, for payment of penalty of nil amount after set off of loss of ₹ 46,246,518 brought forward for assessment years 2006-2009. Subsequently, our Company filed replies dated January 16, 2014 and April 1, 2014 to the notice dated December 27, 2013 with the DCIT Delhi for payment of penalty, stating, amongst others, that our Company had neither concealed nor furnished inaccurate particulars, and that an appeal had been preferred with the ITAT Delhi regarding the same. Our Company has filed an appeal dated February 18, 2014 against the order of the DRP Delhi before the ITAT Delhi. The appeal is currently pending.

(iv) Our Company received a notice under Section 143(2) of the IT Act from the ACIT Delhi on August 25, 2011, requiring a representative of our Company to attend the office of the ACIT Delhi in connection with the return of income submitted for the assessment year 2010-11. Our Company filed a reply to the aforementioned notice on September 6, 2011, enclosing therein all required documents. Thereafter, an order was passed by the DDIT TPO Delhi on January 29, 2014 stating that our Company had undercharged interest on an unsecured loan granted to ELC, by charging interest at the rate of 7% p.a., and accordingly held that our Company's declared income should be enhanced by an aggregate of ₹ 38,309,325 on account of transfer pricing adjustment. Subsequently, the DCIT Delhi passed a draft assessment order dated February 28, 2014 disallowing certain deductions claimed by our Company aggregating to ₹ 38,910,033 and thereby assessing our Company's total income at ₹ 134,084,341. Such deductions had been claimed in relation to disallowance under Section 14A of the IT Act related to expenses towards repairs & maintenance and freight & forwarding charges and not added back in the computation; and adjustment of ALP under Section 92CA of the IT Act on account of international transaction related to the receipt of interest from account of unsecured loan given by our Company to ELC. Our Company filed an objection with the DRP dated March 28, 2014, to the aforementioned order.

The DRP, in its order dated November 13, 2014, rejected all the contentions made by our Company towards the aforementioned claims, and for deductions claimed in relation to prior period expenses, the DRP directed the assessing officer to verify the claim of our Company as regard to the receipt of invoices in the assessment year under consideration and seek an explanation as to why such expenses were not booked in the previous assessment year 2009-10, when they were actually incurred, and thereafter, the assessing officer may allow the deduction after such verification. In light of the aforementioned DRP order, our Company received a notice dated November 24, 2014 from the DCIT Delhi, requiring our Company to furnish the necessary details and documents in respect of the directions of the DRP. By way of a reply dated December 8, 2014, our Company reverted to such notice. Thereafter, the DCIT passed an assessment order dated December 29, 2014 wherein the DCIT Delhi disallowed a total amount of ₹ 38,448,396 and assessed our Company at a total loss of ₹ 134,545,978. A demand notice dated December 29, 2014 was issued, whereby our Company was asked to pay nil for the relevant assessment year. Our Company filed a request for the penalty proceedings to be dropped or kept in abeyance until the disposal of the appeal to be filed by our Company before the ITAT before the DCIT Delhi on January 27, 2015. Thereafter, our Company filed an appeal against the assessment order dated December 29, 2014 before the ITAT on March 4, 2015.

(v) By way of a notice dated September 4, 2014, the DCIT Mumbai, sought clarifications on certain points in connection with the return on income submitted by our Company on November 18, 2013, for assessment year 2013-14. Our Company, through an authorized representative had filed a reply to the notice, dated September 12, 2014, enclosing all required documents. The matter remains pending for hearing with the DCIT Mumbai.

(vi) The Company received a letter dated May 17, 2010 from the Department of Revenue, Office of the Assistant Commissioner, Central Excise, Customs and Service Tax, Cuttack Division ("**ACT Cuttack**"), requesting details regarding renting of '*Cinema System Machines*' to all clients in the state of Orissa from the financial year 2008-09 for ascertaining taxability towards service tax under the category of '*Supply of Tangible Goods*'. Our Company submitted the required information by way of replies dated May 17, 2010 and May 19, 2010.

Thereafter, our Company received a notice dated May 24, 2010 from the ACT Cuttack, stating that the business of renting of equipment is synonymous with service of '*Supply of Tangible Goods*', and is hence eligible for service tax under Section 65(105)(zzzzj) of the Finance Act, 1994 ("**Finance Act**") and requiring our Company to furnish, among others, details of amounts received from May 15, 2008 till March 31, 2009 and details of amounts received as non-refundable fees. Our Company filed a reply to the aforementioned notice on June 4, 2010, providing details of registration income along with the lease rentals collected from theatres and the Balance Sheet for the Financial Years 2008-09 and 2009-10 and denying liability to pay any service tax.

Subsequently, the ACT Cuttack, sent a notice dated July 6, 2010, stating that details pertaining to amount received towards renting of equipment for Financial Years 2008-09 and 2009-10 along with the balance sheet and profit & loss accounts had not been submitted by the Company. Thereafter, our Company filed a letter on August 6, 2010 with the Superintendent (Anti-Evasion), Group-H, Service Tax-I, Mumbai ("**SST Mumbai**") stating that our Company has received similar notices with respect to taxability of rental income under supply of tangible goods for services category. To avoid parallel proceedings, our Company has requested the service tax authorities of the respective states that all these proceedings be transferred to Mumbai Service Tax jurisdiction, as our Company is centrally registered in Mumbai. The proceedings in the states of Orissa and Assam had been transferred to Mumbai's service tax jurisdiction and our Company requested the SST Mumbai to confirm the receipt of all these cases to its office. Our Company received a reply dated August 17, 2010 from the Assistant Commissioner (Anti-Evasion), Service Tax-I, Mumbai stating that all cases as aforementioned have been transferred to the Directorate General of Central Excise Intelligence, Central Board of Excise and Customs, Mumbai ("**DGCEI**") Mumbai, as they were already investigating our Company's case and our Company was thereby requested to submit all information in this matter to the DGCEI Mumbai.

(vii) Our Company received a notice dated April 12, 2010 from the office of the Commissioner of Service Tax, SIR Cell, Service Tax Commissionerate, Chennai ("**CST Chennai**") stating that our Company had failed to collect service tax under the category of 'tangible goods' on invoices raised by the Company to our subsidiary, SDS, towards the rental charges for '*Digital Cinema Equipment*'. Our Company filed a reply dated August 9, 2010, stating that our Company was centrally registered under the jurisdiction of the commissionerate in Mumbai and that proceedings in relation to the same matter were pending before the DGCA Mumbai. Our Company has not received any communication from the CST Chennai regarding this matter thereafter.

(viii) Our Company received a notice dated June 21, 2010 from the office of the Commissioner of Service Tax-I, Mumbai ("**CST Mumbai**") alleging incorrect payment of service tax by our Company under the category of '*Supply of Tangible Goods Service*' under Section 65(105) of the Finance Act. Our Company filed a reply dated July 6, 2010 to the notice, providing all required documents and contending that amounts recovered by the Company on account of lease rentals are liable to Value Added Tax ("**VAT**") under respective VAT laws as the equipment has been transferred on 'right to use' basis, thus the effective control and the possession of the equipment is with the theatre owner all the time and accordingly, no service tax is payable. Thereafter, the CST Mumbai, issued a summons dated July 7, 2010, directing appearance of the representative of the Company. Our Company had filed a reply to the summons, dated July 13, 2010, requesting for an extension of the hearing from July 14, 2010 to July 21, 2010. As stated in 'vii' above, our Company filed a letter on August 6, 2010 with the SST Mumbai requesting the SST Mumbai to transfer all proceedings in the states of Odisha and Assam to Mumbai's service tax jurisdiction and subsequently received a reply dated August 17, 2010 from the Assistant Commissioner (Anti-Evasion), Service Tax-I, Mumbai stating that all cases as aforementioned have been transferred to the DGCEI Mumbai and our Company was thereby requested to submit all information in this matter to the DGCEI Mumbai.

(ix) Our Company received a show cause cum demand notice from the CST Mumbai on November 27, 2012, stating that pursuant to an audit, our Company had allegedly suppressed relevant facts with an intent of evading payment of service tax and that our Company had contravened certain provisions of Chapter V of the Finance Act and the Service Tax Rules, 1994 ("**ST Rules**") which, *amongst others,* included non-classification of the service provided under the category of '*supply of tangible goods*', failure to pay service tax in respect of supply of '*digital cinema equipment*' to various theatre owners during fiscal 2009 to fiscal 2012, failure to classify advertising as an agency service and pay service tax on the same, availing of CENVAT credit on digital cinema equipment without using the same for providing any taxable output service, failure to pay interest on delayed payment on service tax under Section 75 of the Finance Act. The CST Mumbai thereby instructed our Company to pay service tax of ₹ 117,131,741 and reverse CENVAT credit of ₹ 115,285,847 on receipt of a total income aggregating to ₹ 1,157,402,184 for supply of cinema equipment to clients, together with interest and penalty. Subsequently, our Company filed a reply, dated February 19, 2013 denying the allegations raised in the aforementioned notice, praying that the original order passed by the CST Mumbai be set aside and requesting a personal hearing.

(x) Our Company received a show cause cum demand notice from the CST Mumbai on December 26, 2013 stating that on the basis of the grounds stated in the earlier notice dated November 27, 2012, our Company had not paid any service tax on supply of cinema equipment to its clients from fiscal 2009 to fiscal 2012. The CST Mumbai had claimed that our Company was in the business of service of supply of '*digital cinema equipment*', the same being classifiable under the category of '*supply of tangible goods*', on which service tax was payable. The notice alleged that our Company had contravened certain provisions of Chapter V of the Finance Act and the ST Rules which, *amongst others,* included failure to pay service tax in respect of supply of '*digital cinema equipment*' to various theatre owners for fiscal 2013, failure to pay service tax in respect of income on Registration Fees for fiscal 2013, availing of CENVAT credit on digital cinema equipment as capital goods, without using these equipments for providing any taxable output service for fiscal 2013, failure to pay interest on delayed payment on service tax under Section 75 of the Finance Act. The notice further demanded that our Company pay service tax of an aggregate of ₹ 53,840,342 and CENVAT credit of an aggregate of ₹ 51,828,625 together with interest and penalty. Thereafter, our Company has filed a reply to the aforementioned notice, dated February 14, 2014, citing the same grounds as per our earlier reply, and thereby denying the allegations stated in such notice. The matter is currently pending.

(xi) Our Company received an intimation dated July 18, 2011, issuing the revised final audit report ("**FAR**"), from the Additional Commissioner (Audit) Service Tax, Mumbai ("**Ad. CST Audit Mumbai**") stating therein that the Ad. CST Audit, Mumbai has decided to reverse the decision taken by the Audit Committee of the office of the Ad. CST Audit, Mumbai on May 13, 2011. The Ad. CST Audit, Mumbai observed, amongst others, that our Company had failed to discharge duty on due date, and accordingly interest at appropriate rate was recoverable for delay in duty payment and held that total interest of ₹ 815,496 was payable for fiscals 2008-2010. Accordingly a show cause cum demand notice was received by our Company on February 7, 2012, from the Ad. CST Audit, Mumbai demanding payment of ₹ 815,496 together with penalty. Our Company filed a reply with the Ad. CST Audit, Mumbai on April 9, 2012, contending, amongst others, that as long as our Company has sufficient credit balance in the CENVAT credit account and our Company has reported its duty liability in its return, our Company has not caused any loss to the Government and therefore the question of delayed payment of service tax does not arise. Our Company has, by way of letter dated May 22, 2014, submitted that the journal vouchers debiting CENVAT credit for service tax payment were being made within the time period provided. The matter is currently pending.

(xii) By way of a letter dated August 8, 2014 the Assistant Commissioner of Service Tax, Mumbai ("**ACST Mumbai**"), while referring to the earlier CST Mumbai show cause cum demand notice dated November 27, 2012 requested that our Company forward details of equipment lease rental along with registration fees charged/received and details of CENVAT credit availed on capital goods during fiscal 2014. We had, by way of a letter dated September 9, 2014, replied to the ACST Mumbai, enclosing the details requested for, and clarifying that from July 1, 2012 our Company has been paying service tax on the entire service revenue which is earned by using the capital goods. The matter is currently pending. By way of another letter dated April 7, 2015, our Company informed the ACST Mumbai that our Company has started paying registration fee, enclosing copies of challans as proof of payment. Our Company also submitted details of the total lease income received by our Company and CENVAT credit availed on capital goods on which service tax was not payable for fiscal 2014. Thereafter, our Company received a show cause cum demand notice dated April 10, 2015 from the Office of the Commissioner of Service Tax-V, Mumbai ("**CST-V Mumbai**"), pursuant to which the CST-V Mumbai alleged that our Company had failed to pay service tax amounting to ₹ 75,460,124 in respect of the supply of digital cinema equipment to various theatre owners for fiscal 2014. Additionally, the CST-V Mumbai alleged that our Company had wrongly availed CENVAT credit of ₹ 52,996,561 on digital cinema equipment as capital goods without using such equipments for providing any taxable output service for fiscal 2014 and had failed to pay interest on delayed payment of service tax in accordance with Section 75 of the Finance Act. Our Company filed a reply to the aforementioned notice on May 4, 2015, denying the allegations stated in the notice dated April 10, 2015 and requesting a personal hearing.

(xiii) Our Company received a letter dated April 28, 2008 from the office of the DGCEI Mumbai, stating that an inquiry had been initiated to ascertain facts regarding service tax under Chapter V of the Finance Act. In connection with the same, the DGCEI Mumbai had requested our Company to submit certain documents as required by it. Our Company had filed a reply to the notice, on May 5, 2008, submitting the required documents. Thereafter, our Company received a summons dated May 8, 2008 from the DGCEI Mumbai, stating that the DGCEI has reasons to believe that our Company is in possession of fact and/or documents, which are material to the aforementioned inquiry, and that the same had not yet been submitted. The summons required a representative of our Company to appear before the DGCEI Mumbai on May 8, 2008. Our Company had filed a reply to the summons on May 10, 2008, submitting the documents as required by the DGCEI Mumbai. No further communication has been received from the DGCEI Mumbai.

(xiv) Our Company received a letter dated June 12, 2009 from the office of the DGCEI Mumbai, stating that an inquiry had been initiated to ascertain facts regarding service tax under Chapter V of the Finance Act. In connection with the same, the DGCEI Mumbai had requested our Company to submit certain documents as required by it. Our Company had filed a reply to the notice, on June 17, 2009, enclosing the required documents. Our Company further stated that it has been paying VAT on lease rental in relation to leased projectors and submitted a copy of the VAT return of Maharashtra filed by our Company for the month of April, 2009. Our Company further stated that the lease of goods which are covered under the definition of sale under the VAT Act, would not amount to a service under the category of '*Supply of tangible goods*' under the ST Rules. No further communication has been received from the DGCEI Mumbai regarding this matter.

(xv) Our Company received two notices from the Deputy Commissioner of Sales Tax, Behala, Kolkata ("**DCST Behala**") on January 7, 2010, wherein the DCST Behala expressed its dissatisfaction with respect to returns filed by our Company towards VAT and CST for the financial year 2007-08. Additionally an assessment order was passed by the DCST Behala on June 25, 2010, stating that the profit & loss account provided by our Company showing sales for West Bengal could not be accepted as the profit & loss account was unaudited and reflected only the expenses of the Kolkata office and only a part of the income generated in such office. Moreover, the HDFC bank statement provided reflected receipt of an amount of ₹ 6,396,903 in 2006-07 as opposed to ₹ 2,047,182 as the amount of sales reflected in the profit & loss account and returns for 2007-08. Additionally, the HDFC pool account receipts reflected a stock transfer of ₹ 10,674,993 for the 4th quarter ended March 31, 2007 whereas the actual import on stock transfer equipment stood at ₹ 41,412,039. In the absence of bank pool account details, the gross receipts were held at four times for the 4th quarter ended March 31, 2007. Accordingly, the turnover of sales for the year stood assessed for ₹ 25,000,000. Our Company filed an appeal and stay applications against the order dated June 25, 2010 with the Joint Commissioner of Sales Tax, Behala ("**JCST Behala**") on August 23, 2010, confirming that our Company had already paid taxes aggregating to ₹ 804,297, prior to receipt of the aforementioned assessment order. Our Company further contended that enhancement of sale price/turnover by ₹ 18,565,628 by the DCST Behala is arbitrary in nature, and the books of accounts filed with the DCST Behala clearly showed that our Company's taxable turnover stood at ₹ 6,434,372 and not ₹ 25,000,000. Under the disputed aforementioned amount, the tax payable stood at ₹ 2,320,703. Our Company accordingly prayed, amongst others, for grant of stay for recovery of the disputed interest amount of ₹ 2,320,703 pending disposal of appeal petition. Thereafter, an intimation letter was received from the JCST Behala on July 4, 2011, stating that the JCST Behala had modified and remanded the aforementioned appeal to the DCST Behala for fresh assessment by its order dated May 27, 2011. The JCST Behala in such aforementioned order had stated that upon the non-appearance of our Company's AR, the JCST Behala had proceeded to complete the case ex-parte. The JCST Behala held that according to the balance sheet provided, our Company's combined income from rental and services such as telecine and trailer income and software decryption and sales of equipments stood at ₹ 191,515,888 and that no state wise break-up of our Company's income had been provided. The Advocate on Record ("**AR**") simply stated that goods were installed in various cinemas and rental collected thereon, upon which VAT was paid. In the absence of sufficient documentary evidence, the JCST Behala then estimated a turnover of ₹ 40,000,000 for the state of West Bengal and charged VAT at the rate of 121.5%, making the total amount due and payable ₹ 4,195,703. Thereafter, our Company filed a memorandum of appeal with the West Bengal Sales Tax Appellate and Provisional Board against the aforementioned ex-parte order on August 26, 2011 reiterating that our Company had already paid taxes aggregating to ₹ 804,297. Further, our Company argued that the AR had appeared and filed documents on April 6, 2011 and May 12, 2011 and the matter was part heard and the next date for hearing was fixed for May 27, 2011, on which date, in view of the sickness of our Company's accountant, the JCST Behala and the AR agreed over a phone call that the AR would appear in the following week. Despite the same, the JCST passed an ex-parte order against our Company. Our Company has contended that the order passed is arbitrary and bad in law. Subsequently, our Company has prayed, amongst others, that the assessment made may be cancelled and/or remanded to the Deputy Commissioner of Sales

Tax, Behala for reassessment or that the order of the JCST Behala may be set aside. The matter is currently pending

(xvi) By way of a show cause notice received by our Company in Telangana on June 10, 2014 the CTO Hyderabad, held that upon its scrutiny of the monthly CST VI returns filed for fiscal 2013, the total transfers/sales of our Company were at an aggregate of ₹ 15,631,715 and further, as per the assessment record, no statutory forms were available, in the absence of which the transactions were treated as branch transfer/consignment sales and a higher rate of tax at 14.5% was applicable under the CST Act. Accordingly, the final assessment of the dealers for fiscal 2013 has been completed on the turnover proposed in the notice. Our Company has on October 22, 2014, filed a reply with the CTO Hyderabad, stating therein that the stock transfer of ₹ 15,631,715 specified in the show cause notice dated June 10, 2014 is incorrect and the correct stock turnover stands at ₹ 18,223,505. Accordingly, our Company has filed with the CTO Hyderabad, the revised consolidated CST VI Returns. Additionally 18 original 'F' Forms for ₹ 16,957,072 have been submitted. Our Company has further requested for an additional one month for filing of the balance 'F' Forms. The matter is currently pending.

(xvii) Our Company received a notice from the Regional Vigilance and Enforcement Department, Nellore, on August 6, 2014 stating that an enquiry had been initiated into the tax compliance by the firms engaged in the film content transfer business in the state of Andhra Pradesh. The notice has directed our Company to furnish certain details pertaining to 13 districts of bifurcated Andhra Pradesh for the previous five financial years i.e. from 2010-11 to 2014-15 which includes, details relating to the amounts collected towards lease rental charges from the theatres towards installation of screening and projection systems, amounts collected towards transfer of content from the distributors or exhibitors during this period and the details of tax payments made by our Company to the Commercial Tax Department for this period.. Our Company had filed a reply to the aforementioned notice, on August 12, 2014, with the Regional Vigilance and Enforcement Officer, Nellore ("**V&E Officer**"), mentioning an earlier appeal that had been filed by our Company against disallowance of input tax, in an earlier assessment order of the CTO Hyderabad, and that such appeal was held in our Company's favour. Further, our Company requested the V&E Officer for an extension of time for submission of the required documents. Thereafter, our Company filed a letter with the V&E Officer on September 10, 2014, enclosing therein all documents as had been requested by the V&E Officer. The matter is currently pending.

(xviii) Tax disputes in Bihar:

- Our Company received an order under Section 9(2) of the CST Act read with Section 31 of the Bihar VAT Act, 2005 ("**Bihar VAT Act**") dated February 16, 2013 from the Commercial Tax Commissioner, Patliputtra Circle, Patna ("**CTO Patna**") for fiscal 2008 wherein the CTO Patna stated that our Company had failed in submitting 'C' and 'F' forms even after 4 years of date of claim of output transfer of stock. Our Company submitted with the CTO Patna 7 original 'F' forms worth ₹ 2,351,880 and the CTO Patna calculated tax at the rate of 12.5% on the remaining income of ₹ 15,463,835. The tax payable by our Company stood at ₹ 19,329,79.38. Additionally our Company had delayed payment of tax for a total of 5618 days. The total penalty for such default stood at ₹ 140,450. The CTO Patna thereby assessed our Company for a total amount of ₹ 2,073,429. Subsequently, our Company received a demand notice on May 16, 2013 for payment of ₹ 2,073,429.

- Our Company received an order under Section 27 of the Bihar VAT Act dated February 16, 2013 from the CTO Patna for fiscal 2008 wherein the CTO Patna stated that out of a claim of ₹ 17,815,715 towards output transfer of stock, our Company had only filed 'F' forms worth ₹ 2,351,880. As per the financials submitted by our Company, the CTO Patna calculated tax at the rate of 12.5% on a taxable turnover of ₹ 1,081,000. The tax payable by our Company stood at ₹ 135,125. Additionally our Company had delayed payment of tax for a total of 5618 days. The total penalty for such default stood at ₹ 140,450 The CTO Patna thereby assessed our Company for a total amount of ₹ 275,575. Subsequently, our Company received a demand notice on May 16, 2013 for payment of ₹ 275,575.

- Our Company received an order under Section 9(2) of the CST Act read with Section 31 of the Bihar VAT Act dated January 28, 2014 from the CTO Patna for fiscal 2009 wherein the CTO Patna stated that our Company had failed in submitting 'C' and 'F' forms even after 4 years of date of claim of output transfer of stock. Our Company submitted with the CTO Patna 2 original 'F' forms worth ₹ 144,347 and the CTO Patna calculated tax at the rate of 12.5% on the remaining income of ₹ 14,414,125. The tax payable by our Company stood at ₹ 1,801,765.60. Additionally our Company had delayed payment of tax for a total of 52 months. The total penalty for such default stood at ₹ 1,432,404. The CTO Patna thereby assessed our Company for a total amount of ₹ 3,234,169.60. Subsequently, our Company received a demand notice on January 30, 2014 for payment of ₹ 3,234,170.

- Our Company received an order under Section 31 of the Bihar VAT Act dated January 28, 2014 from the CTO Patna for fiscal 2009 wherein the CTO Patna stated that out of a claim of ₹ 14,558,472 towards output transfer of stock, our Company had only filed 2 'F' forms worth ₹ 144,347. Our Company used 19 'D IX' Forms for bringing material worth ₹ 19,704,094 from out of the state, while as per the annual return submitted by our Company, the material received from out of the state stood at ₹ 26,700,751, thereby creating a disparity of ₹ 6,996,657 for which such 'D IX' forms had not been submitted. The CTO Patna thereby imposed a penalty of ₹ 5,000 under Rule 65 or the Bihar Vat Rules, 2005 for such non-submission of 'D IX' Forms. The CTO Patna calculated our Company's taxable turnover at ₹ 5,169,257.60. The tax payable tax at the rate of 12.5% by our Company stood at ₹ 646,157.20. Out of the amount of ₹ 646,157.20, an amount of ₹ 206,770 was set off against credit received by our Company towards payment of entry tax for fiscal 2009. Accordingly, our Company received a demand notice on January 30, 2014 for payment of ₹ 444,387.

- Our Company received an order under Section 8 of the Bihar Tax on Entry of Goods Act, 1993 ("**Bihar Entry of Goods Act**") read with Section 31 of the Bihar VAT Act dated February 16, 2013 from the CTO Patna for fiscal 2008 wherein, based on the accounts register produced by our Company, the CTO Patna assessed that the amount of entry tax payable by our Company on entry of goods stood at ₹ 573,017.92. Additionally our Company had delayed filing of fourth quarterly and annual returns by a total of 2616 days. The total penalty for such default stood at ₹ 65,400. The CTO Patna thereby assessed our Company for a total amount of ₹ 638,417.92. Subsequently, our Company received a demand notice on May 16, 2013 for payment of ₹ 638,418.

- Our Company received an order under Section 8 of the Bihar Tax on Entry of Goods Act read with Section 31 of the Bihar VAT Act dated January 8, 2014 from the CTO Patna for fiscal 2009 wherein, based on the returns from ledger produced by our Company, the CTO Patna assessed that the amount of entry tax payable by our Company on entry of goods stood at ₹ 485,691. Our Company has already submitted an amount of ₹ 514,095, and hence no demand notice was towards payment of this amount was received.

Thereafter, our Company filed 2 appeals dated April 9, 2014 against both the CST orders for the fiscal years 2008 and 2009, stating therein that the accepted tax by our Company for both the years stood at Nil. An appeal hearing took place on July 28, 2014. The matter is currently pending.

(xix) By way of a notice dated September 15, 2014, received by our branch office in Lucknow, the Commercial Tax Officer, Uttar Pradesh ("**CTO UP**") had stated that a hearing date of September 24, 2014 for assessment of fiscal 2013 had been fixed. A representative of our Company had gone to the office of the CTO UP on the aforementioned date, but the CTO UP had intimated his inability to conduct the assessment on such date. No further date for conduct of assessment has been provided by the CTO UP do far, and the Company awaits the same.

(xx) Our Company received a notice from the Income Tax Officer (TDS), Mumbai ("**ITO TDS Mumbai**") on April 19, 2011 informing us that for the assessment year 2008-09 an amount of ₹ 947,120 was payable by our Company for the 4th quarter of the financial year. Additionally, an order also passed by the ITO TDS Mumbai on April 19, 2011 stating that the e-TDS statement filed by our Company revealed defaults to the extent of non-payment of TDS amount deducted/low deduction of TDS as per the prescribed rates/late payment of taxes to an aggregate of ₹ 947,120. Our Company filed an appeal with the Commissioner of Income Tax (Appeals)-XIV, Mumbai ("**CIT(A), Mumbai**") on May 25, 2011 stating therein that the demand for tax and interest amount has been raised merely due to the technical error in the Income Tax Department's system which needed to updated timely so to nullify the spurious demand and that there was no amount due for the assessment year.

(xxi) Our Company received a notice from the ITO TDS Mumbai on May 7, 2011 informing us that for the assessment year 2007-08 an amount of ₹ 950,580 was payable by our Company for the 4th quarter of the financial year. Thereafter, our Company filed an appeal with the CIT(A) Mumbai on May 25, 2011 for the remaining amount of ₹ 945,240, stating therein that the demand for tax and interest amount has been raised merely due to the technical error in the Income Tax Department's system which needed to updated timely so to nullify the spurious demand and that there was no amount due for the assessment year. Thereafter, our Company received two hearing notices, each dated February 13, 2015 from the Income Tax Commissioner-39, Mumbai requesting a representative of our Company to attend the office of the Income Tax Commissioner-39, Mumbai on February 2, 2015. The matter is currently pending.

(xxii) Our Company has received 10 (ten) notices for rectification of default in TDS filing for the financial years 2009-14. The collective default for all financial years stands at ₹ 468,530. For all the ten notices, our Company has filed revised E-TDS returns. Of these, 4 (four) have been successfully re-filed and 6 (six) are under process of clearance.

(xxiii) Our Company had received a notice from the Cess Officer, Navi Mumbai Municipal Corporation ("**CO Navi Mumbai**"), on June 04, 2013, stating therein that our Company had failed to furnish the return in respect of fiscal 2013. Further, the CO Navi Mumbai held that our Company had failed to apply for registration under the Cess Rules. A representative was thereby directed to attend the office of the CO Navi Mumbai on September 21, 2013 and furnish before such authority all such documents in connection with the returns filed for fiscal 2013. Our Company had, by way of replies dated January 15, 2013, January 22, 2013, November 28, 2013 and March 6, 2014, sent to the CO Navi Mumbai documents towards assessment of cess for fiscals 2008, 2009 and 2010. No further communication has been received from the CO Navi Mumbai.

(xxiv) Our Company received two notices under Section 59(2) of the Delhi Value Added Tax Act, 2004 ("**DVAT Act**") each dated February 9, 2015 from the Assistant Commissioner, Department of Trade and Taxes, Delhi ("**ACTT Delhi**") for financial years 2011-12 and 2013-14, in relation to a mismatch between the return turnover and the turnover of form downloaded, wherein the ACTT Delhi requested our Company be present at the office of the ACCT Delhi on February 16, 2015 and furnish certain documents in connection with aforementioned financial years. The matters are currently pending.

(xxv) Our Company received a notice from the Deputy District Collector, Entertainment Tax, Mumbai ("**DDC Entertainment Tax Mumbai**") dated December 31, 2014 wherein the DDC Entertainment Tax Mumbai asked our Company to provide information pertaining to the number of advertisements exhibited in each theatre located in Mumbai until the date of such notice together with the agreements executed between such cinema halls and our Company for the purposes of scrutinizing collection of entertainment tax on exhibition of advertisements. By way of a reply dated February 10, 2015, our Company requested the DDC Entertainment Tax Mumbai to grant our Company 30 days to respond. Thereafter, by way of a reply dated March 23, 2015, our Company provided the relevant information.

(xxvi) Our Company received a notice under Section 92CA(2) of the IT Act from the Deputy Commissioner of Income Tax, Transfer Pricing Officer-III(1)(1), New Delhi ("**DCIT TPO Delhi**") on December 5, 2014 regarding the computation of ALP for assessment year 2011-12. Our Company was directed to file certain details and documents for the hearing in relation to the transfer pricing proceedings with respect to our Company. Our Company, by way of replies dated December 8, 2014 and December 12, 2014 provided such details. By way of the reply dated December 12, 2014 our Company clarified that we had advanced loans aggregating to ₹ 456,165,318 (USD 10,855,000) to ELC on the basis of Prime Lending Rate ("**PLR**") during the financial year 2006-07 and 2007-08. Our Company further stated that since the principal amount and interest were both payable in USD, the interest was benchmarked against LIBOR. During assessment year 2008-09, the interest was benchmarked against interest on unsecured debentures payable in INR and contended that it would not be appropriate to apply PLR when the loan amount and the terms of the loan agreement, etc. remain unchanged.

Thereafter, the DCIT TPO Delhi passed an order under Section 92CA(3) of the IT Act on January 19, 2015 wherein the DCIT TPO Delhi stated that our Company had charged an interest of 7% and the interest received by our Company during the year stood at ₹ 11,810,602. The DCIT TPO Delhi held that LIBOR rate based interest rates will be considered for benchmarking loans given from accounts in foreign currency, and rupee based interest rates will be applied for benchmarking loans which have been given from accounts in Indian rupees. According to the DCIT TPO Delhi our Company had lent money to ELC out of rupee denominated funds. The TPO would consider the return that would have been available to our Company in India, if the money was lent in India in determining the arm's length return. Due to these reasons, amongst others, the DCIT TPO Delhi observed that an interest rate of 15.26% would be the appropriate interest that should be charged for the loan advanced. The DCIT TPO Delhi enhanced our Company's income by ₹ 62,432,518. Our Company filed a rectification with the DCIT TPO Delhi stating therein that in the order passed on January 19, 2015 under Section 92CA(3) of the IT Act, interest of ₹ 74,243,120 was computed on the basis of the loan that was made to an Indian entity on the basis of PLR plus certain basis points for the whole year. Since the loan was converted to equity shares in July 29, 2010, the interest should have been calculated until that date only, instead of charging interest for the whole year. Interest to be charged for the period from April 1, 2010 to July 29, 2010 worked out to ₹ 24,408,696. As our Company had already paid an interest of ₹ 11,810,602, an adjustment of ₹ 12,598,094 was proposed to be made. By way of a rectification order ("**DCIT TPO Delhi Rectification Order**") dated March 31, 2015, the DCIT TPO Delhi instructed that our Company's income be enhanced by ₹ 12,598,094 and the assessment year specified in the order dated January 19, 2015 be rectified to 2011-12 instead of 2010-11.

(xxvii) Our Company received a notice under Section 143(2) of the IT Act from the ACIT Delhi dated August 7, 2012 wherein the ACIT Delhi sought clarifications on certain points in connection with the return on income submitted by our Company on September 22, 2011, for assessment year 2011-12. By way of replies dated August 27, 2012, July 16, 2013, December 19, 2014, January 12, 2015, January 19, 2015 and February 24, 2015 our Company provided all required documents. Our Company received a letter dated December 10, 2014 from the DCIT Delhi towards scrutiny proceedings for assessment year 2011-12, wherein the DCIT Delhi has requested our Company to produce certain documents for the aforementioned assessment year. Thereafter, the DCIT Delhi passed a draft assessment order dated February 27, 2015 wherein the DCIT Delhi disallowed and added back to the total income of our Company certain claims and expenses aggregating to ₹ 78,668,689, thereby computing a total taxable income of nil for the given period and providing for the initiation of penalty proceedings under Section 271(1)(c) if the IT Act. Our Company filed an appeal with the DRP on March 31, 2015 stating therein that the DCIT Delhi had erred in proposing to enhance our Company's returned income by ₹ 62,432,518 as the DCIT had, amongst others, benchmarked the interest earned by our Company on the loan advanced to ELC using State Bank of India's Average PLR for assessment year 2011-12, thereby resulting in as erroneous application of the Comparable Uncontrolled Price ("**CUP**") method and that the DCIT Delhi had further disregarded the DRP Directions.

Additionally, in terms of the DCIT TPO Delhi Rectification Order, the interest on loan advanced to ELC now stood at ₹ 12,598,094 instead of ₹ 62,432,518. The total amount disallowed by the DCIT Delhi for assessment year 2011-12 now aggregated to ₹ 28,834,065.

(xxviii) Our Company received a notice under Section 92CA(2) read with Section 92D(3) of the IT Act dated December 29, 2014 from the Joint Commissioner of Income Tax, Transfer Pricing Officer-III (3), Delhi ("**JCIT TPO Delhi**") in connection with determination of ALP in respect of international transactions undertaken by our Company during the assessment year 2012-13. The JCIT TPO Delhi requested the Company to produce certain documents in connection with the computation of ALP for such international transactions. By way of a reply dated January 29, 2015, our Company has provided the relevant information. No further communication has been received from the JCIT TPO Delhi.

(xxix) Our Company received a notice under Section 143(2) of the IT Act from the DCIT Delhi dated August 8, 2013, wherein the DCIT Delhi had requested us to furnish certain documents and requiring a representative of our Company to attend the office of the DCIT Delhi in connection with the return of income submitted for the assessment year 2012-13. By way of a reply dated August 30, 2013, our Company provided the DCIT Delhi with all such information and documents. Thereafter, our Company received a notice under Section 143(2) of the IT Act from the DCIT Delhi dated October 10, 2014, requesting us to furnish certain documents and attend the office of the DCIT Delhi in connection with the return of income submitted for the assessment year 2012-13. Thereafter our Company received another notice dated November 21, 2014 under Section 143(2) of the IT Act from the DCIT Delhi regarding the aforementioned matter. Our Company filed a reply to the aforementioned notice on December 11, 2014 enclosing the relevant documents. The matter is currently pending.

(xxx) Our Company received a notice from the Commercial Tax Officer, Chepauk Assessment Circle, Chennai ("**CTO Chennai**") dated April 20, 2015 for assessment year 2011-12, wherein the CTO Chennai has reversed the exemption claimed by our Company on stock transfer of ₹ 1,332,092 as our Company had failed to submit declaration forms for such stock transfer. Accordingly, the CTO Chennai added the exemption claimed by our Company on stock transfer back to the total taxable turnover, thereby assessing our Company's total taxable turnover under the CST Act at ₹ 1,489,592. The total tax payable by our Company stands at ₹ 215,990.84. Our Company has filed the relevant declaration forms with the CTO Chennai pursuant to a letter dated May 5, 2015.

(xxxi) Our Company received a notice from the CTO Chennai dated April 20, 2015 for assessment year 2012-13, wherein the CTO Chennai has reversed the exemption claimed by our Company on stock transfer of ₹ 25,715,716 as our Company had failed to submit declaration forms for such stock transfer. Accordingly, the CTO Chennai added the exemption claimed by our Company on stock transfer back to the total taxable turnover, thereby assessing our Company's total taxable turnover under the CST Act at ₹ 25,912,216. The total tax payable by our Company stands at ₹ 3,757,271.32. The notice also states that our Company may file objections in writing within 15 days from the date of receipt of the notice.

(xxxii) Our Company received a notice from the CTO Chennai dated April 20, 2015 for assessment year 2013-14, wherein the CTO Chennai has reversed the exemption claimed by our Company on stock transfer of ₹ 51,079,271 as our Company had failed to submit declaration forms for such stock transfer. Accordingly, the CTO Chennai added the exemption claimed by our Company on stock transfer back to the total taxable turnover, thereby assessing our Company's total taxable turnover under the CST Act at ₹ 51,314,771. The total tax payable by our Company stands at ₹ 7,440,642.80. The notice also states that our Company may file objections in writing within 15 days from the date of receipt of the notice.

Litigation initiated by our Company

1. Criminal proceedings

(i) The Company has sent statutory notices for repayment of dues and filed six cases against various parties under Sections 138 read with Section 141 of the Negotiable Instruments Act, 1881, for dishonour of cheques provided to our Company by certain persons/companies towards repayment of dues to our Company. These matters are pending before various Metropolitan Magistrate Courts situated at Bandra, Ballard Pier in Mumbai, Saket in New Delhi and the Speed Track Court, Egmore, Chennai. The aggregate amount involved in these matters is ₹ 3,184,434 along with interest thereon.

(ii) Our Company filed a complaint against Mr. R. Ganesh Kumar ("**Accused**") on August 18, 2011 under Sections 200 and 156 of the Criminal Procedure Code, 1973 for misappropriation of funds. The Accused was appointed by our Company on May 2, 2008 as a marketing manager and as part of his responsibilities, he was to carry on the installation of our Company's Digital Cinema Equipment/System (DCE/DCS) at the exhibitors premises. The exhibitors who were desirous of installing DCS had to pay registration fee as well as security deposit by way of DD/cheques/cash. The payments were handed over to the Accused who was to deposit the same with our Company without delay (in the case of cash, he had to deposit the same into the account of our Company through CMS facility contracted with HDFC Bank). The Accused, however, used to collect cash and deposit it in his personal saving bank account.

Upon the receipt of complaints from exhibitors and the investigation conducted by our Company, the Accused, by way of a confession letter dated October 5, 2009, admitted that he had accepted cash payments totaling Rs.5,75,000 from the various parties into his personal account.
The accused was subsequently suspended from service on October 7, 2009. Thereafter, our Company had lodged a criminal complaint dated November 21, 2009 with the police station at Tilak Marg, New Delhi. Subsequently, part of the misappropriated amount was received by our Company and the remaining amount was waived off. Our Company has since decided against pursuing this matter.

(iii) Gurinder Pal Singh ("**G.P. Singh**") was provided with digital cinema projection system ("**Subject Material**") for operation at his cinema which was later not returned to our Company. Thereafter, our Company's regional manager ("**Applicant**") registered a criminal case no. – 1914/2008 with the Chief Justice Magistrate, Basti, Thana Kotwali – Basti ("**Magistrate**"). After the submission of the charge sheet, upon the request of the Applicant, by way of Court order dated December 12, 2010, the Subject Material was taken into custody by the police on January 15, 2011. Considering that the material captured was electronic machinery, having high chances of getting spoilt on being kept in custody for a long period of time, the Magistrate ordered that the captured electronic machinery be handed over to our Company during the pendency of the case. Subsequently, by way of order dated August 4, 2011, the Magistrate stated that on submission of a guarantee of ₹ 500,000 by our Company and a personal bond of same amount, the digital cinema projection system and other electronic materials can be released under the condition that Subject Material shall be kept safely by our Company and be produced whenever asked for by the court at its own expense. There would be no adverse effect to the right of any of the payment to be received from G.P. Singh under the contract of lease of the digital cinema projection system. Additionally, if any decree is passed by any civil court, this order shall fall under such decree. Since the depreciated value of the Subject Matter was far less than the aggregate amount of the guarantee and bond asked for by the Magistrate, our Company's management has decided not to pursue the case.

2. Civil proceedings

(i) The Company has sent notices to exhibitors for repayment of dues, due towards de-installation of equipment, encroachment of advertisement rights and termination of lease agreements. The aggregate amount involved in these matters is ₹ 1,278,000. Our Company holds an aggregate amount of ₹ 985,000 towards security deposit received from these exhibitors. All such notices have been sent at a company level and no legal or statutory proceedings have been initiated so far.

There are no other civil proceedings initiated by the Company that are currently pending.

B. Proceedings initiated against our Company for economic offences

No proceedings for economic offences have been initiated against the Company.

C. Past penalties imposed on our Company

(i) The senior inspector, Shops and Establishments Department, Andheri (E), Mumbai visited our Company's office on July 4, 2014 and pointed out certain non-compliances under the Bombay Shops and Establishments Act, 1948. Further to the same a representative of our Company was directed to appear before the Magistrate, 16th Court, Andheri (E), Mumbai on November 28, 2014. However, on that date the matter was adjourned for November 29, 2014. A representative of our Company attended the court on November 29, 2014 and again the matter was adjourned for December 6, 2014. A representative of our Company appeared in court on that day and paid fine of ₹ 27,000.

(ii) Pursuant to the applications by our Company dated November 18, 2011 and January 28, 2014 for writing off the overseas direct investment of USD 1.75 million made by Zefaan Media Private Limited, which subsequently changed its name to UFO Moviez Limited in DG2L Technologies Pte. Limited ("**DG2L**"), the RBI by way of its approval bearing no. FE.CO.OID./16344/19.21.202/2013-14, dated February 26, 2014, approved such writing-off without divestment by the Company, and further noted that our Company had failed to make the requisite filings under FEMA in relation to the overseas direct investment by UFO Moviez Limited in DG2L, and the subsequent investment in DG2L by our Company and divestment from DG2L by UFO Moviez Limited, pursuant to the scheme of amalgamation.

The RBI advised our Company to complete administrative formalities prior to filing for compounding. Thereafter, our Company filed Form ODI on June 17, 2014 (i) on behalf of our Company for investment in DG2L consequent to the scheme of amalgamation between UFO Moviez Limited and our Company and (ii) on behalf of UFO Moviez Limited for transfer of its investment in DG2L under the scheme of amalgamation in respect of acquisition of DG2L through its authorized dealer and subsequently filed a compounding application dated June 26, 2014 along with a compounding fee of ₹ 5,000.

Thereafter, the RBI issued two letters, both dated September 4, 2014, allotting a UIN in respect of the overseas direct investment in DG2L and further intimating that in furtherance of the scheme of amalgamation sanctioned by the High Court of Delhi, through its order dated May 19, 2008, the UIN has been transferred to the name of our Company.

The RBI, by way of an order dated December 16, 2014 approved the application for compounding submitted by our Company subject to payment of ₹ 1,243,000 and the same has been paid by our Company and the RBI issued a certificate of payment in compliance with such order date January 13, 2015.

Except as mentioned above, no penalties have been imposed on the Company in the past.

D. Pending notices against our Company

Except as stated below, no notices are pending against the Company as on the date of this RHP:

(i) Our Company received a notice dated April 4, 2015 from United Media Works Private Limited ("**UMW**") wherein UMW contended, amongst other, that representatives of our Company situated in various states across India have been slandering UMW's reputation and have been floating stories about UMW being acquired by our Company. UMW has further contended that the statements made by our Company's representatives are defamatory in nature and have injured UMW's reputation. The same, as contended in the notice, has resulted in UMW receiving several questions from several people inquiring about the same. UMW has asked our Company to desist from making any such alleged statements and further provide a written confirmation to UMW within seven days of receipt of this notice that such actions will not be repeated, failing which, UMW shall initiate legal proceedings. Our Company has replied to the notice from UMW by way of a letter dated April 11, 2015 refuting the claims and allegations made by UMW. By way of a letter dated April 28, 2015, UMW has denied the contents of our Company's reply dated April 11, 2015. The letter calls upon our Company to desist from making any alleged statements in respect of UMW and further provide a written confirmation to UMW within seven days of receipt of the letter that the alleged actions will not be repeated, failing which, UMW shall initiate legal proceedings.

E. Matters in which our Company has been attached as a pro forma party

Our Company has received orders from various courts in different states injuncting our Company from delivering movie content to exhibitors, due to certain disputes between other third parties to which our Company is attached as a pro forma party. In all such cases our Company has followed such court notices/orders and has not delivered any such movie till further clearance has been received from the relevant authorities. Our Company has been made a pro forma party in the following matters:

Sr. No.	Name of Plaintiff	Name of Defendant	Name of Presiding Court	Case No.
1.	Shailendra Babu	UFO Moviez India Pvt. Ltd and others	PRL. City Civil and Sessions Court, Bangalore	O.S./6217/2014
2.	Dheeraj Films*	Vijaya Productions and others	PRL. City Civil and Sessions Court, Bangalore	O.S./4641/2014
3.	Dheeraj Films*	Vijaya Productions and others	PRL. City Civil and Sessions Court, Bangalore	O.S./4641/2014
4.	Ushakiron Movies Ltd. and others	M/s Prem Movies and others	VIII Additional District & Sessions Judge, Ranga Reddy Ditrict, L.B. Nagar, Hyderabad	O.S. No. 534/2012
5.	K. Balu	Mr. Saseendra K. Sankar and others	City Civil Court, Chennai	O.S. No. 2882 of 2012
6.	M/s Thirrpathi Brothers Film Media Pvt. Ltd. and others	UFO Moviez India Pvt. Ltd and others	High Court of Judicature, Madras	A. No. 5318 of 2014
7.	Sunil Kumar	Qube Digital Cinema and others	Civil Court, Kayamkulam	O.S. No. 89 of 2015
8.	Anand Cine Services	M/s Ascar Film (P) Ltd. and others	High Court of Judicature, Madras	Civil Suit no 20 of 2015
9.	Om Muruga Land Promoters (P) Ltd.	Max Pro Marketters Private Limited and others	High Court of Judicature, Madras	Civil Suit No. 732 of 2012
10.	M/s U.S.A.	M/s Touch	City Civil Court, Hyderabad	O.S. No. /011 of

	Pictures	Dreams Pictures and others		2015

** Both these matters pertain to a movie in Hindi and the Telegu dubbed version of the same movie.*

F. Material frauds

Except for instances of frauds by employees as mentioned in Risk Factor – *"Certain qualifications have been noted in our Auditor's audit reports and our business may be adversely affected if we do not adequately address such qualifications or if other qualifications are noted or identified"* on page 27 of this Prospectus, there have been no instances of material fraud against the Company.

G. Material developments since the last balance sheet date

(i) On November 20, 2014, the Board of Directors approved the acquisition of up to 100% of share capital of Valuable Digital Screens Private Limited ("**VDSPL**") from VTL in two tranches. Our company has already paid ₹ 27 million to VDSPL for acquisition of 7,105 equity shares during the period ended December 31, 2014. Further, our Company has incurred ₹ 5,926,990 towards acquisition cost of for acquiring VDSPL. Our Company held 71.05% equity share capital in VDSPL as on December 31, 2014. Subsequently, on January 2, 2015, our Company further invested ₹ 17.01 million towards further acquisition of 4,475 equity shares of VDSPL. Our Company now holds 11,580 equity shares out of an aggregate of 14,475 equity shares *viz.* 80% of the equity share capital of VDSPL.

H. Outstanding dues to small scale undertaking(s) or any other creditors

There are no undertakings covered under Micro, Small and Medium Enterprises (Development) Act, 2006 to whom the Company owes a sum exceeding ₹ 100,000, which is outstanding for more than 30 days.

Further, as on December 31, 2014, the following is the list of creditors to whom our Company owed a sum of ₹ 100,000 which was outstanding for more than 30 days.

- Panasonic India Private Limited;
- Accura Infotech Private Limited;
- Dell India Private Limited;
- Blue Dart Express Limited;
- Mr. Lokendra Jain; and
- Aplab Limited

There are no disputes with such entities in relation to payments to be made to them.

I. Outstanding litigation against other companies whose outcome could have an adverse effect on our Company

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act, 2013, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

J. Adverse findings against our Company and any persons or entities connected with our Company as regards non compliance with securities laws

There are no adverse findings involving our Company and any persons or entities connected with our Company as regards non compliance with securities law.

K. Disciplinary action taken by SEBI or stock exchanges against our Company

There is no disciplinary action taken by SEBI or stock exchanges against our Company.

L. Criminal proceedings initiated against our Company

There are no criminal proceedings initiated against our Company outstanding as on the date of the Prospectus except as disclosed under para I(A)(1) above.

M. Proceedings initiated under the Companies Act, 2013 or any previous Companies law

There are no inquiries, inspections, investigations or proceedings initiated or conducted against our Company under the Companies Act, 2013 or any previous Companies law in the last 5 years, and if there were any prosecutions filed and pending or not, fees imposed or compounding of offences done in the last 5 years.

II. Litigation involving the Directors of our Company

A. Outstanding litigation against our Directors

Except as stated below, there are no outstanding litigation involving our Directors including criminal prosecutions or civil proceedings involving our Directors, and there are no material defaults, violation of statutory regulations or non-payment of statutory dues, over dues to banks or financial institutions or defaults against banks/financial institutions by our Directors (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V of the Companies Act, 2013):

There are no criminal proceedings initiated against our Directors outstanding as on the date of the Prospectus.

B. Outstanding litigation filed by our Directors

There is no pending litigation, including disputed outstanding litigation and material developments/ proceeding filed by our Directors except as provided below:

(i) Mr. Sanjay Gaikwad, along with Mr. K Suvarna, approached Grandeur Interiors Private Limited ("**GIPL**") for rendering interior designing services and the procurement and installation of various household equipments at Mr. Gaikwad's residence. On hearing Mr. Gaikwad's requirements, Mr. Gaikwad was assured by Mr. Arun of GIPL of the competence and capabilities of GIPL in this regard. Believing his representations, Mr. Gaikwad through Mr. K Suvarna, approved the proposal, accompanied by a payment of ₹ 25,000. GIPL, on December 11, 2009, sent its representatives to inspect the site and commence the task they had been engaged for. During the course of carrying out the same, there were several instances of work being sub-standard or not in accordance with specifications, all of which were intimated vide emails to GIPL by Mr. Gaikwad's representatives. By way of email dated December 22, 2011, GIPL was informed of the defect in the crusher of the wash basin installed. GIPL denied supply of the Crusher but has raised an invoice for the same vide pro-forma dated March 24, 2010. GIPL covered up all instances of serious defects and delayed the completion of the task. Finally, on July 17, 2011, the premises were delivered to Mr. Gaikwad. Further defects surfaced, and GIPL charged Mr. Gaikwad for the replacing the same. After several such recurring defects, when Mr. Gaikwad informed GIPL, GIPL charged ₹ 95,000 for fixing such defects. Moreover, GIPL stated that it would take a minimum of 2 months for the parts to be imported from Italy. Distressed by the actions of GIPL, Mr. Gaikwad decided to send a notice demanding a refund of ₹ 5,606,938 along with interest at the rate of 18% from the date of payments received by GIPL. Furthermore, Mr. Gaikwad sought payment of a further amount of ₹ 4,000,000 as compensation for the mental agony and distress caused to him and his family members due to the rendition of deficient services and supply of sub standard equipments/appliances deliberately.

(ii) Mr. Sanjay Gaikwad received his credit card statement dated September 28, 2009 from ICICI Bank ("**ICICI**") which detailed the transactions conducted by Mr. Gaikwad worth ₹ 62,066.64, the bulk of which were foreign currency transactions relating to websites which grant free access while no such transactions were actually conducted by Mr. Gaikwad. Mr. Gaikwad received another statement dated October 29, 2009 wherein an amount of ₹ 22,164.98 was shown as outstanding. It was noticed that even though ICICI had reversed two transactions denominated in GBP, loss due to any exchange fluctuation was forced upon Mr. Gaikwad and had been included in the total amount payable by Mr. Gaikwad. Thereafter, Mr. Gaikwad followed up with ICICI stating that such transactions had never been undertaken by Mr. Gaikwad. But all such requests went unheeded and unanswered. Thereafter, Mr. Gaikwad wrote to ICICI on November 25, 2009 to close Mr. Gaikwad's credit card account with immediate effect. However, ICICI chose to keep Mr. Gaikwad's account active and kept sending statements much against its obligations to close the account. Even after incessant efforts to seek redressal and continuous follow ups with ICICI officials, ICICI ignored all mails sent by Mr. Gaikwad to several senior Bank officers. Mr. Gaikwad again informed ICICI on October 14, 2009 about the error committed and requested ICICI to rectify the same. Again Mr. Gaikwad wrote a mail on November 25, 2009 and requested ICICI for rectification of the billing errors which had already been reported to ICICI on October 14, 2009 along with a request to close Mr. Gaikwad's credit card account. Mr. Gaikwad addressed another mail to Mr. Krishna Pandey of ICICI on March 12, 2009 for rectification of billing errors and for the closure of the account with immediate effect, though several similar requests had already been made. Another mail was sent to ICICI on March 19, 2010 requesting information on status of the action initiated by ICICI. A mail was then sent to Mr. Pralhad Manjrekar of ICICI on April 1, 2010 stating that no feedback had been received despite constant reminders sent by Mr. Gaikwad. All this while Mr. Gaikwad received no response from ICICI but kept receiving statements from ICICI. Further mails were sent on May 19, 2010, June 15, 2010 and June 16, 2010. In view of the above, Mr. Gaikwad filed a letter with Mr. Avijit Sinha, Head – Customer Service, ICICI Bank on March 1, 2011 calling upon him to:

- Instruct ICICI officers and staff members to desist from making any calls to Mr. Gaikwad or his wife regarding the credit card or the supposed and fabricated dues on it;
- Make complete reversals in the accounting with regards to the fabricated foreign currency transactions with immediate effect;
- Reverse the levy of Bank charges and interest on the outstanding amount with effect from November 25, 2009;
- Pay Mr. Gaikwad damages of ₹ 5,000,000 for the mental harassment and torture caused by the negligence of ICICI.

Thereafter, Mr. Gaikwad filed a complaint with the District Consumer Disputes Redressal Forum, Mumbai ("**Consumer Forum Mumbai**") on July 30, 2011 in this regard. The Consumer Forum Mumbai passed an order dated August 31, 2011 wherein the Consumer Forum Mumbai held that from the credit card statement it was evident that ICICI has reversed the transaction occurred. Despite being given several opportunities, the representatives of ICICI failed to attend the court on multiple occasions. The Consumer Forum Mumbai thereby ordered ICICI to pay to Mr. Gaikwad an amount of ₹ 25,000 as damages. ICICI has thereafter filed an appeal against the impugned order with the State Consumer Disputes Redressal Commission, Mumbai on October 3, 2012. The matter is currently pending.

C. Past penalties imposed on our Directors

There are no past penalties imposed on our Directors.

D. Proceedings initiated against our Directors for economic offences

There are no proceedings initiated against our Directors for any economic offences.

E. Tax proceedings initiated against our Directors

(i) Our Managing Director, Mr. Sanjay Gaikwad and one of our Directors, Mr. Ameya Hete, have been the subject of search and seizure proceedings by the Income Tax department in 2013. For further details, please refer to "- *Litigation Involving our Promoters - Tax proceedings initiated against our Promoters*" below.

(ii) Outstanding income tax liabilities against Raaja Kanwar:

Sr No.	Income Tax Demand raised by the Income Tax Department	Outstanding demand in ₹	Assessment Year	Date of demand	Demand Identification No.	Remarks
1.	Demand raised by Income tax Department under Section 143 (1) of the Income Tax Act	20,232	2005-2006	July 10, 2006	2010200551060318724T	Demand adjusted against refund of assessment year 2010-11 and 2012-13. Rectification under Section 154 of the Income Tax Act had been filed with the Income Tax Department on October 16, 2014.
2.	Demand raised by Income tax Department under Section 143 (1) of the Income Tax Act	150,410	2009-10	March 21, 2011	2010200910053006274T	Rectification under Section 154 of the Income Tax Act had been filed with the Income Tax Department on October 16, 2014.
3.	Demand raised by Income tax Department under Section 143 (1) of the Income Tax Act	146,960	2011-12	March 16, 2013	2012201110024340196T	Rectification under Section 154 of the Income Tax Act had been filed with the Income Tax Department on October 16, 2014.

F. Directors on the list of willful defaulters of RBI

None of our Directors or any entity with which our Directors are or have been associated as director, promoter, partner and/or proprietor have been declared willful defaulters by RBI either in the past or present.

G. Disciplinary action taken by SEBI or stock exchanges against our Directors

There is no disciplinary action taken by SEBI or stock exchanges against our Directors.

III. Litigation involving our Promoters

Other than stated below and in "- *Litigation or legal action by the Government of India or any statutory authority in last five years*", there is no litigation involving our Promoters.

A. Outstanding litigation against our Promoters

1. Regulatory proceedings

Except as stated below, there are no outstanding litigation proceedings involving our Promoters, including criminal prosecutions or civil proceedings, and there are no material defaults, non-payment of statutory dues, over dues to banks or financial institutions or defaults against banks or financial institutions by our Promoters (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (1) of part I of Schedule V of the Companies Act, 2013) and dues towards instrument holders such as debt instrument holders, fixed deposits and arrears on cumulative preference shares:

(i) **Apollo International Limited**

1. M/s Chemical Suppliers India Private Limited has filed a civil suit no. 26/2007 against Apollo International Limited and M/s Arch Pharmalabs Limited (holder of M/s Vitalife laboratories, the erstwhile unit of Apollo International Limited), for recovery of sum of ₹ 1.47 million along with interest at 18% per annum from September 30, 2004 till realization amounting to ₹ 1.95 million pendent lite and future interest. The matter is pending hearing and final disposal.

2. Mr. Manav Singh, an ex - employee of Apollo International Limited filed a civil suit no. 288/ 2003 against Apollo International Limited (AIL) at Patiala House Court, New Delhi, claiming an amount of ₹ 1.05 million with interest at 24% per annum pendent lite from AIL. The Court refusing the claim of Mr. Manav Singh disposed of the matter. However, Mr. Manav Singh has filed an appeal against the said order with the Delhi High Court and the Court has admitted the appeal. The matter is pending with Delhi High Court.

3. M/s Pearl Shiptrans Private Limited has filed a civil suit no. 12/2015 at Gandhidham Court against M/s CLS Logistics Private Limited ("**CLS**") and Apollo International Limited ("**AIL**"), for recovery of sum of ₹ 948,000 with interest at the rate of 12% on the said principal sum from the date of filing of this suit till the date of payment. The summons have been received by both the defendants i.e. CLS and AIL and the matter is listed for first hearing.

4. Details of tax matters shown as contingent liabilities as on March 31, 2014

Sr No.	Assesment Year	Principal Parties	Place and court of litigation	Amount of Taxable Income involved (₹)	Claimed amount or maximum liability contemplated (₹)	Major issues in appeals	Reference No. and Date of filing of appeals	Current status	Quantified claim and other implications against our Company
	A.Y. 2002-2003	CIT vs. Apollo International Limited	Delhi High Court	38,531,509	11,797,889	Deduction under Section 80HHC and	Not applicable being departmental appeal	Pending	11,797,889

						disallowance of business expenditure			
1.	A.Y. 1999-2000	Apollo International Limited vs. Assessing Officer Delhi	Income tax Appellate Tribunal, Delhi Bench	14,020,134	7,271,789	Deduction under Section 80HHC. Matter restored to the file of Assessing Officer by ITAT	Not applicable as the appeal was decided	Appeal effected by Assessing Officer pending	7,271,789
	A.Y.2006-2007	Apollo International Limited vs. Assessing Officer Delhi	Income tax Appellate Tribunal, Delhi Bench	2,865,157		Bad Debts (Pharma Division)	Appeal No.3520/Del/2010 filed on July 15, 2010	Appeal heard on September 4, 2014. Order awaited	
	A.Y. 2006-07		Income tax Appellate	817,000		Disallowance under Section 14A			
				4,428,721		Disallowance on account of TP*			
				8,110,878	2,651,182				2,651,182
	A.Y. 2003-04	Apollo International Limited vs. Assessing Officer Delhi	Income tax Appellate Tribunal, Delhi Bench	1,135,406	802,474	Deduction under Section 80HHC and business expenditure.	Not applicable as the appeal was decided	Appeal effect by Assessing Officer pending	802,474
	A.Y. 1996-1997	Apollo International Limited vs. Assessing Officer Delhi	Delhi High Court	669,437	542,100	Deduction under Section 80HHC	Not applicable being departmental appeal	Pending	542,100
	A.Y. 1998-1999	Apollo International Limited vs. Assessing Officer Delhi	Income Tax Appellate Tribunal Delhi Bench	551,484	524,528	Deduction under Section 80HHC	Not applicable being departmental appeal	Appeal effect by Assessing Officer pending	524,528
	A.Y. 1997-1998 (Against Order Under Section 154)	Apollo International Limited vs. Assessing Officer Delhi	Income Tax Appellate Tribunal Delhi Bench	42,502	425,020	Whether interest under section 234C is chargeable on tax payable under Section	Not applicable being departmental appeal	Appeal effect by Assessing Officer pending	425,020

						115JA			
	A.Y. 2005-2006	CIT vs. Apollo International Limited	Income Tax Appellate Tribunal Delhi Bench	817,045	298,977	Disallowance under Section 14A	Not applicable being departmental appeal was dismissed	Appeal effect by Assessing Officer pending	298,977
	Total				**24,313,959**				**24,313,959**

** The ITAT has allowed the appeal in its order dated October 13, 2014. However the Principal Commissioner of Income Tax has preferred appeal before the Hon'ble High Court.*

Valuable Media Limited

Except as disclosed below in "- *Tax proceedings initiated against our Promoters*" there are no outstanding litigations against Valuable Media Limited.

Valuable Technologies Limited

Except as disclosed below in "- *Tax proceedings initiated against our Promoters*" there are no outstanding litigations against our Valuable Technologies Limited.

Sanjay Gaikwad

Except as disclosed below in "- *Tax proceedings initiated against our Promoters*", there are no outstanding litigations against Sanjay Gaikwad.

Narendra Hete

Except as disclosed below in "- *Tax proceedings initiated against our Promoters*", there are no outstanding litigations against Narendra Hete.

B. Outstanding litigation filed by our Promoters

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Promoters except as stated in II-B above:

Apollo International Limited

I. Arbitration

Apollo International Limited has initiated arbitration proceeding against M/s Shoreline Infrastructure Developers Limited, for claim amount of ₹ 43.80 million. The arbitration proceedings are undergoing between Apollo International Limited and M/s Shoreline Infrastructure Developers Limited at Mumbai. The matter is pending for final order.

II. Criminal Complaints

1. Apollo International Limited has filed a criminal complaint (C. C. No.859/2009 / old no. 281/1/07) before the Additional Chief Metropolitan Magistrate Court at New Delhi against M/s Shoreline Infrastructure Developers Limited, Mr. Ajay Khemka, Mrs. Rekha Khemka, Mr. D. Chokhani and Mr. Sushil Sharma, Directors of M/s Shoreline Infrastructure Developers Limited on February, 2007 under Section 200 of the Code of Criminal Procedure and under Section 138 of the Negotiable Instruments Act, 1881, towards dishonour of a cheque of ₹ 8.70 million. The matter is pending for argument and final disposal.

2. Apollo International Limited has filed two criminal complaints (being C. C. No. 762 /2002 and C. C. No. 10379 /2004) before the Metropolitan Magistrate Court at New Delhi against M/s Supriya Pharmaceuticals Limited, under Section 138 of the Negotiable Instruments Act, 1881, towards dishonouring of seven cheques of ₹ 0.45 million each. The matter is pending hearing and final disposal.

3. Apollo International Limited has filed four criminal complaints (C. C. No. 208/2013, C. C. No. 312/2013, C. C. No. 776/2013 and C. C. No. 872/2013) before the Additional Chief Judicial Magistrate Court at Gurgaon, Haryana against Mr. S. P. Singh, under Section 138 of the Negotiable Instruments Act, 1881, towards dishonouring of four cheques of ₹ 2.50 million each. The accused, Mr. S.P. Singh is declared as proclaimed offender and the matter stands pending hearing and final disposal.

4. Apollo International Limited has lodged a first information report against i) M/s Parde Chem Private Limited, ii) Mr. Shyam Sunder Das Mittal, iii) Mr. Ashok Mittal, iv) Mr. Amit Kumar Mittal and v) Mr. Anuj Kumar Goel, at New Delhi under Section 420 of the Indian Penal Code. The matter is currently pending execution of warrants against the respondents, as the respondents are missing and no date has been given by the Court.

III. Civil matter

Apollo International Limited has filed a civil suit (C.S. 2815 /1999) before the High Court of Delhi against M/s Supriya Pharmaceuticals Limited for the recovery of sum of ₹ 62.24 million, including interest pendente lite. The High Court of Delhi has passed the order in favour Apollo International Limited. However, the respondent has filed an application before the Court of to set aside the aforesaid order.

IV. Consumer complaint

Apollo International Limited filed a complaint against Thomas Cook and American Express Bank before the Consumer District Forum, New Delhi. The District Forum ordered American Express Bank to pay US$ 7,500 towards cost of traveler cheques and ₹ 0.25 million as damages and litigation expenses to Apollo International Limited. AIL filed execution application in January, 2012 before the Consumer Forum for execution of above order, however, American Express Bank has filed the appeal in the State Commission against the order. The State Commission has stayed the proceedings of District forum till the disposal of appeal. The matter is pending for final argument/hearing.

C. Past penalties imposed on our Promoters

Except as stated below, there have been no past penalties imposed on our Promoters:

(i) The senior inspector, Shops and Establishments Department, Andheri (E), Mumbai visited VTL's office on July 4, 2014 and pointed out certain non-compliances under the Bombay Shops and Establishments Act, 1948. Further to the same a representative of VTL was directed to appear before the Magistrate, 16th Court, Andheri (E), Mumbai on November 29, 2014. A representative of VTL appeared in court on that day and paid a fine of ₹ 27,000.

(ii) The Additional Director General of Foreign Trade, New Delhi imposed a penalty of ₹ 0.10 million on Apollo International Limited through its order dated October 8, 2014 for obtaining scrip under SHIS of para FTP and also EPCG license for zero percent duty against the export period April 2009 to March 2010. Apollo International Limited has deposited the penalty amount.

D. Litigation or legal action by the Government of India or any statutory authority in last five years

(i) VTL has imported raw material and capital goods without paying custom duty in their SEEPZ unit. VTL has undertaken to provide ₹ 124,693,157 to the Development Commissioner SEEPZ, Special Economic Zone, Mumbai as surety to fulfill export obligations against material and capital goods imported without paying custom duty.

(ii) Mr. Sanjay Gaikwad received a show cause notice under Section 266G of the Companies Act, 1956 from the Regional Director (NR), MCA, Noida ("RD MCA Noida") dated March 16, 2015 wherein the RD MCA Noida alleged that Mr. Sanjay Gaikwad possessed multiple Director Identification Numbers ("**DINs**") in contravention of Section 266C of the Companies Act, 1956 pursuant to which no individual, who has already been allotted a DIN shall apply, obtain or process another DIN. Accordingly, Mr. Sanjay Gaikwad was called upon to show cause within 30 days as to why proceedings should not be initiated against him for such contravention. Additionally, the RD MCA Noida also stated that Mr. Sanjay Gaikwad can file a compounding application for getting the offence compounded during the period of the notice. Further, the RD MCA Noida also required Mr. Sanjay Gaikwad to file e-Form RD-1 along with form DIR-5 for cancellation of the multiple DINs held by him. Mr. Sanjay Gaikwad is in the process of carrying these actions out.

Except as stated above and disclosed below in "– *Tax proceedings initiated against our Promoters*" there have been no litigation or legal action initiated by the Government of India or any other statutory authority in the last five years against our Promoters.

E. Proceedings initiated against our Promoters for economic offences

There are no proceedings initiated against our Promoters, for any economic offences.

F. Tax proceedings initiated against our Promoters

In April 2013, the income tax authorities carried out search and seizure operations under Section 132 of the Income Tax Act, 1961 ("**I.T. Act**") at premises of certain of our Promoters, members of our Promoter Group as well as Group Companies ("**Relevant Persons**") as set out below. Such search and seizure operations were carried out in connection with certain services provided to Valuable Properties Private Limited (a company previously owned by certain of our Promoters) by Valuable Technologies Limited and Valuable Infrastructure Private Limited.

1) Valuable Technologies Limited;
2) Valuable Infrastructure Private Limited;
3) Advent Fiscal Private Limited;
4) Nifty Portfolio Services Private Limited;
5) Mr. Narendra Hete, Ms. Aruna Hete & Mr. Ameya Hete; and
6) Mr. Sanjay Gaikwad, Ms. Shailaja Gaikwad and Mr. Uday Gaikwad.

During the course of the above search and seizure operations, the Income Tax authorities took custody of certain documents, records and jewellery and recorded statements of officials of certain of the Relevant Persons. Thereafter, the jewellery was released against deposit of funds of equivalent value with the Income Tax department and subsequently copies of documents and records were also released.

Pursuant to the search, certain voluntary declarations declaring undisclosed income (including with respect to cash, jewellery and house renovations) were made by Narendra Hete for an amount of ₹ 170 million and by Mr. Sanjay Shankar Gaikwad for an amount of ₹ 52 million. These amounts were then included in revised returns of income filed by both the above individuals while approaching the Settlement Commission as set out subsequently.

Further, during the above search, the proceeds of certain investments into Advent Fiscal Private Limited ("**Advent**") and Nifty Portfolio Services Private Limited ("**Nifty**"), which are members of our Promoter Group were also declared as undisclosed income of the companies. Such undisclosed income consisted of proceeds of investments received from third parties by way of optionally convertible preference shares for an aggregate amount of ₹ 525 million in the case of Advent and ₹ 462.50 million in the case of Nifty. The optionally convertible preference shares had been converted into equity shares of Advent and Nifty and the resultant equity shares had been bought back by each of Advent and Nifty respectively, prior to the above search and seizure operations commencing.

Pursuant to the above search, Valuable Destination Private Limited, Valuable Ag-Bio Private Limited, Valuable Technologies Limited, Valuable Infrastructure Private Limited, Advent, Sanjay Gaikwad, Shailaja Gaikwad, Narendra Hete and Nisarg Building Art & Technology Private Limited received notices under section 127 of the IT Act intimating them that the income tax assessment cases of these entities had been centralized. Thereafter, Valuable Technologies Limited, Valuable Infrastructure Private Limited, Advent, Nifty, Sanjay Gaikwad, Narendra Hete, Shailaja Gaikwad and Aruna Hete received notices under Section 153A of the IT Act requiring them to file returns of income for the six year period from A.Y. 2008-09 to A.Y. 2013-14.

In response to the notices received above, all these entities have filed returns as required under the notices for all the assessment years. These matters are currently pending before the assessing officer.

Further, Advent, Nifty, Mr. Narendra Hete and Mr. Sanjay Shankar Gaikwad have also approached the Settlement Commission under the provisions of IT Act along with fresh computation of incomes. These matters have been admitted before the Settlement Commission.

Apollo International Limited

There are eight matters relating to income tax against Apollo International Limited pending before various fora, including the Income Tax Appellate Tribunal, Delhi Bench, in respect of various assessment years, for issues relating to, amongst others, deductions claimed under Section 80HHC of the Income Tax Act, 1961 and disallowance of business expenditure claimed. The aggregate amount claimed against Apollo International Limited in these matters as on March 31, 2014 was ₹ 24.31 million.

G. Criminal proceedings initiated against our Promoters

There are no criminal proceedings currently pending against our Promoters as on the date of the Prospectus.

H. Litigation/defaults in respect of companies/firms/ventures with which our Promoters were associated in the past

There are no pending litigation proceedings/defaults in respect of companies/firms/ventures with which our Promoters were associated in the past but in which the Promoters' names continue to be associated.

I. Adverse findings against any persons/entities connected with our Promoters as regards non compliance with securities laws

There are no adverse findings involving any persons or entities connected with our Promoters with regard to non compliance with securities law.

J. Litigation against our Promoters for violation of statutory regulations

There are no pending litigation proceedings initiated against our Promoters for violation of statutory regulations as on the date of filing the Prospectus.

K. Disciplinary action taken by SEBI or stock exchanges against our Promoters

There is no disciplinary action taken by SEBI or stock exchanges against our Promoters.

IV. **Litigation involving Subsidiaries**

A. **Outstanding litigation against our Subsidiaries**

Scrabble

1. Criminal proceedings

There are no criminal proceedings currently pending against Scrabble.

2. Civil proceedings

There are no civil proceedings currently pending against Scrabble.

3. Tax disputes

(i) Scrabble received a notice from the ACIT Mumbai on March 8, 2013 stating that Scrabble had failed to furnish details of return on income for the assessment year 2010-11 within the prescribed time and directing attendance of an authorised representative of Scrabble, on March 19, 2013. Further, an assessment order dated March 8, 2013 was passed by the ACIT Mumbai, disallowing an amount of ₹ 1,744,825 for non deduction of TDS as per Section 194J of the IT Act, and adding the same back to the total income. Additionally, the ACIT Mumbai found that there was a difference of ₹ 41,304 between the amount as per information provided in the Annual Information Report and the amount as per the books, including service tax. The difference was added to the total income. Scrabble has preferred an appeal to the aforementioned order, dated April 2, 2013, with the CIT(A) Mumbai. The matter is currently pending.

(ii) Scrabble received two notices each dated March 27, 2014 from the ACIT Mumbai, as described below:

- Notice under Section 271(1)(c) of the IT Act, stating that Scrabble had allegedly concealed particulars of its income or produced incorrect particulars of such income for the assessment year 2011-12, and accordingly an authorized representative of Scrabble was directed to be present before the ACIT Mumbai on April 30, 2014 for scrutiny; and

- Notice of demand under Section 156 of the IT Act, stating that a sum of ₹ 2,020,890 was outstanding by way of income tax for the assessment year 2011-12 and the same had to be paid within 30 days of receipt of this notice.

Thereafter, an assessment order dated March 27, 2014 was passed by the ACIT Mumbai, wherein the ACIT held that the assessment order concluded that as per the return of income, the losses to be carried forward were shown as ₹ 39,246,214, but after making the additions on account of, amongst other, failure to charge interest on unsecured loans and capitalisation of preliminary expenses, no losses were allowed to be carried forward to the subsequent years. Penalty proceedings were to be initiated separately for concealment of income and filing inaccurate particulars of income.

Scrabble had filed an appeal against the assessment order of the ACIT, before the CIT(A) Mumbai on April 23, 2014 and the matter is currently pending.

(iii) Scrabble had received a notice from the ACIT Mumbai on July 14, 2014 under Section 142(1) of the IT Act in connection with the assessment proceedings for assessment year 2012-13, requesting Scrabble to furnish details pertaining to, amongst others, nature of business, balance sheets for the preceding 3 years, details of bank accounts, etc. Scrabble had replied to the aforementioned notice by way of two replies filed on August 19, 2014 and September 22, 2014, enclosing therein all such documents as had been requested by the ACIT Mumbai. Further information and documents have been filed with the ACIT Mumbai by way of replies dated February 9, 2015, February 20, 2015, February 24, 2015, March 3, 2015 and March 11, 2015. Thereafter, an assessment order dated March 16, 2015 was passed by the ACIT Mumbai, wherein the ACIT Mumbai wherein the ACIT Mumbai enhanced Scrabble's total income by ₹ 152,601,474 by way of certain disallowances and additions. Scrabble's total income stood at ₹ 217,955,470. A demand notice in this respect was issued on March 16, 2015 wherein the ACIT Mumbai held that an amount of ₹ 66,661,053 was payable by Scrabble. Our Company filed an appeal against the assessment order on April 8, 2015.

(iv) Scrabble received a notice from the ACIT Mumbai on September 1, 2014 demanding clarification on certain points in connection with the return on income submitted by Scrabble on November 25, 2013 for assessment year 2013-14. The aforementioned notice further required a representative of Scrabble to attend the office of the ACIT Mumbai on September 12, 2014 and to submit certain documents. Thereafter, Scrabble, by way of a letter dated November 11, 2014 submitted certain documents requested by the ACIT Mumbai. The matter is currently pending.

(v) Scrabble had received a notice from the Assistant Commissioner of Sales Tax, Ghaziabad ("**ACST Ghaziabad**"), dated February 24, 2014, wherein the ACST Ghaziabad had asked Scrabble to pay VAT at the rate of 5% p.a. on transfer of right to use transaction on revenue earned aggregating to ₹ 38,490 from M/s PVR Ltd., Ghaziabad ("**PVR Ghaziabad**"), even if Scrabble was not registered during the transaction period in the state of Uttar Pradesh. Scrabble had, by way of its letter dated March 31, 2014, replied to such aforementioned notice, stating therein that during the transaction period, Scrabble had not provided any cinematographic equipment under transfer of right to use to PVR Ghaziabad. The revenue so earned was generated under a revenue sharing arrangement between Scrabble and PVR Ghaziabad. Under such arrangement, Scrabble had entered into an agreement with PVR Ghaziabad for exhibition of IPL cricket matches in 3D format, whereby PVR Ghaziabad had agreed to share 50% of gross box office collection with Scrabble. Such amount as per the agreement stood at ₹ 38,490, and no equipment was involved in such transaction. Thereafter, the ACST Ghaziabad, had issued a second notice dated March 31, 2014, the same being received by Scrabble on August 8, 2014. The ACST Ghaziabad therein raised the same contentions as had been raised by it in the abovementioned notice dated February 24, 2014 where Scrabble had been asked to pay VAT at 5% p.a. on transfer of right to use transaction on revenue earned aggregating to ₹ 38,490 from PVR Ghaziabad, even if Scrabble was not registered during the transaction period in the state of Uttar Pradesh. Scrabble sent a reply dated February 12, 2015 reiterating its contentions and requested the ACST Ghaziabad to close the matter at the earliest possible.

(vi) Scrabble received a notice dated August 11, 2014 from the Commercial Tax Officer, Bangalore ("**CTO Bangalore**"), directing that pursuant to an inspection of Scrabble's branch office in Bangalore, the representatives of Scrabble were required to be present before the CTO Bangalore and produce books of accounts and other documents for verification. The authorized representative of Scrabble had, on the prescribed date, attended the office of the CTO Bangalore and duly filed the responses of Scrabble. Scrabble also submitted certain documents to the CTO Bangalore on February 6, 2015. The matter is currently pending.

(vii) Scrabble received a notice from the Deputy Commissioner of Commercial Taxes, Patliputra Circle, Patna ("**DCCT Patna**") on November 5, 2014 wherein the DCCT Patna has stated that as observed from Suvidha import report, the import of goods from outside the state is ₹ 3,259,533 as on October 2014 for fiscal 2014-15. The entry tax/tax on sale of goods payable by Scrabble on such import stands at ₹ 440,037. However, as on the date of this notice, Scrabble has not deposited any tax. A representative of Scrabble was asked to attend the office of the DCCT Patna within 3 days of receipt of the aforementioned notice. Scrabble filed a reply dated March 10, 2015 with the DCCT Patna stating therein that Scrabble was liable to pay entry tax at the rate of 5% instead of VAT at the rate of 13.5% as the imported goods are either directly sold or provided to the theatre under right to use basis and VAT on the same is regularly discharged to the Government treasury. Further, Scrabble clarified that out of a total inward of ₹ 3,259,533, there is certain equipment valued at ₹ 88,432 which is not covered under entry tax and hence entry tax on the same is not payable. The total revised amount taxable to entry tax stands at ₹ 3,171,101 on which an entry tax payable, at the rate of 5%, stands at ₹ 158,555. Scrabble has paid such entry tax amount on January 21, 2015.

(viii) Scrabble, has received eighteen notices for rectification of default in TDS filing for the financial years 2009-10 to 2012-13. The collective default for all financial years stands at ₹262,220. Scrabble is in the process of filing the revised returns.

(ix) Scrabble received a notice from the Local Body Tax Officer, Vasai-Virar Municipal Corporation dated February 3, 2015 for the financial year 2011-12, stating that Scrabble had not submitted Form 'J' for the purpose of assessment of the local body tax for the relevant financial year. In relation to the same, Scrabble was asked to submit certain documents to the Local Body Tax Officer, Vasai-Virar Municipal Corporation on February 9, 2015. By way of a reply dated February 5, 2015, Scrabble provided the relevant documents.

(x) Scrabble received a notice from the Deputy Commissioner of Income Tax (TDS), Mumbai ("**DCIT TDS Mumbai**") on January 21, 2015 regarding a justification for significant decline in TDS payments made for assessment year 2015-16 as compared to assessment year 2014-15. In view of the same, Scrabble was asked to provide an explanation as to why such a decline had occurred. Further, the DCIT TDS Mumbai requested Scrabble to provide certain details and information in relation to verification of compliance with TDS provisions. By way of a reply dated February 3, 2015 Scrabble provided the relevant details and information and stated that there had been no decline in TDS liability.

(xi) Scrabble received a notice under Section 67(1) of the KVAT Act from the CTO Ernakulam on December 31, 2014 wherein the CTO Ernakulam has stated that Scrabble has failed to submit the annual return for financial year 2013-14, and therefore Scrabble was required to show cause as to why a penalty of ₹ 10,000 should not be imposed on Scrabble. Pursuant to an order dated January 16, 2015, as Scrabble had failed to reply to the aforementioned notice, the CTO Ernakulam imposed the penalty of ₹ 10,000. Accordingly, a notice of demand was issued on January 16, 2015. Scrabble paid the such penalty on February 8, 2015.

4. Material frauds

No instances of material fraud against Scrabble have ever occurred.

SDS

1. Criminal proceedings

There are no criminal proceedings currently pending against SDS.

2. Civil proceedings

There are no civil proceedings currently pending against SDS.

3. Tax disputes

(i) Details of notices received in Chennai under Section 143 of the IT Act:

- SDS received an intimation from the Income Tax Officer, Salary Ward III, Chennai ("**ITO Salary Ward Chennai**") under Section 143(1) of the IT Act on March 30, 2011 for assessment year 2009-10 wherein the ITO Salary Ward Chennai had assessed the income of SDS, and a demand for payment of an additional amount of ₹ 934,050 was made. SDS filed a reply with the ITO Salary Ward Chennai on March 18, 2013 stating therein that a few tax credits aggregating to ₹ 543,310 have been omitted in computing the tax liability. SDS requested the ITO Salary Ward Chennai to factor the omitted tax credits and revise the order under Section 154 of the IT Act accordingly. SDS later sent a reminder letter to the Assistant Commissioner of Income Tax, Chennai ("**ACIT Chennai**") on July 8, 2014, requesting the ACIT Chennai to pass a revised order as early as possible.

- SDS received a notice for assessment under Section 143(2) of the IT Act from the ITO Salary Ward Chennai on August 6, 2012 for assessment year 2010-11 wherein the ITO Salary Ward Chennai had requested further information in connection with return on income submitted by SDS. SDS filed a reply with the ACIT Chennai on August 28, 2012 requesting for a date on which it can submit the required information and documents. SDS later received a questionnaire dated January 8, 2013 from the ACIT Chennai, referencing the aforementioned notice, and requesting SDS to furnish certain information pertaining to the income tax scrutiny assessment for the relevant period. SDS filed a reply to the aforementioned notice on January 11, 2013 enclosing therein all such information as requested by the ACIT Chennai in the aforementioned questionnaire. Subsequently, an assessment order was passed by the ACIT Chennai on March 28, 2013, wherein the ACIT Chennai held that upon examining the books of accounts produced by SDS, there existed certain inconsistencies in arriving at the taxable income for the relevant period. The ACIT Chennai disallowed certain deductions claimed by our Company aggregating to ₹ 1,232,339. Such deductions had been claimed towards travelling expenses; and foreign travel expenses. Such disallowances were added back to the total loss presented by SDS in the books of accounts, and SDS was thereby assessed at a total loss of ₹ 42,399,936. Additionally, SDS received a demand notice for payment of penalty of nil amount. SDS filed a reply with the ACIT Chennai on April 10, 2013 stating therein that a few tax credits aggregating to ₹ 432,108 have been omitted in computing the tax liability. SDS requested the ACIT Chennai to factor the omitted tax credits and revise the order under Section 154 of the IT Act. SDS later sent a reminder letter to the ACIT Chennai on July 8, 2014, requesting the ACIT Chennai to pass a revised order as early as possible.

- SDS received a notice under Section 142(1) read with Section 129 of the IT Act from the ACIT Chennai for assessment year 2011-12 on April 19, 2013 wherein the ACIT Chennai had requested SDS to prepare true and correct return of income for the relevant assessment year. SDS by way of replies filed on May 7, 2013 and September 18, 2013 provided to the ACIT Chennai the documents as requested. SDS later received a questionnaire dated October 17, 2013 from the ACIT Chennai, requesting SDS to furnish certain information pertaining to the relevant assessment year. Thereafter, by way of replies dated November 7, 2013, December 20, 2013, February 7, 2014 and February 18, 2014 SDS furnished all the documents as requested by the ACIT Chennai. Thereafter, SDS received an assessment order under Section 143(3) of the IT Act from the Deputy Commissioner of Income Tax ("**DCIT Chennai**") on March 18, 2014 wherein the DCIT Chennai mentioned that upon examination of the books of accounts and other records as provided by SDS, there existed certain inconsistencies in arriving at the taxable income, as SDS had allegedly not paid employee's contribution to ESI within the due dates. The total contribution which was not remitted stood at ₹ 536,000. The DCIT Chennai therefore disallowed employee's contribution to ESI and added ₹ 536,000 back to the total income of SDS. Total loss for SDS, thereafter, stood at ₹ 40,500,294. Additionally, SDS received a notice of demand for payment of ₹ 17,510. SDS filed an application for revision under Section 154 of the IT Act, to the aforementioned assessment order and demand notice with the DCIT Chennai on April 4, 2014 stating that tax credit aggregating to ₹ 1,354,382 has been omitted in computing the tax liability since tax credit was credited after filing of income tax returns for assessment year 2011-12. SDS requested the DCIT Chennai to factor the omitted tax credit and revise the order under Section 154 of the IT Act. SDS later sent a reminder letter to the ACIT Chennai on July 8, 2014, requesting the ACIT Chennai to pass a revised order as early as possible.

- SDS received a notice under Section 143(2) of the IT Act from the DCIT Chennai on September 2, 2014 for assessment year 2013-14 wherein the DCIT Chennai had requested further information in connection with return on income submitted by SDS. SDS filed a reply with the ACIT Chennai on October 16, 2014 enclosing therein the documents as requested by the DCIT Chennai. The matter is currently pending.

(ii) SDS has received a notice from the Vigilance and Enforcement Department, Nellore, on August 6, 2014. For details of this notice, refer to the sub-section under "– *Litigation against our Company – Tax Litigations*" above.

(iii) SDS received a notice from the Tamil Nadu Value Added Tax Department, Government of Tamil Nadu for assessment dated April 25, 2014 stating therein that certain documents are required with reference to an inquiry under the Tamil Nadu Value Added Tax Act, 2006 for production of accounts for the fiscal 2009. A representative of SDS was summoned to produce the said documents on May 7, 2014. A representative provided the required information on the aforementioned date. The matter is currently pending.

(iv) SDS received 3 notices under Section 22(3) of the Kerala Value Added Tax Act ("**KVAT Act**") from the Commercial Tax Officer, Ernakulam, Kerala ("**CTO Ernakulam**") on December 31, 2011 wherein the CTO Ernakulam stated upon assessment of return periods of September, October and November 2011, it had come to the notice of the CTO Ernakulam that SDS had claimed an input tax credit of ₹ 959,007 for September, 2011, ₹ 7,500 for October, 2011 and ₹ 9,780 for November, 2011. The CTO Ernakulam held that as per Section 11(4) of the KVAT Act, SDS was not eligible for input tax credit, and accordingly the input tax credit claimed by SDS stood rejected. Upon re-assessment, the CTO Ernakulam held that an amount of ₹ 984,323 along with interest was due and payable by SDS for September, 2011. SDS had filed a reply to the aforementioned notices on January 16, 2012 stating therein that SDS had claimed input tax paid on lease rentals against output tax paid on the sale of equipments and therefore Section 11(4) had no application in the current situation. Thereafter, the CTO Ernakulam passed orders dated January 19, 2012 contending that as per Section 2(x)(iii) of the KVAT Act, sale in case of lease rental is defined as the transfer of right to use of any goods for any purpose, whether or not for a specified period for cash, deferred payment or other valuable consideration. Further, in part 'C' of the monthly returns filed, the commodity purchased is disclosed as 'right to use'. Hence, the reply itself is only a misleading interpretation of the commodity. Accordingly, the CTO Ernakulam rejected objections raised by SDS and made SDS liable for balance tax due of ₹ 968,595 and balance interest of ₹ 29,058 for September, 2011, ₹ 7,500 for October, 2011 and ₹ 9,780 for November, 2011. Thereafter, SDS filed appeals against the aforementioned orders with the Deputy Commissioner of Commercial Taxes (Appeals), Ernakulam, Kerela ("**DCCT(A) Ernakulam**") on February 2, 2012, stating therein that during the disputed period, SDS has sold digital cinema equipment on which it was liable to pay VAT. Against the output tax payable, SDS had claimed the input tax credit**.** Further, SDS had claimed input tax paid against the output tax paid on sale of equipments, and therefore Section 11(4) of the KVAT Act was not applicable. Additionally the CTO Ernakulam issued a demand notice for an amount of ₹ 997,653. Subsequently, the DCCT(A) Ernakulam passed a stay order dated April 19, 2012 wherein the DCCT(A) Ernakulam held that upon consideration of the contentions made by SDS, SDS had established a prime facie case for conditional stay, and in pursuance of the same stayed the earlier order passed by the CTO Ernakulam till disposal of the appeal and asked SDS to remit 40% of the balance demanded and furnish adequate security. No further communication has been received from the DCCT(A) Ernakulam and the case is pending before the same for finalisation.

(v) SDS received an intimation notice from the Deputy Commissioner of Service Tax (Audit), Chennai ("**DCST Audit Chennai**") on July 11, 2014 for conducting service tax audit during 2014-15, wherein the DCST Audit Chennai requested SDS to submit documents required for audit for the relevant audit period. SDS, by way of a reply dated September 10, 2014, provided such documents as had been requested by the DCST Audit Chennai. Thereafter, SDS received intimation for conducting service tax audit dated January 29, 2015 from the DCST Audit Chennai requiring SDS to furnish certain documents for the preceding five years. SDS, by way of a reply dated February 9, 2015, making reference to an earlier letter dated September 10, 2014 information requested had already been provided, provided and additional information requested by the DCST Audit Chennai. Further, the Superintendent, Service Tax (Audit) Commissionerate sent an email on February 9, 2015 requesting certain additional documents which SDS provided on February 26,

2015. The matter is currently pending.

(vi) SDS received an intimation notice from the DCST Audit Chennai on September 12, 2014 for conducting service tax audit, wherein the DCST Audit Chennai requested SDS to submit documents required for audit for the relevant audit period. SDS, by way of a reply dated September 19, 2014, informed the DCST Chennai that SDS was in receipt of a similar letter in July, 2014 and had already submitted all required documents on September 10, 2014. The matter is currently pending.

(vii) SDS received a notice in Form VAT 275 from the Assistant Commissioner of Commercial Taxes (Audit), Bangalore ("**ACCT Audit Bangalore**") on December 8, 2014 wherein the ACCT Audit Bangalore has requested the production of, before the ACIT Audit Bangalore, on January 6, 2015, certain accounts in connection with the return filed for the year 2011-12. Our Company attended the hearing on January 6, 2015. The matter is currently pending.

(viii) SDS received a notice from the DCIT Chennai dated April 27, 2015 under Section 142(1) of the IT Act, wherein the DCIT Chennai required SDS to furnish certain documentary information pertaining to assessment year 2013-14 with the DCIT Chennai on June 2, 2015. The matter is currently pending.

4. Material frauds

No instances of material fraud against SDS have ever occurred.

B. Outstanding litigation filed by our Subsidiaries

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Subsidiaries except as stated below:

(i) Scrabble has sent statutory notices for repayment of dues and filed three cases under Sections 138 read with Section 141 of the Negotiable Instruments Act, 1881, for dishonour of cheques provided to Scrabble by certain persons/companies towards repayment of dues to Scrabble. These matters are pending before the Metropolitan Magistrate Court, Andheri, Mumbai, the Metropolitan Magistrate Court, Girgaum, Mumbai and the Court of the XLII Additional Chief Metropolitan Magistrate, Bangalore. The aggregate amount receivable in these matters is ₹ 392,660 along with interest thereon

C. Past penalties imposed on our Subsidiaries

There are no past penalties imposed on our Subsidiaries, except as stated below:

(i) SDS had filed an application on May 25, 2010 with the Compounding Authority, Cell for Effective Implementation of FEMA, Foreign Exchange Department, Mumbai ("**Compounding Authority Mumbai**") for delay in repatriating the share application money amounting to ₹ 152,631,110 beyond the prescribed period of 180 days. The Company had received inward remittances from on of its erstwhile shareholders. towards share application money for allotment of equity shares. Due to economic slow down and melt down, and other issues, SDS decided to curtail its expansion programme and decided to refund the money back. However, SDS exceeded the time frame of 180 days and the RBI, by way of a letter dated April 29, 2010 had advised SDS to compound such contravention. The Chief General Manager, RBI passed an order on November 29, 2010 wherein contravention including failure to issue equity shares to foreign investor and delay in reporting receipt of foreign inward remittance towards subscription to equity, were compounded and the compounding fees of ₹250,000 was paid by SDS and the application was accordingly, disposed off.

(ii) SDS has filed an application on December 26, 2011 with the Company Law Board, Chennai ("**CLB Chennai**") under Section 621A of the Companies Act, 1956 for compounding of offences under Section 297 of the Companies Act, 1956 as SDS did not get prior approval of the Central Government for entering into an agreement for offering services for digital screening of movies with a related party, M/s GI Technology Private Limited, where the Directors of SDS were interested parties in the transaction for the period from January 20, 2010 to July 31, 2010. The CLB Chennai passed an order on June 28, 2012 wherein the offence under Section 297 of the Companies Act, 2013 was compounded and the compounding fees of ₹ 10,000 was paid by SDS and thereby the matter was sent to the Registrar of Companies, Tamil Nadu, Chennai for further action.

D. Proceedings initiated against our Subsidiaries for economic offences

Nil

E. Matters in which our Subsidiaries have been attached as a pro forma party

SDS, our Subsidiary has received an order from the High Court of Judicature, Madras injuncting them from delivering movie content to exhibitors, due to a dispute between other third parties to which SDS has been attached as a pro forma party. SDS has followed the court notices/orders and has not delivered the movie content till further clearance has been received from the relevant authorities. The details of the dispute are as follows:

S. No.	Name of Plaintiff	Name of Defendant	Name of Presiding Court	Case No.
1.	Mukesh Jain	S.S. Chakravarthy and others	High Court of Judicature, Madras	A. No. 3258 of 2015 and O.A. No. 501 of 2015 in C.S. No. 390 of 2015

F. Adverse findings against any persons or entities connected with our Subsidiaries as regards non compliance with securities laws

Nil

G. Proceedings initiated against our Subsidiaries involving labour disputes or closure

Nil

H. Proceedings against our Subsidiaries with respect to default or overdues

Nil

V. Litigation involving Group Entities

A. Outstanding litigation against our Group Entities

Apollo - Everest Kool Solutions Private Limited

Mr. Mehndi Hasan and his four brothers have filed a civil suit (C.S. 253/2013) against Mr. Navi Hasan (one of the brother of Mehndi Hasan) and Apollo – Everest Kool Solutions Private Limited in the court of Civil Judge (Junior Division), Moradabad, Uttar Pradesh, to cancel the registered sale deed and to get a stay on registration of the sale deed. Apollo – Everest Kool Solutions Private Limited has filed its reply and objection in the matter. The matter is pending for hearing and disposal. The related matters are pending before SDM Office, Moradabad and Allahabad High Court, Uttar Pradesh.

Apollo Fiege Integrated Logistics Private Limited

Apollo Fiege Integrated Logistics Private Limited has received a show cause notice bearing number C. No. VIII (SB)10/CusPrev/Delta/54/2013/16113 from the office of the Commissioner of Customs (Preventive) for clearing the goods having lower maximum retail price declared resulting in evasion of customs duty to the tune of ₹ 0.60 million. The same has been compounded in terms of order number 2086-2091/Cus/2014/-SC(PB) dated December 17, 2014 passed by the Custom & Central Excise Settlement Commission, Principal Branch, New Delhi.

Clarion Logistics India Private Limited

1. Airlift (India) Private Limited has filed a case (C.C No: 6600404 / SS/ 12) against Clarion Logistics India Private Limited under section 138 read with section 141 of the Negotiable Instruments Act, 1881 before the Metropolitan Magistrates' Court, Andheri (E), Mumbai in relation to dishonour of a cheque. The total amount payable is ₹ 571,394 and first notice was issued on January 5, 2012. At present, no summons has served.

2. Capital Carpet Exim Private Limited has filed a civil suit against Clarion Logistics India Limited (CS/347/2012) before the Tis Hazari Court, Delhi. The consignee, Capital Carpet Exim Private Limited had a consignment arriving from Antwerp to India. Clarion shipping is said to have collected the amount for the freight and not paid to shipping line. This led to shipping line not releasing cargo to Capital Carpet Exim Private Limited. Ultimately Capital Carpet Exim Private Limited paid the necessary dues and cleared cargo. Capital Carpet Exim Private Limited is now claiming the refund of the advance of ₹ 2.2 million paid to Clarion Logistics India Private Limited.

ALS Container Warehousing Limited

Mrs. Sugra has filed a civil suit no. 602/2012 against ALS Container Warehousing Limited in the court of Civil Judge (senior division), Moradabad, Uttar Pradesh, to cancel the registered sale deed and to get a stay on registered sale deed. The Company has filed our reply and objection in the matter. The matter is pending hearing and disposal.

Apollo Logisolutions Limited

Litigation involving civil and economic offences

1. Bhagwan Nathu Kamble, one of the erstwhile owners of the plot of land which is the subject of dispute has filed a civil suit (SCS 613/2011) against Apollo Logisolutions Limited alleging non-receipt of his proportionate share of funds from Apollo Logisolutions Limited from the sale of land. The matter is currently pending.

2. Avadh Narayan Shukla has filed a civil suit (SCS 123/2009) against Apollo Logisolutions Limited and others disputing the sale of certain land by its owners to Apollo Logisolutions Limited that the erstwhile owners had taken money from Mr. Shukla. The matter is currently pending.

Litigation involving statutory offences

Apollo Logisolutions Limited received two demand notices (Reference No.S/5-Gen-17/2006 P & E/CFS M. CELL, 08/2014) for recovery of customs cost of ₹ 4.5 million and ₹ 6.5 million. The amount of ₹ 4.5 million has been deposited by Apollo Logisolutions Limited in March 2014. The remaining amount of ₹ 6.5 million is yet to be deposited. The said amount is not towards penalty. It is a demand notice and is towards reimbursement of salaries of Custom staff posted at Apollo Logisolutions Limited's CFS to expedite/approve imports/exports clearances.

Apollo International FZC

Criminal matter

A police case filed with Dubai Police for loss of goods in transit for investigating the theft of goods in transit in consultation with insurance company.

Kailash Shipping Services Private Limited

1. Kailash Shipping Services Limited has received a show cause notice dated August 10, 2010 from the Office of Commissioner of Service Tax. CERA audit conducted for the period from April 2006 to June 2007. During the period service tax was not levied for both expenses in the nature of pure agent which is reimbursable and service charges. The assessing officer, adjudged Kailash Shipping Service Limited to be liable to pay service tax of an aggregate amount of ₹ 3,509,153. Subsequently Kailash Shipping Service Limited has filed an appeal for the waiver of penalty of ₹ 3,174,186. During the appeal Kailash Shipping Service Limited has substantiated and revised to ₹ 3,192,825 and interest for ₹ 786,759.

   Thereafter, Kailash Shipping Service Limited received notice dated January 28, 2012 for ₹ 3,174,186 from the Commissioner of Service Tax. Kailash Shipping Service Limited appealed against such notice for waiver of aforementioned penalty. During the appeal, Kailash Shipping Service Limited has gone for reduced penalty to ₹ 793,547 and paid on September 20, 2012.

2. There is claim against the Kailash Shipping Service Limited towards disputed service tax of ₹ 2,380,640.

3.

Year	As Order	IT Return	Audit	Remarks	Appeals
Financial Year 2008-09	10,003,434	3,301,979	6,701,455	As per assessment order dated December 31, 2011, 80IA was disallowed and there was a demand of ₹ 3,121,980, against which department adjusted ₹ 1,420,540 being the refund of financial year 2007-08. The balance of ₹ 1,701,440 department adjusted ₹ 2,225,515 being the refund of financial year 2008-09	Kailash Shipping Services Private Limited appealed against the Assessment order with CIT, As per Appeals order from Commissioner of Income Tax dated October 29, 2013 (ITA No: 550/13-14) - 80IA was allowed. The department has appealed against the Commissioner order with ITAT (No. 365 dated December 17, 2013)

Year	As Order	IT Return	Audit	Remarks	Appeals
Financial Year 2009-10	7,121,501	4,065,664	3,055,837	As per CPC Order dated February 20, 2012, there was a refund of ₹ 2,225,515 which was adjusted against financial year 2008-09 balance payable. As per assessment order dated March 08, 2013, 80IA was disallowed on the grounds of late filling of returns & there was a demand of ₹ 11,130 which was subsequently paid on March 30, 2013.	

Apollo International PTE Limited

The matter is related to three contracts entered into between Apollo International PTE Limited, Singapore and M/s Pancham International Limited, India for supply of Arusha Pigeon Peas by Apollo International PTE Limited to Pancham under these contracts.

The Buyer through its Lawyer T. S. OON & Bazul, has sent Apollo International PTE Limited a notice dated June 7, 2010, for all the above contracts demanding the payment of Compensation of USD 236,400. Apollo International PTE Limited is contesting the matter. The parties have filed their submissions with Tribunal and further reply to each other's submission to be made by both the parties to the Tribunal. The matter is pending for hearing and disposal.

Clarion Shipping Services L.L.C

1. K-UK International Limited has filed for commercial execution (1415/2014) before the courts in Dubai against Clarion Shipping Services L.L.C claiming an amount of AED 1.14 million.

2. Al-Hattan General trading has filed a civil case (799/2013) before the courts in Dubai against Clarion Shipping Services L.L.C claiming an amount of AED 0.89 million.

Advent Fiscal Private Limited

Except for income tax notices received by Advent Fiscal Private Limited pursuant to a search and seizure operation, there are no litigation involving Advent Fiscal Private Limited, that is pending. For details of the notices received by Advent Fiscal Private Limited and the search and seizure, please see "*- Litigation Involving our Promoters - Tax proceedings initiated against our Promoters*".

Nifty Portfolio Services Private Limited

Except for income tax notices received by Nifty Portfolio Services Private Limited pursuant to a search and seizure operation, there are no litigations involving Nifty Portfolio Services Private Limited, that are pending. For details of the notices received by Nifty Portfolio Services Private Limited and the search and seizure, please see "- *Litigation Involving our Promoters - Tax proceedings initiated against our Promoters*".

B. Outstanding litigation filed by our Group Entities

Apollo Fiege Integrated Logistics Private Limited

1. Apollo Fiege Integrated Logistics Private Limited has filed a complaint against Promart Retail India Private Limited under Section 138 of the Negotiable Instruments Act, 1881 before the Metropolitan Magistrate 58th Court Bandra, Mumbai in relation to the dishonour of a cheque of ₹ 0.61 million.

2. Apollo Fiege Intergrated Logistics Private Limited has filed a complaint against Mr. C. Vijay Kumar the proprietor of Shravanthika Exports under Section 138 of the Negotiable Instruments Act, 1881 before the XIII Metropolitan Magistrate at Egmore in relation to the dishonour of cheques for the amount of ₹ 0.17 million.

Apollo Logisolutions Limited

1. A Seaport Kalmar bearing registration number MH-01-S-5111, insured by Apollo Logisolutions Limited with The New India Assurance Company Limited had caught accidental fire on January 28, 2002 at Mulund due to rupture of one of the oil pipes and leakage of oil over the hot engine. Apollo Logisolutions Limited had lodged insurance claim with the said insurer which was rejected by the insurer, hence a case was filed by Apollo Logisolutions Limited against the said insurer in Bombay High Court.

C. Past penalties imposed on our Group Entities

Other than as disclosed below, our Group Entities have not been penalised in the past:

Clarion Shipping Services W.L.L

A penalty of Qatari Riyals 27,300 (approximately ₹ 350,259) was imposed on Clarion Shipping Services W.L.L for delay in filing income tax return for the period from 2005 to 2008. The amount was paid to the Public Revenue & Tax Department.

Apollo International FZC

Apollo International FZC has paid a fine of AED 10,010 to the Dubai municipality for failure to close of file for consignments of foodstuffs imported in 2010.

Encorp E-Service Limited

Order in Original No.04/SA/CCE/ST/2012 dated September 28, 2012 issued by Central Excise, Delhi-III, Gurgaon under section 35 B (6), where Encorp E - Service Limited were directed to respond with facts and evidence to avoid action be taken for obtaining. Imposed a penalty of ₹ 249,525 on Encorp E-Service Limited vide its order dated September 28, 2012. The said penalty has been deposited.

D. Proceedings initiated against our Group Entities for economic offences

Nil

E. Adverse findings against any persons or entities connected with our Group Entities as regards non compliance with securities laws

Nil

F. Proceedings initiated against our Group Entities involving labour disputes or closure

Nil

G. Proceedings against our Group Entities with respect to default or overdues

Nil

H. Disciplinary action taken by SEBI or stock exchanges against our Group Entities

Nil

VI. Litigation involving Associates

A. Outstanding litigations against our Associates

Scrabble Digital Limited

1. SDL received a notice from the Income Tax Officer – 8(3)(1), Mumbai ("**ITO Mumbai**") on September 25, 2012 under Section 143(2) of the IT Act wherein the ITO Mumbai sought clarifications on certain points in connection with the return on income submitted by SDL on September 28, 2011, for assessment year 2011-12. SDL, through an authorized representative had filed a reply to the aforementioned notice, on October 8, 2012, enclosing the required documents. SDL received another notice from the ITO Mumbai on August 23, 2013 under Section 142 of the IT Act, wherein the ITO Mumbai required SDL to furnish certain documentary information pertaining to assessment year 2011-12. SDL, through an authorized representative had filed replies to the aforementioned notice, on August 16, 2013, October 22, 2013, October 30, 2013 and December 12, 2013 providing the information as requested in the aforementioned notice. Thereafter, the ITO Mumbai passed an assessment order dated January 27, 2014 wherein the ITO Mumbai stated that SDL has shown expenses worth ₹ 7,190,117 incurred during the year, the same being reflected under the head 'Capital Work-in-Progress' in the balance sheet as on March 31, 2011. With a view to examine the genuineness of the expenditure shown by SDL, notices were issued to Mr. Golla U. Krishna and M/s Cozy Interiors Private Limited on December 2, 2013 on a test check basis, wherein these parties were asked to furnish details pertaining to certain identified transactions of sales and/or purchases entered into with SDL. However, no reply was received from either party. SDL provided details of the transactions with both the parties by way of a letter dated December 18, 2013. However, as the same was not confirmed by either of the parties, and SDL failed to prove the genuineness of such capital expenditure, an aggregate expenditure of ₹ 2,409,796 was disallowed and deducted from the closing Work-in-Progress. Further, the ITO Mumbai stated that an aggregate expenditure of ₹ 1,118,430 is shown to be pre-incorporation expenditure, which can only be allowed under Section 35D of the IT Act, which can only be invoked at an appellate stage, if SDL is found to be eligible for part relief in this regard. Accordingly, the ITO Mumbai assessed SDL for a loss of ₹ 23,660. Thereafter, SDL filed an appeal against the order dated January 27, 2014, under Form 35 with the Commissioner of Income Tax (A)-18, Mumbai on March 18, 2014. The Principal Commissioner of Income Tax (OSD), Mumbai passed an order dated March 4, 2015, partly allowing the appeal in favour of SDL.

2. SDL received a notice from the ITO Mumbai on September 2, 2014 wherein the ITO Mumbai sought clarifications on certain points in connection with the return on income submitted by SDL on September 29, 2013, for assessment year 2013-14. SDL, through an authorized representative had filed a reply to the aforementioned notice, on September 19, 2014, enclosing the required documents. The matter is currently pending.

B. Outstanding litigation filed by our Associates

Nil

C. Past penalties imposed on our Associates

Nil

D. Proceedings initiated against our Associates for economic offences

Nil

E. Adverse findings against any persons or entities connected with our Associates as regards non compliance with securities laws

Nil

F. Proceedings initiated against our Associates involving labour disputes or closure

Nil

G. Proceedings against our Associates with respect to default or overdues

Nil

H. Disciplinary action taken by SEBI or stock exchanges against our Associates

Nil

VII. Litigation involving our Joint Venture

A. Outstanding litigations against our Joint Venture

Nil

B. Outstanding litigation filed by our Joint Venture

Nil

C. Past penalties imposed on our Joint Venture

Nil

D. Proceedings initiated against our Joint Venture for economic offences

Nil

E. Adverse findings against any persons or entities connected with our Joint Venture as regards non compliance with securities laws

Nil

F. Proceedings initiated against our Joint Venture involving labour disputes or closure

Nil

G. Proceedings against our Joint Venture with respect to default or overdues

Nil

H. Disciplinary action taken by SEBI or stock exchanges against our Joint Venture

Nil

GOVERNMENT AND OTHER APPROVALS

In view of the approvals listed below, our Company can undertake the Offer and our Company, and our Subsidiaries, Scrabble and SDS, can undertake their current business activities, and no further major approvals from any governmental or regulatory authority are required to undertake the Offer or continue the business activities of our Company, Scrabble and SDS in India. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are valid as of the date of this Prospectus. For details in connection with the regulatory and legal framework within which we operate, see the section "*Regulations and Policies*" on page 203 of this Prospectus.

I. General Approvals

The Company was originally incorporated as a private limited company under the name of "Valuable Media Private Limited" under the Companies Act, 1956 and received a certificate of incorporation dated June 14, 2004 from the Registrar of Companies, Maharashtra at Mumbai.

Thereafter pursuant to a resolution of the shareholders passed at the extraordinary general meeting on August 17, 2006, the name of the Company was changed to "UFO India Private Limited" and a fresh certificate of incorporation consequent to the change of name was issued by the Registrar of Companies, Maharashtra at Mumbai on August 31, 2006. Pursuant to a resolution of the shareholders passed at the extra-ordinary general meeting held on October 11, 2006, the Company was converted into a public company and its name was changed to "UFO India Limited" and a fresh certificate of incorporation pursuant to change of status was issued by the Registrar of Companies, Maharashtra at Mumbai on November 10, 2006.

Pursuant to a special resolution dated March 29, 2007, the Company altered the provisions of its Memorandum of Association with respect to the place of the registered office by changing it from the state of Maharashtra to Delhi, and such alteration was confirmed by an order of the Company Law Board, Western Region, Mumbai dated June 8, 2007. Subsequently a Certificate of Registration of Company Law Board order for Change of State was issued by the RoC, at Delhi on June 13, 2007.

Further, pursuant to the scheme of amalgamation approved by the Delhi High Court through its order dated May 19, 2008, our erstwhile holding company, UFO Moviez Limited, was amalgamated with, and into our Company. Subsequently, pursuant to a resolution of the shareholders passed at the extraordinary general meeting held on June 5, 2008, the name of our Company was changed to "UFO Moviez India Limited" and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on June 12, 2008.

1. Approvals relating to Offer for Sale

A. The board of directors of 3i Research (Mauritius) Limited and P5 Asia Holding Investments (Mauritius) Limited have authorised their respective components of the Offer pursuant to resolutions both dated November 19, 2014.

B. The board of directors of two of our corporate Promoters, Valuable Media Limited and Valuable Technologies Limited have authorised their components of the Offer pursuant to resolutions dated August 7, 2014 and December 8, 2014, respectively.

C. Our individual Promoters, Mr. Narendra Hete and Mr. Sanjay Gaikwad have consented to the inclusion of their respective components of the Offer pursuant to their respective letters both dated December 8, 2014.

D. Mr. Uday Gaikwad and Mr. Raaja Kanwar, members of our Promoter Group have consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated December 13, 2014 (executed on his behalf by his power of attorney holder) and December 12, 2014, respectively.

E. Mr. Rakesh Gupta and Mr. Prafulla Vaidya have consented to the inclusion of their respectively components of the Offer pursuant to the letters both dated December 13, 2014 executed on their behalf by their power of attorney holder.

F. Each of the Employee Selling Shareholders have consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated on or about November 3, 2014.

G. Our Board has, by way of resolution dated October 22, 2014 approved the Offer. Further, our Board has by way of resolution dated November 20, 2014 approved the Offer size of up to ₹ 7,500 million and taken on record the offer of 400,230 Equity Shares being offered for sale by the Employee Selling Shareholders, Mr. Uday Gaikwad, Mr. Rakesh Gupta and Mr. Prafulla Vaidya pursuant to the Offer. Further, the Board has approved the Offer size aggregating to ₹ 6,000 million pursuant to its resolution dated April 16, 2015.

H. Further, the Finance Committee has approved this Prospectus pursuant to its resolution dated May 11, 2015.

I. Each of the Selling Shareholders confirms that their respective Equity Shares being offered in the Offer have been held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the ICDR Regulations.

2. Approvals relating to our business and operations

Approvals relating to the Company

A. Empanelment with the Directorate of Advertising and Visual Publicity, Ministry of Information and Broadcasting, Government of India as a Digital Cinema Agency

Sr. No.	Particulars	Registration Number	Validity
1.	Empanelment of 3,605 screens with Directorate of Advertising and Visual Publicity	No.CO.(New Media)/DC Empanelment/2014-15/NM provided vide letter dated June 12, 2014	With effect from June 1, 2014 and valid until May 31, 2015*

* Our Company has made an application dated March 30, 2015 to the Directorate of Advertising and Visual Publicity ("DAVP") for extension of empanelment with the DAVP and has submitted an updated all India theatre list for empanelment.Our Company has also made an application dated April 15, 2015 for extension of empanelment with the DAVP for the financial year 2015-2016.

B. Importer exporter code

S. No.	Particulars	Reference / Registration Number	Validity
1.	Certificate of Importer Exporter Code granted by the Office of Zonal Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India, dated February 25, 2005	0304084654	One time approval

C. Registration under the applicable Shops and Establishments Act

S. No.	Registration Number	Address of establishment	Validity
1.	KE016171/	Valuable Techno Park, (Media Infotech Park),	Valid till December

S. No.	Registration Number	Address of establishment	Validity
	COMMERCIAL II	Plot No. 53/1, MIDC Road No. 7, Andheri-E, Mumbai - 400 093	31, 2015
2.	Sr. No. II-88-980 Challan No.24/62	Swami Samarth Complex, 4th Floor, Laxmi Bhawan Chowk, Gokul Peth, Nagpur	Effective from September 6, 2011 and valid until December 31, 2017
3.	7/94/CE/1548/2010	Ganesh Krupa, No. 24, Ground Floor, I Main, Kalidasa Road, Gandhinagar, Bangalore - 560009, Karnataka	Valid till December 31, 2019
4.	7/94/S/0027/2015	No. 24, Ganesh Krupa, Rear Block 1st Floor, I Main, Kalidasa Road, 1st Main Road, Gandhinagar, Bangalore -560009, Karnataka	Valid till December 31, 2019
5.	Kol/Lake/P II/49747	68/4D, Purna Das Road, 1st Floor, Kolkata – 700029	Valid till March 22, 2018
6.	7192/5	2nd Floor, Bansal Complex, Next to Nilgiri Complex, Faizabad Road, Indira Nagar, Lucknow	Valid till September 4, 2015
7.	UPS094601001215	Pratap Bhawan, Near Leela Cinema, Hazrat Ganj Lucknow, Uttar Pradesh	Valid till March 31, 2019
8.	P.T.No-58809	1/B & 1/D, 1st Floor, Anand Tower, Exhibition Road, Patna, Bihar	Valid till closure of establishment
9.	PT -78875	204, 2nd Floor, Grand Plaza, Frazer Road, Patna, Ward No. 28, H-919/204	Dated November 20, 2014 and valid till closure of establishment.
10.	4124	Ground Floor, Malwa Tower 10, Old Palasia, A.B. Road, Indore, Madhya Pradesh	Valid till December 31, 2017
11.	Jal/I/7/4/08/3099	1st Floor, Sucha Singh Market, Near Punjab National Bank, New Railway Road, Jalandhar City,	Valid till March 31, 2016
12.	ALO 37/HYD/86/2012	249, Road No. 12, Prasanth Nagar, Jubilee Hills, Hyderabad, Telangana	Valid till December 31, 2015
13.	No. II -1689	House No. 580 , F 2 , Sriram Nagar, Near Sales Tax office, Badambadri, Cuttack, Orissa	Valid till December 31, 2015.
14.	2014002992/RPR/S/2014	4th Floor, National Corporate park, G E Road, Raipur, CG Ward No 15, Swami Atamanand, Raipur, Chhattisgarh	Valid till December 31, 2018
15.	2015000497/RPR/S/2015	House No. 30/876/1087/JN, Opp. First Flight Courier, Near Employment Exchange, Pandri, Raipur, Chhattisgarh – 492 001	Valid till December 31, 2019
16.	2014050854	Flat No. 1B, 1st Floor, Sagar Apartment, 6, Tilak Marg, New Delhi, 110001	Valid till November 21, 2035
17.	2014050862	312 Surya Kiran K. G. Marg New Delhi Delhi 110001	Valid till November 21, 2035
18.	DAR/SGU/P-I/9602	105, Nazrul Sarani, Ground Floor, Ashrampura, W/No. 12, Siliguri, West Bengal	Effective as of October 14, 2014 for a period of three years.
19.	PII/EL/09/0001993 (Ellisbridge)	7th /703, Atma House, Ashram Road, Ahemedabad 380009	Effective as of October 18, 2014 till December 31, 2018.

S. No.	Registration Number	Address of establishment	Validity
20.	PII/EL/09/0001623 (Ellisbridge)	A -13, Saurin, Flat, behind Karaka Building, Ashram Road, Ahmedabad	Effective as of October 18, 2014 till December 31, 2018.
21.	23212008	Shop No.674, Khatri Complex, Morvi Road, Amravati 444601, Maharashtra	Effective as of June 11, 2008 and valid till December 31, 2017
22.	2.3057	M. H. No. 5/1/880, Plot No. 3/206, Gayatri Shaktipitha Javal, Bhusawal	Effective as of January 9, 2014 and valid till December 31, 2016
23.	Kol/Tolly/P II/41291	61, Russa Road East, 1st Lane, Ground Floor, Kolkata – 700033	Valid till December 14, 2017
24.	UPS06313000324	Shop No. 11, First Floor, Cross Road, "The Mall" Agrasen Chowk, Bank Road, Gorakhpur, Uttar Pradesh – 273001.	Valid till March 31, 2019
25.	MOH12/007111/15	36st Division /135 A2 Numbered building / located at Lissy Hospital Road	Valid till March 31, 2016
26.	R.N. 28643	215, A.G Colony, Kadru, Ranchi, Jharkhand – 834 002.	Effective as of January 31, 2015 and valid till closure of the establishment.
27.	126194000000028914 64 103/2013	Ware House, R-482, MIDC, TTC Industrial Area, Rabale, Navi Mumbai	Valid till December 25, 2015
28.	S. H. 1108/R 14 A/PAGE 147 /2005	405, Fourth Floor, Corporate Park, Gopal Badi, Ajmer Road, Jaipur- 302 006.	Valid till December 31, 2015
29.	No: M.H. 43 / R - 11D / Page - 09/2014	Plot No. 35-36, Vijay Nagar - (A), Kartapura, Jaipur (South) - 302 006, Rajasthan	Valid till December 31, 2016
30.	UPS052827005295	C/o Movie World Multiplex, First Floor, Adjacent to Screen of Audi No. 2, A. Ghaziabad	Effective as of April 1, 2014 and valid upto March 31, 2019

D. ***Approvals related to utilities used by the Company***

Since electricity is the only utility used by the Company, the following approvals have been obtained

S. No.	Particulars	Date	Authority
1.	Approval for 750KVA Dry Transformer at M/S Media Infotech Park, Valuable House, 53/1 MIDC, Marol, Andheri (E) Mumbai - 400 093 bearing number ENS/off-3/Final Permission/63/1325/2011under Indian Electricity Rules, 1956	March 29, 2011	Electrical Inspector, Santacruz East
2.	Registration for diesel generator at M/S Media Infotech Park, Valuable House, 53/1 MIDC, Marol, Andheri (E) Mumbai - 400 093 bearing DG No./E C/DG Set Meter No.1858/2012 under Mumbai Electrical Charges Rules, 1958 and Mumbai Electricity Duty Rules, 1962	August 21, 2012	Electrical Inspector, Mumbai Office

E. Licenses relating to the premises of our Company at Valuable Techno Park, Plot No. 53/1, Road No.7, MIDC, Andheri (E), Mumbai – 400093

Sr. No.	License No.	Date	Purpose	Authority

Sr. No.	License No.	Date	Purpose	Authority
1.	Licenses with registration numbers II/31/13663 and II/31/13664 and bearing license numbers 99891 and 99890 respectively	March 14, 2011	To grant license for working of the lift	Chief Engineer, Electrical Inspector of Lifts, Mumbai

F. Other Approvals

Sr. No.	License	Date	Authority
1.	Power Supply Agreement with TATA Power for the supply of the sanctioned load of 50KW/63KWA as per regulation 6 of MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005	April 5, 2011	TATA Power Company Limited
2.	Registration No. R DIS 12/015 issued under the Tamil Nadu Industrial Establishments National and Festival Holidays, Act 1958 for the premises at No.33/1, Wallajah Road, Chepauk, Tiruvellikeni, Chennai -600002	February 23, 2015	Assistant Inspector of Labour, Chennai 600 035
3.	No objection certificate from the Gram Panchayat for the premises at Building No. B-3, Unit No. 8, Arham Logiparc, NH - 3, Valshind Village, Bhiwandi, Dist. Thane - 421 302.	Effective as of December 8, 2014 and valid till December 7, 2015	Group Gram Panchayat, Sonale, Taluka Bhiwandi, District Thane
4.	No objection certificate from the Gram Panchayat for the premises at House No. 1544, Plot No. 138 and 139, Kode Lay Out, Khadgaon Road, Wadi, Nagpur – 440023	Effective from March 13, 2015 and valid till March 12, 2016	Manager Nagar Parishad Wadi, Taluka & District Nagpur

G. Licenses relating to employee and labour welfare

Sr. No.	License No.	Date	Authority
1.	License No. M/Cov./RM 5890 (35-01843-121) issued to the Company in relation to registration certificate and code under the Employees' State Insurance Act, 1948 A renewed code has also been specified on the license bearing number 35000018430001201 vide letter dated July 20, 2010 from the Deputy Director, Sub Regional Office, Marol	February 5, 2007	Deputy Director, Office of the Regional Director, Employees State Insurance Corporation
2.	Certificate No.MH/PF/APP/93755/ENFVII/SAO/KND/645 issued to the Company under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	August 5, 2005	Regional Provident Fund Commissioner, Maharashtra
3.	Code 47350018430011201 issued to the Company in relation to registration certificate and code under the Employees' State Insurance	November 7, 2014	Sub Regional Office, Ernakulum

Sr. No.	License No.	Date	Authority
	Act, 1948		
4.	Code 37350018430011201 issued to the Company in relation to registration certificate and code under the Employees' State Insurance Act, 1948 for premises at Ahmedabad	March 2, 2013	Assistant Director, Gujarat Regional Office, Employees State Insurance Corporation, Ahmedabad
5.	Sub-Code 23-35-01843-121 /Amt in relation to registration certificate and code under the Employees' State Insurance Act, 1948 for premises at Amravati	April 1, 2007	Sub-Regional Office, Employees State Insurance Corporation, Nagpur
6.	Code 53350018430011201 in relation to registration certificate and code under the Employees' State Insurance Act, 1948 for premises at Bangalore	September 20, 2010	Regional Office, (Karnataka) Employees State Insurance Corporation
7.	Code 51350018430011201 in relation to registration certificate and code under the Employees' State Insurance Act, 1948 for premises at Chennai	October 8, 2009	Regional Office, (Tamil Nadu) Employees State Insurance Corporation
8.	Code 44350018430011201 relation to registration certificate and code under the Employees' State Insurance Act, 1948 for premises at Cuttack	December 1, 2014	Assistant/ Deputy Director

Additionally our Company is registered under the Bombay Labour Welfare Fund Act, 1953 with the establishment code number MUM28715. However, a copy of our registration under this legislation is not currently traceable.

H. Tax Related Approvals

1. PAN and TAN

S. No.	Particulars	Registration Number
1.	Permanent Account Number	AABCV8900E
2.	Allotment of Tax Deduction Account Number	DELU03689A

2. Service Tax

S. No.	Particulars	Issuing Authority	Registration Number
1.	Central Board of Excise and Customs Service Tax Registration Certificate dated April 30, 2012	Deputy /Assistant Commissioner of Service Tax	AABCV8900EST001

3. Professional Tax Registration

Sr. No.	Approval granted in relation to premises located at	Authority	Reference / Registration Number	Date
1.	105, Nazrul Sarani, Aashrampara, Bidhan Road, Ground Floor, Ward Number XII, PS Subdivision: Siliguri,	Office of the Commissioner of Professional Tax, West Bengal	EWL0326500	December 4, 2013 and granted with effect from April

Sr. No.	Approval granted in relation to premises located at	Authority	Reference / Registration Number	Date
	Darjeeling 734001			1, 2013
2.	68/4D Purna Das Road, 1st Floor, PS/ Subdivision: Lake District, Kolkata	Office of the Commissioner of Professional Tax, West Bengal	ECS0286362	December 3, 2013 and granted with effect from April 1, 2013
3.	No.33/1, Wallajah Road, Chepauk, Chennai- 600 002, Tamil Nadu	Commissioner, Corporation of Chennai	PTNAN- 06-080-PE-0219	With effect from January 29, 2007
4.	A -13, Saurin, Flat B/S Karaka Building, Ashram Road Ahmedabad	Assistant Manager, Professional Tax, Ahmedabad Municipal Corporation	PE/C015173380	With effect from June 18, 2012
5.	B-703 Atma Hose, Opposite Old RBI, Ashram Road, Ahmedabad 380 009	Assistant Manager, Professional Tax	PE/C015161046	Dated October 10, 2014
6.	61, Russa Road, East, 1st Lane, Ground Floor, Kolkata	Profession Tax Officer, Kolkata, West Bengal	RCS 1173073	With effect from February 19, 2009
7.	Media Infotech Park, Valuable Techno Park, Road no. 7, Near Akruti Trade Centre, Andheri East, Mumbai, Maharashtra	Profession Tax Officer, Registration Branch, Mumbai	27540261939P	With effect from August 8, 2013
8.	No.F-9, 1st Floor, Naveen Apartments, 13th Main Road, Vasanth Nagar, Bangalore Subsequently the address was changed to Ganesh Krupa, No.24, Ground Floor, 1st Main Road, Kalidasa Road, Gandhinagar Bangalore 560009	Professional Tax Officer, IV Circle Bangalore	P 04 P 2863	Dated September 3, 2005
9.	D.No.26-7-16, Krishna Sadan, Plot No. 303, Garikapati Vari Street, Gandhi Nagar, Vijaywada, Andhra Pradesh, 520 003	Deputy Commissioner (R) Municipal Corporation Vijaywada	PTIN: 144/2014-15	March 27, 2015
10.	Professional tax payer enrollment certificate for D.No.26-7-16, Krishna Sadan, Plot No. 303, Garikapati Vari Street, Gandhi Nagar, Vijaywada, Andhra Pradesh, 520 003	Deputy Commissioner (R) Municipal Corporation Vijaywada	PTIN: 0161/2014-15	March 27, 2015

4. Value added tax and central sales tax related approvals

Our Company has obtained the following registrations in relation to its offices, branches and premises in India. Each license under the respective VAT legislation covers any additional place of business of the Company in such state.

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
1.	Assam Value Added Tax Act, 2003	H.No.31, 1st Floor, Opposite Royal Arcade, Dr. B. Baruah Road, Guwahati, Assam	18290077052	Assessing Officer, Superintendent of Taxes, Guwahati	Effective from February 3, 2007
2.	Central Sales Tax Act, 1956	H.No.31, 1st Floor, Opposite Royal Arcade, Dr. B. Baruah Road, Guwahati, Assam	18059906956	Notified Authority, Superintendent of Taxes, Dispur, Assam	Effective from February 5, 2007
3.	Andhra Pradesh Value Added Tax Act, 2005	107, 1st floor, Happy Trade Centre, Opposite Clock Tower, S.D Road, Secunderbad, Hyderabad	28880222586	Commercial Tax Officer, VAT Registering Authority, Khairatabad Circle, Punjagotla Division	Effective from October 23, 2007
4.	Central Sales Tax Act, 1956	107, 1st floor, Happy Trade Centre, Opposite Clock Tower, S.D Road, Secunderbad, Hyderabad	28880222586	Commercial Tax Officer, VAT Registering Authority, Khairatabad Circle, Punjagotla Division	Effective from October 23, 2007
5.	Bihar Value Added Tax Ordinance 2005	1/D 1st floor, Anand Tower Extension Road, Patna	10050403092	Deputy Commissioner of Commercial Taxes, Pataliputra Circle, Patna	Effective from October 31, 2008
6.	Central Sales Tax Act, 1956	1/D 1st floor, Anand Tower Extension Road, Patna	10050403189	Deputy Commissioner of Commercial Taxes, Pataliputra Circle, Patna	Effective from October 31, 2008
7.	Chhattisgarh Value Added Tax Act 2005	A-201, Farishta Complex, Station Road, Durg, Chhatisgarh	22303103720	Commercial Tax Officer	Effective from March 31, 2006
8.	Central Sales Tax Act, 1956	A-201, Farishta Complex, Station Road, Durg, Chhatisgarh	22303103720	Commercial Tax Officer	Effective from April 18, 2007
9.	Delhi Value Added Tax Act, 2005 and Central Sales Tax Act, 1956	Arunachal Building, 19, Barakhamba Road, New Delhi	07470315609	Value Added Tax Officer, Department of Trade and Taxes, Government of National Capital Territory of Delhi	Effective from August 2, 2006. Acknowledgment of registration dated February 26, 2014

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
10.	Goa Value Added Tax Act, 2005	307, M.G. Road, Govinda Building, Panaji, Goa	30710105820	Commercial Tax Officer, Panaji Ward, Goa	Effective from April, 1, 2015 to March 31, 2018
11.	Central Sales Tax Act, 1956	307, M.G. Road, Govinda Building, Panaji, Goa	P/CST/7973	Commercial Tax Officer, Panaji Ward, Goa	Effective from April, 1, 2015 to March 31, 2018
12.	Gujarat Sales Tax Act, 1969	B 503 Atma House, Ashram Road, Ahmedabad	24073603846	Assistant Sales Tax Commissioner, Ahmedabad	Effective from August 5, 2005.
13.	Central Sales Tax Act, 1956	B 503 Atma House, Ashram Road, Ahmedabad	24573603846	Commercial Tax Officer, Ghatak-5, Ahmedabad	Effective from August 5, 2005.
14.	Haryana Value Added Tax Act, 2003	Plot No. 7, Institutional Area, Sector 32, Gurgaon, Haryana	0690-1826067	Assessing Authority, Gurgaon	Valid from December 8, 2005
15.	Central Sales Tax Act 1956	Plot No. 7, Institutional Area, Sector 32, Gurgaon, Haryana	06901826067	ETO, Assessing Authority, Gurgaon	Effective from December 8, 2005
16.	Jammu and Kashmir Value Added Tax Act, 2005	77, South Extension Sector, 1 A Trikuta Nagar, Jammu	01711201962	Registering Authority, Circle P-Jammu, Commercial Tax Department, Government of Jammu and Kashmir	Effective from September 21, 2013
17.	Central Sales Tax Act, 1956	77, South Extension Sector, 1 A Trikuta Nagar, Jammu	01711201962 (Central)	Officer, Commercial Taxes Circle P-Jammu	Dated December 11, 2013
18.	Jharkhand Value Added Tax Act, 2005	Hariyana Kalewalaya, Shop No. 3, J.J. Road, Upper Bazaar, Ranchi	20820405630	Registering Authority, Commercial Taxes Department, Government of Jharkhand	Effective from January 12, 2007

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
19.	Central Sales Tax Act, 1956	Hariyana Kalewalaya, Shop No. 3, J.J. Road, Upper Bazaar, Ranchi	20820405630-101		Valid from July 23, 2011
20.	Karnataka Value Added Tax Act, 2003	No.24, Ground Floor, Ganesh Krupa, I Main Kalidasa Road, Gandhinagar, Bangalore	29470394786	Assistant Commissioner of Commercial Taxes, Bangalore	Effective from April 1, 2005
21.	Central Sales Tax Act, 1956	No.24, Ground Floor, Ganesh Krupa, I Main Kalidasa Road, Gandhinagar, Bangalore	29470394786	Assistant Commissioner of Commercial Taxes, Bangalore	Effective from June 18, 2005
22.	Kerala Value Added Tax, 2003	41/933, Ground Floor, Panakkal Building, Pulleppady Road, Erunakulam 6832018	32071720555	Commercial Tax Officer, KVAT Circle-III, Erunakulam	Effective from August 16, 2005
23.	Central Sales Tax Act, 1956	41/933, Ground Floor, Panakkal Building, Pulleppady Road, Erunakulam 6832018	32071720555C	Assistant Commissioner, Special Circle 2 Ernakulam	Effective from October 17, 2005
24.	Central Sales Tax Act, 1956	Ground Floor, Malwa Tower 10, Old Palasia, A.B. Road, Indore, Madhya Pradesh	23270203420	Commercial Tax Officer, Indore	Effective from March 31, 2006
25.	Madhya Pradesh Value Added Tax, 2003	Ground Floor, Malwa Tower 10, Old Palasia, A.B. Road, Indore, Madhya Pradesh	23270203420	Commercial Tax Officer, Indore	Effective from March 31, 2006
26.	Maharashtra Value Added Tax Act, 2002	Media Infotech Park, Valuable Techno Park, Road no. 7, Near Akruti Trade Centre, Andheri East, Mumbai, Maharashtra	27540261939V	Sales Tax Officer, Registration Branch, Mumbai	Effective from April 1, 2006. Further, a fresh certificate dated July 20, 2011 has been issued on account of change in address.

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
27.	Main Place of Business Certificate under Central Sales Tax Act, 1956	Media Infotech Park, Valuable Techno Park, Road no. 7, Near Akruti Trade Centre, Andheri East, Mumbai, Maharashtra	27540261939C	Sales Tax Officer, Mum-VAT-C-103, Mazegaon, Mumbai	Effective from April 1, 2006. Further, a fresh certificate dated July 20, 2011 has been issued on account of change in address.
28.	Orissa Value Added Tax Act, 2004	Room No.11, Spectrum Point, opposite Old Bus Stand, Berhampur, Ganjam	21381907828	Assistant Commissioner of Sales Tax, Ganjam Circle, Berhampur	Effective from November 22, 2008
29.	Central Sales Tax Act, 1956	Room No.11, Spectrum Point, opposite Old Bus Stand Berhampur, Ganjam, Orissa	21381907828 (Central)	Assistant Commissioner of Sales Tax, Ganjam Circle, Berhampur	Effective from November 22, 2008
30.	Punjab Value Added Tax Act, 2005	Shop No.10, 1st Floor, Minerva A C Market, G T Road, Ludhiana	03632010856	Excise and Taxation Officer, Ludhiana	Effective from September 23, 2005
31.	Central Sales Tax Act, 1956	Shop No.10, 1st Floor, Minerva A C Market, G T Road, Ludhiana	03632010856	Excise and Taxation Officer and Designated Officer, Ludhiana	Effective from September 23, 2005
32.	Tamil Nadu Value Added Tax Act, 2006	33, Wajallah Road, Chennai	33480662095	Assistant Commissioner (CT), Commercial Taxes Department, Government of Tamil Nadu	Effective from November 12, 2008
33.	Central Sales Tax Act, 1956	33, Wajallah Road, Chennai	789877	Assistant Commissioner (CT), Chepakkam Assessment Circle, Tamil Nadu	Effective from January 29, 2007
34.	Andhra Pradesh Value Added Tax Act, 2005	249, Road No. 12, Prashasan Nagar, Jubilee Hills, Hyderabad, Telangana	36880222586	Registering Authority, Commercial Taxes Department, Government of Telangana	Effective from June 2, 2014
35.	Central Sales Tax Act, 1956	249, Road no. 12, Prashasan Nagar, Jubilee Hills, Hyderabad, Telangana	36880222586 (Central)	Registering Authority, Commercial Taxes Department, Government of Telangana	Effective from June 2, 2014

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
36.	Uttar Pradesh Value Added Tax Act, 2007	7 Pandey Bhawan, Rani Laxmi Bai Marg, Opposite Begum Hazarat Mahal Park, Luknow	09350001636	Department of Commercial Taxes, Government of Uttar Pradesh	Effective from August 9, 2005. Amended with effect from December 12, 2009
37.	Central Sales Tax Act, 1956	7 Pandey Bhawan, Rani Laxmi Bai Marg, Opposite Begum Hazarat Mahal Park, Lucknow	09350001636	Department of Commercial Taxes, Government of Uttar Pradesh	Effective from August 9, 2005
38.	Uttarakhand Value Added Tax Act	Dehradun Sector AC III	05006966080	Assistant Commissioner, Dehradun, Circle III	Date of registration is January 27, 2007
39.	West Bengal Value Added Tax Act, 2003	61, Russa Road, East, 1st Lane, Ground Floor, Kolkata	19628920098	Deputy Commissioner, Sales Tax, Behala Charge	Effective from August 26, 2005
40.	Central Sales Tax Act, 1956	61, Russa Road, East, 1st Lane, Ground Floor Kolkata	19628920098	Assistant Commissioner, Sales Tax, Behala Charge	Effective from August 25, 2005

5. Local Body Taxes

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
1.	Bihar Tax on Entry of Goods into Local Areas for Consumption, Use or Sale therein Ordinance, 1993	1/D 1st floor, Anand Tower Extension Road, Patna, with head office at City Point, JB Nagar, Andheri-Kurla Road, Mumbai	10050403286	Deputy Commissioner of Commercial Taxes, Pataliputra Circle, Patna	Effective from October 31, 2008
2.	Entry tax levied under the Maharashtra Municipal Corporation Act 1949	Ware House, R-482, MIDC, TTC Industrial Area, Rabale, Navi Mumbai	NMMC /CEG/06/01052	Assistant Commissioner Entry Tax	Effective from August 3, 2006
3.	Orissa Entry Tax Act 1999 and Orissa Entry Tax Rules, 1999	Room No-11,Spectrum Point, opp. old bus stand, Berhampur, PO -	21381907828	Office of the D.C.S.T., Ganjam-I Circle, Medical Road Berhampur-760010	-

		Berhampur, Ganjam 760001			

I. Intellectual Property related approvals

1. Our Company has been granted the following trade marks under the Trade Marks Act:

S. No.	Registrations Granted	Authority	Trade mark Number	Date of Issue/Renewal of Certificate	Validity
1.	Certificate of registration of trade mark "UFO Digital Cinema" under class 9	Registrar of Trade Marks, Mumbai	1765612	Registration granted on December 18, 2008 and certificate granted on January 18, 2011	Ten years from the date of application.
2.	Certificate of registration of trade mark "UFO Digital Cinema" under class 38	Registrar of Trade Marks, Mumbai	1765614	Registration granted on December 18, 2008 and certificate granted on January 18, 2011	Ten years from the date of application.
3.	Certificate of registration of trade mark "UFO Digital Cinema" under class 41	Registrar of Trade Marks, Mumbai	1765615	Registration granted on December 18, 2008 and certificate granted on January 18, 2011	Ten years from the date of application.
4.	Certificate of registration of trade mark "UFO Digital Cinema" under class 42	Registrar of Trade Marks, Mumbai	1765616	Registration granted on December 18, 2008 and certificate granted on January 18, 2011	Ten years from the date of application.
5.	Certificate of registration of trade mark "UFO Digital Cinema" under class 35	Registrar of Trade Marks, Mumbai	1765613	Registration granted on December 18, 2008 and certificate granted on January 18, 2011	Ten years from the date of application.
6.	Certificate of registration of trade mark "UFO Moviez" (Label) under class 16	Registrar of Trade Marks, Mumbai	1362945	Certificate dated March 27, 2008	Till June 10, 2015

S. No.	Registrations Granted	Authority	Trade mark Number	Date of Issue/Renewal of Certificate	Validity
7.	Certificate of registration of trade mark "UFO Moviez" (Label) under class 38	Registrar of Trade Marks, Mumbai	1362947	Certificate dated September 23, 2006	Till June 10, 2015
8.	Certificate of registration of trade mark "UFO Moviez" (Label) under class 35	Registrar of Trade Marks, Mumbai	1362943	Certificate dated July 4, 2007	Till June 10, 2015
9.	Certificate of registration of trade mark "UFO Moviez" (Label) under class 9	Registrar of Trade Marks, Mumbai	1362944	Certificate dated July 9, 2007	Till June 10, 2015
10.	Certificate of registration of trade mark "UFO Moviexz" (Label) under class 42	Registrar of Trade Marks, Mumbai	1362946	Certificate dated July 24, 2007	Till June 10, 2015
11.	Certificate of registration of trade mark "UFO Moviez" (Label) under class 41	Registrar of Trade Marks, Mumbai	1362948	Certificate dated September 25, 2006	Till June 10, 2015

2. Domain name related approvals

Our Company has the following domain names registered:

S. No.	Domain Name	Particulars	Validity
1.	www.ufomoviez.com	Domain name registered with Net 4 India Limited	Valid up to March 20, 2017
2.	www.ufosds.com	Domain name registered with Net 4 India Limited	Valid up to September 27, 2019

J. Approvals applied for and are pending

S. No.	Particulars	Date	Purpose	Authority
1.	Application for renewal of no objection certificate bearing No. MIDC/FIRE/831	July 20, 2012	To grant a no objection certificate under the Maharashtra Fire Prevention and Life safety measures act 2006	Maharashtra Industrial Development Corporation
2.	Application for change in address of principal place of business for the premises at B-7 Ganga Path, Suraj Nagar, West Givil Lines, Jaipur, Rajasthan to 35-36, Vijay Nagar, Kartarpura, Jaipur, 302006	December 5, 2014	Change in address for TIN Number 08231760782	Deputy Commissioner III, Jaipur

3.	Oasis Commercial Complex, Plot No. 92, Opposite Hotel Landmark, Dr. B Barooah Road, Ulubari, Guwahati-781007	April 7, 2015	Application for license under the Guwahati Municipal Corporation Act, 1969	Commissioner, Guwahati Municipal Corporation
4.	Application to the DAVP for extension of empanelment with the DAVP and submission of updated all India theatre list.	March 30, 2015	Application for extension of empanelment with the DAVP and submission of updated list of theatres for empanelment with the DAVP.	Directorate of Advertising and Visual Publicity
5.	Application for extension of empanelment with the DAVP	April 15, 2015	Application for extension of empanelment with the DAVP for the financial year 2015-2016	Directorate of Advertising and Visual Publicity

II. Approvals relating to Scrabble Entertainment Limited

1. Certificate of Importer Exporter Code

S. No.	Particulars	Reference / Registration Number	Validity
1.	Certificate of Importer Exporter Code granted by the Office of Additional Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India, dated March 5, 2008	0307093531	One time approval

2. Tax Related Approvals

A. *PAN and TAN*

S. No.	Particulars	Registration Number
1.	Permanent Account Number	AALCS6153Q
2.	Allotment of Tax Deduction Account Number	MUMS59437A

B. *Sales Tax and Value Added Tax related approvals*

Scrabble has obtained the following registrations in relation to its offices, branches and premises in India. Each license under the respective VAT legislation covers any additional place of business of Scrabble in such state.

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
1.	Assam Value Added Tax Act, 2003	H.No.37, 1st Floor, Opposite Royal Arcade, Dr. B. Baruah Road, Ulubari Guwahati, Assam	18940155798	Superintendent of Taxes, Dispur, Guwahati	Effective from November 22, 2011

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
2.	Central Sales Tax Act, 1956	H.No.37, 1st Floor, Opposite Royal Arcade, Dr. B. Baruah Road, Ulubari Guwahati, Assam	18709935844	Superintendent of Taxes, Dispur, Guwahati	Effective from November 22, 2011
3.	Central Sales Tax Act, 1956	D 95/6 Gita Sadan, Kurmanchal Nagar, Lucknow	09250024930C	In charge, Registration Cell	Valid from November 22, 2011
4.	Uttar Pradesh Value Added Tax Act, 2007	D 95/6 Gita Sadan, Kurmanchal Nagar, Lucknow	09250024930	Registering Authority	Valid from November 22, 2011
5.	West Bengal Value Added Tax Act, 2003	61, Russa Road East, 1st Lane, Ground Floor, Kolkata – 700033	19621252733	Senior Joint Commissioner of Sales Tax	Effective
6.	Central Sales Tax Act, 1956	61, Russa Road East, 1st Lane, Ground Floor, Kolkata – 700033	19621252733	Senior Joint Commissioner of Sales Tax	Effective from April 13, 2012
7.	Andhra Pradesh Value Added Tax Act, 2005	D No. 26 7 16 2nd Floor, Shop No. 30 Krishna Sadan, Gandhi Nagar, Vijayawada, Krishna, Andhra Pradesh 520003	37302280945	Assistant Commercial Tax Officer, VAT Registration, Seetharampuram Circle, Vijayawada	Effective from June 2, 2014
8.	Central Sales Tax Act, 1956	D No. 26 7 16 2nd Floor, Shop No. 30 Krishna Sadan,, Gandhi Nagar, Vijayawada, Krishna, Andhra Pradesh 520003	37302280945	Assistant Commercial Tax Officer, VAT Registration, Seetharampuram Circle, Vijayawada	Effective from June 2, 2014
9.	Bihar Value Added Tax Act, 2005	Shop No B9, Anand Tower, Ground Floor, Exhibition Road, Patna, Bihar 800001	10050989091	Deputy Commissioner of Commercial Taxes	Effective from September 14, 2012 until cancelled
10.	Central Sales Tax Act, 1956	Shop No B9, Anand Tower, Ground Floor, Exhibition Road, Patna, Bihar 800001	10050997119	Deputy Commissioner of Commercial Taxes	Effective from September 14, 2012 until cancelled.
11.	Central Sales Tax Act, 1956	4th Floor, 208, Shanti Vijay Apartment, Ganj Chowk, Rajnandgaon, Chhattisgarh	22333606891	Commercial Tax Officer, Rajnandgaon Circle	Effective from December 26, 2011 till cancelled.

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
12.	Chhattisgarh Value Added Sales Tax Act, 2003	4th Floor, 208, Shanti Vijay Apartment, Ganj Chowk, Rajnandgaon, Chhattisgarh	22333606891	Commercial Tax Officer, Rajnandgaon Circle	Effective from December 26, 2011
13.	Central Sales Tax Act, 1956	B/3 Saurin Housing Co. Op. Society, behind City Gold Multiplex, Ashram Road, Ahmedabad, 380009	24573302976	Assistant Commissioner of Commercial Taxes	Effective from November 19, 2011
14.	Gujarat Value Added Tax Act, 2003	B/3 Saurin Housing Co. Op. Society, behind City Gold Multiplex, Ashram Road, Ahmedabad, 380009	24073302976	Assistant Commissioner of Commercial Taxes	Effective from November 19, 2011
15.	Haryana Value Added Tax Act, 2003	Plot No 20, Institutional Area, Sector, 44, Gurgaon East	06941832544	Assessing Authority, Gurgaon	Effective from October 21, 2011 till cancelled
16.	Central Sales Tax Act, 1956	Plot No 20, Institutional Area, Sector, 44, Gurgaon East	06941832544	Assessing Authority, Gurgaon	Effective from October 21, 2011 till cancelled
17.	Karnataka Value Added Tax Act 2003	No.101, 1st floor, CTS -95, Ananda Rao Extension, 6th Main Road, 2nd Cross, Gandhinagar, Bangalore 560009	29880643414	Assistant Commissioner Of Commercial Taxes, Bangalore	Effective from October 21, 2011 till cancelled
18.	Central Sales Tax Act, 1956	No.101, 1st floor, CTS -95, Ananda Rao Extension, 6th Main Road, 2nd Cross, Gandhinagar, Bangalore 560009	29880643414	Assistant Commissioner Of Commercial Taxes, Bangalore	Effective from October 21, 2011
19.	Central Sales Tax Act, 1956	203, Malwa Tower 10, Old Palasia, Indore 45001	23769036051	Assistant Commissioner, Circle IX, Indore	Effective from October 21, 2011 till cancelled
20.	Central Sales Tax Act , 1956	580/F2, Shreeram Nagar, 30, Badambadri, Cuttack, PO Arunodaya Market, Cuttack, 753012	21913100782	Deputy Commissioner of Sales Tax, Central Circle, Cuttack I	Effective from June 1, 2012 till cancelled

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
21.	Orissa Value Added Tax Act 2004	580/F2, Shreeram Nagar, 30, Badambadri, Cuttack, PO Arunodaya Market, Cuttack, 753012	21913100782	Deputy Commissioner of Sales Tax, Central Circle, Cuttack I	Effective from June 1, 2012 till cancelled
22.	Central Sales Tax Act , 1956	1st Floor, Sucha Singh Market, New Railway Road, Near RNB Jalandhar	03852098423	Excise and Taxation Officer, Jalandhar 1	Effective from December 8, 2011
23.	Punjab Value Added Tax Act 2005	1st Floor, Sucha Singh Market, New Railway Road, Near RNB Jalandhar	03852098423	Excise and Taxation Officer, Jalandhar 1	Effective from December 8, 2011
24.	Andhra Pradesh Value Added Tax Act, 2005	249, Prashan Nagar, Road No. 12, Jubilee Hills, Hyderabad, Telangana	36712083278	Commercial tax Officer, VAT Registering Authority, Jubilee Hills Circle, Punjagatta Division	Effective from June 2, 2014 till cancelled.
25.	Central Sales Tax Act , 1956	249, Prashan Nagar, Road No. 12, Jubilee Hills, Hyderabad,	36712083278	Commercial tax Officer, VAT Registering Authority, Jubilee Hills Circle, Punjagatta Division	Effective from June 2, 2014 till cancelled.
26.	Central Sales Tax Act , 1956	33/1, Wallajah Road, Chepauk, Chennai, Tamil Nadu, 600005 and DDND-668-149	956666	Assistant Commissioner, Chepukkum Assessment Circle, Chennai 600006	Effective from December 5, 2011
27.	Tamil Nadu Value Added Tax Act 2006	33/1, Wallajah Road, Chepauk, Chennai, Tamil Nadu, 600005	33240662712	Assistant Commissioner, Chepukkum Assessment Circle, Chennai 600006	Effective from December 1, 2011
28.	Delhi Value Added Tax Act 2004	Blok No. B-1, Plot No. B-2, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044	07130361192	Notified Authority	Effective from June 2, 2009
29.	Central Sales Tax Act , 1956	Block No. B-1, Plot No. B-2, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044	07130361192	Notified Authority	Effective from June 2, 2009

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
30.	Madhya Pradesh Value Added Tax Act 2004	203, Malwa Tower 10, Old Palasia, Indore 450001	23769036051	Department of Commercial Tax	Effective from November 21, 2011
31.	Main place of business certificate under the Central Sales Tax Act, 1956	DSA Building, Plot No. A-20, Cross Road, B. MIDC, Andheri East, Mumbai 400093	27450657312C	Sales Tax Officer, Mum VAT-C-104, Registration Branch, Mumbai	Effective from May 5, 2008
32.	Maharashtra Value Added Tax Act, 2005	DSA Building, Plot No. A-20, Cross Road, B. MIDC, Andheri East, Mumbai 400093	27450657312V	Sales Tax Officer, Mum VAT-C-104, Registration Branch, Mumbai	Effective from May 5, 2008

C. *Professional Tax Registration*

Sr. No.	Approval granted in relation to premises located at	Authority	Reference / Registration Number	Date
1.	61, Russa Road, East, 1st Lane, Ground Floor, Kolkata - 700033	Professional Tax, Officer, Kolkata South	ECS-0234656	December 21, 2011
2.	No.191, Skanda Krupa, 1st Cross, 38th Main BTM layout, 2nd stage, Bangalore 560068	Assistant Commissioner of Commercial Taxes, Koramangala, Bangalore	29880643414	Effective from October 21, 2011
3.	Room No. 6, Katayun Mansion, 290, Lamington Road, Mumbai 400007 with an additional place of business at 123, Sahakar Industrial Estate, Plot No 165/6, Navghar Village, Vasai Road, Navghar, 401102	Profession Tax Officer (12), Registration Branch, Mumbai	27450657312P	November 22, 2010

D. *Service Tax Registration*

Sr. No.	Approval granted in relation to premises located at	Authority	Reference / Registration Number	Date
1.	DSA Electro Controls Private Limited, Plot No. A-20, Cross Road, B. MIDC, Andheri East, Mumbai 400093	Central Excise Officer	AALCS6153QST00 1	Effective from July 7, 2008

E. *Local Body Taxes*

Sr. No.	Legislation under which registered	Approval granted in relation to premises located at	Reference / Registration Number	Authority	Date

1.	Orissa Entry Tax Act 1999 and Orissa Entry Tax Rules, 1999	580/F2, Shreeram Nagar, 30, Badambadri, Cuttack, PO Arunodaya Market, Cuttack, 753012	21913100782	Deputy Commissioner of Sales Tax, Cuttack – I, Central Circle	June 1, 2012
2.	Entry tax levied under the Maharashtra Municipal Corporation Act 1949	No R-482 Building name MIDC Building Corporation No – 482 section F / village Rabale area T.T.C. Industrial Area	N.M.M.C. / LBT/06/02800	Assistant Commissioner (LBT) Municipal corporation of Navi Mumbai	July 2, 2014
3.	Bihar Tax on Entry of Goods into Local Areas for Consumption, Use or Sale therein Ordinance, 1993	Shop No-B/9,, Anand Tower Extension Road, Patna 800001	10050908244	Deputy Commissioner of Commercial Taxes, Pataliputra Circle, Patna	Effective from January 17, 2015

F. ***Registration under the applicable Shops and Establishments Act***

S. No.	Registration Number	Address of establishment	Validity
1.	2014053430	Block No.B-1, Plot No.B-2, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi- 110044	Effective from December 5, 2014 and valid till December 4, 2035
2.	760423087/ Commercial II	Janki Centre, 5th Floor, Unit Nos. 516 & 518, Veera Desai Road, Andheri West, Mumbai – 400053	Effective from November 19, 2014 to December 31, 2016
3.	760423286/ Commercial II	Unit No-16, Sarvodaya Industrial Estate, Off. Mahakali Caves Road, Andheri (East), Mumbai-400093	Effective from December 3, 2014 to December 31, 2016
4.	7/94/CE/2880/2014	No 164, 1st Floor, 8 Street 6th Cross road, Gandhi Nagar, Bangalore, 560009	Effective from December 7, 2014 to December 31, 2018
5.	760423287/ Commercial II	Plot No. A 20, Cross Road, B, MIDC, Andheri (E), Mumbai, 400093	Effective from November 24, 2014 to December 31, 2016
6.	760426453/ Commercial II	Valuable Techno Park, Plot No. 53/1, Road No. 7, MIDC Andheri (East)	Effective from December 29, 2014 to December 31, 2016
7.	UPS052827005294	Movie World Multiplex, 1st Floor, Adjacent to screen of Audi No.2, Movie World Cinema Complex, A1/1-7,8,9,13 to 17, Site-3, Meerut Road, Sihani Chungi, Ghaziabad Uttar Pradesh – 201001	Valid from April 1, 2014 to March 31, 2019
8.	R-DIS 12/15	33/1, 2nd Floor, Wallajah Road, Chepuak, Chennai-600002	Valid from February 23, 2015

G. ***Licenses relating to employee and labour welfare***

Sr. No.	License No.	Date	Authority

Sr. No.	License No.	Date	Authority
1.	License No. M/Cov./RM 9780 (35-00 006435 000 1099) under the Employees' State Insurance Act, 1948	Effective from July 1, 2010	Sub- Regional Office, Employees State Insurance Corporation, Marol, Mumbai
2.	Certificate No.MH/PF/APP/213767/ENFVIII/RO/KND/64 under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Effective from September 1, 2009	Regional Provident Fund Commissioner, Maharashtra and Goa
3.	Establishment Code MUM 50274 PROV issued under Bombay Labour Welfare Fund Act 1953	November 3, 2014	Maharashtra Labour Welfare Federation Kamghar Krida Bhavan, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013

H. ***Trademark Registrations that have been applied for and are pending***

S. No.	Application	Authority	Date
1.	Application for the registration of trade mark "Scrabble" under class 9 of the Trade Mark Act, 1999 bearing number 2158983	Trade Marks Registry, Mumbai	June 13, 2011
2.	Application for the registration of trade mark "Scrabble" under class 16 of the Trade Mark Act, 1999 bearing number 2158984	Trade Marks Registry, Mumbai	June 13, 2011
3.	Application for the registration of trade mark "Scrabble" under class 25 of the Trade Mark Act, 1999 bearing number 2158985	Trade Marks Registry, Mumbai	June 13, 2011
4.	Application for the registration of trade mark "Scrabble" under class 35 of the Trade Mark Act, 1999 bearing number 2158986	Trade Marks Registry, Mumbai	June 13, 2011
5.	Application for the registration of trade mark "Scrabble" under class 42 of the Trade Mark Act, 1999 bearing number 2158987	Trade Marks Registry, Mumbai	June 13, 2011
6.	Application for the registration of trade mark "Scrabble Entertainment Private Limited" under class 41 of the Trade Mark Act, 1999 bearing number 2131797	Trade Marks Registry, Mumbai	April 19, 2011

I. ***Applications applied for and pending***

S. No.	Particulars	Date	Purpose	Authority
1.	Application No.320717/DI08/1136/2014	May 14, 2014	Renewal of the Kerala Value Added Tax Act, 2003 and Central Sales Tax Act registration for	Commercial Tax Officer, Circle III, Ernakulam

			the premises at Panackal Building, 41/935B, Pulleppady Road, 41, Pulleppady Cochin, 682018	
2.	Application dated December 10, 2014 for change of principal place of business from B-7 Ganga Path , Suraj Nagar, West Civil Lines, Jaipur-302006 to Plot No. 35-36 Vijay Nagar, Kartarpura, Jaipur-302006	December 10, 2014	Application dated for change of principal place of business in Rajasthan.	Deputy Commissioner III

J. Domain name related approvals

S. No.	Domain Name	Particulars	Date
1.	www.scrabbleentertainment.com	Domain name registered with Rediff.com India Limited.	Dated March 5, 2015, valid till March 4, 2016

Approvals relating to Southern Digital Screenz ("SDS")

1. Tax Related Approvals

A. *PAN and TAN*

S. No.	Particulars	Registration Number
1.	Permanent Account Number	AAMCS1193H
2.	Allotment of Tax Deduction Account Number	CHES30566E

B. *Value Added Tax and Sales Tax Related Approvals*

SDS has obtained the following registrations in relation to its offices, branches and premises in India. Each license under the respective VAT legislation covers any additional place of business of SDS in such state.

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
1.	Karnataka Value Added Tax Act, 2003	Flat No. 203, 2nd Floor, Sai Garden, No. 89, Benson Cross Road, Bangalore 560046	29770892716	Assistant Commissioner of Commercial Taxes, Bangalore	Effective from April 3, 2010
2.	Central Sales Tax Act, 1956	Flat No. 203, 2nd Floor, Sai Garden, No. 89, Benson Cross Road, Bangalore 560046	29770892716	Assistant Commissioner of Commercial Taxes, Bangalore	Effective from April 3, 2010

S. No.	Legislation under which registered	Premises and location	Registration number	Issuing authority	Validity
3.	Kerala Value Added Tax Act, 2003	Door No. 41/935, Panackal Building, Pullepady Road, Cochin – 682 018	32071768029	Commercial tax Officer, Circle III	Effective from January 5, 2010
4.	Central Sales Tax Act, 1956	Door No. 41/935, Panackal Building, Pullepady Road, Cochin – 682 018	32071768029C	Commercial tax Officer, Circle III	Effective from January 5, 2010
5.	Tamil Nadu Value Added Tax Act, 2006	No.33/1, Wallajah Road, Chepauk, Chennai- 600 002	33650662438	Assistant Commissioner, Chepakkam Assessment Circle	Effective from December 1, 2008
6.	Central Sales Tax Act, 1956	No.33/1, Wallajah Road, Chepauk, Chennai- 600 002	874756	Assistant Commissioner, Chepakkam Assessment Circle	Effective from December 1, 2008
7.	Andhra Pradesh Value Added Tax Act, 2005	249, Prashasan Nagar, Road No. 12, Jubilee Hills, Hyderabad, Telangana	28654540484	Commercial tax Officer, VAT Registering Authority, Jubilee Hills Circle, Punjagatta Division	Effective from February 1, 2010
8.	Central Sales Tax Act, 1956	249, Prashasan Nagar, Road No. 12, Jubilee Hills, Hyderabad, Telangana	28654540484	Commercial tax Officer, VAT Registering Authority	Effective from February 11, 2010
9.	Andhra Pradesh Value Added Tax Act, 2005	D No. 26 7 16 2nd Floor, Garikapati Vari Street, Gandhi Nagar, Vijayawada, Krishna, Andhra Pradesh 520003	37654540484	Assistant Commercial tax Officer, Gandhinagar, Unit	Effective from June 2, 2014
10.	Central Sales Tax Act, 1956	D No. 26 7 16 2nd Floor, Garikapati Vari Street, Gandhi Nagar, Vijayawada, Krishna, Andhra Pradesh 520003	37654540484	Assistant Commercial tax Officer, Gandhinagar, Unit	Effective from June 2, 2014

C. *Professional Tax Registration*

Sr. No.	Approval granted in relation to premises located at	Authority	Reference / Registration Number	Date
1.	No.33, Wallajah Road, Chepauk, Chennai -2	Assistant Revenue Officer	06800127 and new assessment number 06-080-PE-0278	Dated December 10, 2012

Sr. No.	Approval granted in relation to premises located at	Authority	Reference / Registration Number	Date
2.	Flat No. 203, 2nd Floor, Sai Garden, No. 89, Benson Cross Road, Bangalore 560046	Professional Tax Officer, Circle IV, Bangalore	P00413374	Effective from March 7, 2011
3.	249, Prashan Nagar, Road No. 12, Jubilee Hills, Hyderabad, under Entry I (Salary Wages) of the main professions under the Andhra Pradesh Tax on Professions, Trade callings and Employment Act 1987	Profession Tax Officer, Jubilee Hills Circle, Hyderabad	28925592940	Effective from February 16, 2011
4.	249, Prashan Nagar, Road No. 12, Jubilee Hills, Hyderabad, under Entry 21 (others) of the Andhra Pradesh Tax on Professions, Trade callings and Employment Act 1987	Profession Tax Officer, Jubilee Hills Circle, Hyderabad	28351051295	Effective from February 16, 2011
5.	D.No.26-7-16, Krishna Sadan, Plot No. 303, Garikapati Vari Street, Gandhi Nagar, Vijaywada, Andhra Pradesh, 520 003	Deputy Commissioner (R.) Municipal Corporation Vijaywada	PTIN:0116/2014-15	Effective from November 1, 2014
6.	D.No.26-7-16, Krishna Sadan, Plot No. 303, Garikapati Vari Street, Gandhi Nagar, Vijaywada, Andhra Pradesh, 520 003	Deputy Commissioner (R.) Municipal Corporation Vijaywada	PT 0103 / 2014-15	Effective from November 1, 2014

D. ***Service Tax Registration***

Sr. No.	Approval granted in relation to premises located at	Authority	Reference / Registration Number	Date
1.	No.33/1, Wallajah Road, Chepauk, Tiruvellikeni, Chennai -600002	Central Excise Officer	AAMCS1193H ST001	Effective from January 1, 2009 and further amended on September 9, 2014

E. ***Registration under the applicable Shops and Establishments Act***

S. No.	Registration Number	Address of establishment	Validity
1.	7/94/S/0007/2014	Ganesha Krupa, No. 24, Ground Floor, 1st Main, Kalidasa Road, Gandhinagar, Bangalore -560009, Karnataka	Valid till December 31, 2018
2.	AP 01-06-272-01579	D. No: 26-7-16, Krishna Sadan, Plot No.303, Garikapati Vari Street, Gandhi Nagar, Vijayawada- 520 003.	Valid till December 31, 2015
3.	ALO 037HYDSE9855/15147	No. 249, Prashashan Nagar, Road No.12, Jubilee Hills, Hyderabad - 500 033	February 5, 2015 to December 31, 2015
4.	MOH 15/ 24687 /15-16	41st Division / 935 numbered building located at Pullepaddy Road, Ernakulam 682 018	Valid till March 31, 2016

F. ***Other Approvals***

Sr. No.	License No.	Date	Authority
1.	Registration under the Tamil Nadu Industrial Establishments National and Festival Holidays Rules 1959 for the premises at No.33/1, Wallajah Road, Chepauk, Tiruvellikeni, Chennai -600002	June 11, 2010	Assistant Inspector of Labour, Chennai 600 035

G. ***Licenses relating to employee and labour welfare***

S. No.	License No.	Date	Authority
1. .	Employees' State Insurance Corporation Act 1948 registration No. 51-00-092278-000-1201 for the premises at No.33/1, Wallajah Road, Chepauk, Tiruvellikeni, Chennai	February 21, 2011	Regional Office, Tamil Nadu, Employees' State Insurance Corporation, Chennai
2.	Employees' State Insurance Corporation Act 1948 registration No. 535109227800211201 for the premises at Ganesh Krupa, 24, Ground Floor, 1st Main, Kalidasa Road, Gandhi Nagar	July 25, 2011	Regional Office, Employees' State Insurance Corporation, Karnataka
3.	Employees' State Insurance Corporation Act 1948 registration No. 47510922780011201 for the premises atNo. 41/935 Panakkal Bhavan, Pullepady Road, Ernakulam- 682018	July 27, 2011	Sub-Regional Office, (Ernakulam), Employees' State Insurance Corporation
4.	Employees' State Insurance Corporation registration No. AP/PICI/ 52510922780011201 for the premises at 249, Road No. 12, Prashasan Nagar, Jubilee Hills, Hyderabad, Telangana	April 1, 2011	Regional Office, Andhra Pradesh Employees' State Insurance Corporation

S. No.	License No.	Date	Authority
5.	Certificate No. EPF/CHN/ RO/ TN/83471 issued under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and the schemes framed thereunder, namely Employees Provident Fund Scheme, 1952.	Employees Pension Scheme 1995 and Employees Direct Linked Insurance Scheme 1976	January 25, 2011with effect from March 1, 2010 Assistance P.F. Commissioner, for Regional P.F. Commissioner, Chennai -14

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

- The board of directors of 3i Research (Mauritius) Limited and P5 Asia Holding Investments (Mauritius) Limited have authorised their respective components of the Offer pursuant to resolutions both dated November 19, 2014.

- The board of directors of two of our corporate Promoters, Valuable Media Limited and Valuable Technologies Limited have authorised their respective component of the Offer pursuant to resolutions dated August 7, 2014 and December 8, 2014, respectively.

- Our individual Promoters, Mr. Narendra Hete and Mr. Sanjay Gaikwad have consented to the inclusion of their respective components of the Offer pursuant to their letters both dated December 8, 2014.

- Mr. Uday Gaikwad and Mr. Raaja Kanwar, members of our Promoter Group have consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated December 13, 2014 (executed on his behalf by his power of attorney holder) and December 12, 2014, respectively.

- Mr. Rakesh Gupta and Mr. Prafulla Vaidya have consented to the inclusion of their respective components of the Offer pursuant to the letters both dated December 13, 2014 executed on their behalf by their power of attorney holder.

- Each of the Employee Selling Shareholders have consented to the inclusion of their respective components of the Offer pursuant to their respective letters dated on or about November 3, 2014.

- Our Board has, by way of a resolution dated October 22, 2014 approved the Offer. Further, our Board has by way of resolution dated November 20, 2014 approved the Offer size of up to ₹ 7,500 million and taken on record the offer of 400,230 Equity Shares being offered for sale by the Employee Selling Shareholders, Mr. Uday Gaikwad, Mr. Rakesh Gupta and Mr. Prafulla Vaidya. Further, the Board has approved the Offer size aggregating to ₹ 6,000 million pursuant to its resolution dated April 16, 2015.

- Further, the Finance Committee has approved this Prospectus pursuant to its resolution dated May 11, 2015.

- The Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to letters dated January 8, 2015 and January 19, 2015, respectively.

Each Selling Shareholder has confirmed that it has held the Equity Shares proposed to be offered and sold by it in the Offer for at least one year prior to the date of filing of the Draft Red Herring Prospectus.

Prohibition by the SEBI or governmental authorities

Our Company, our Directors, our Promoters, the natural persons in control of our corporate Promoters, Promoter Group, persons in control of the Company, Group Entities, the companies with which our Directors, Promoters or persons in control of the Company were or are associated as directors or promoters or persons in control, and each of the Selling Shareholders confirms that they have 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 authority.

None of our Directors or any entity with which our Directors have been associated with as a promoter or a director are associated with the securities market.

The listing of securities of our Company has never been refused at any time by any stock exchange in India or abroad.

Prohibition by RBI

None of our Company, the Selling Shareholders, our Directors, our Promoters, relatives of our Promoters, our Promoter Group, and our Group Entities have been declared as wilful defaulters by the RBI or any other authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Eligibility for the Offer

Our Company is an unlisted company, complying with the conditions specified in Regulation 26(1) of the ICDR Regulations in the following manner:

- Our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each). As the Offer is made entirely through an offer for sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable;

- Our Company has a minimum average pre-tax operating profit of ₹ 150 million, calculated on restated and consolidated basis during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹ 10 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 years in terms of the issue size 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 fiscal year.

Our Company's net worth, pre-tax operating profit and net tangible assets derived from the Restated Consolidated Summary Statements included in this Prospectus, as at and for the last five financial years is set forth below:

(In ₹ million)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011	Fiscal 2010
Net Worth(1)	4,001.81	3,465.38	3,097.18	1,366.28	1,031.20
Pre Tax Operating Profit(2)	655.70	520.68	123.98	(137.40)	(181.15)
Net Tangible assets(3)	2,734.57	2,209.39	2,003.07	1,347.25	842.61

(1) 'Net worth' has been defined as equity share capital plus Reserves and surplus (including, Securities Premium, General Reserve, Legal Reserves, Foreign Currency Translation Reserves, Stock options outstanding and surplus / (deficit) in statement of Profit and Loss).
(2) Pre-Tax Operating Profit / (Loss) is defined as Restated profit / (loss) before tax excluding restated Other Income and Finance income but before Finance Cost.
(3)'Net tangible assets' means the sum of all net assets of our Company excluding intangible assets as defined in Accounting Standard 26.

Our Company's net worth, pre-tax operating profit and net tangible assets derived from the Restated Unconsolidated Summary Statements included in this Prospectus, as at and for the last five financial years is set forth below:

(In ₹ million)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011	Fiscal 2010
Net Worth(1)	3,708.79	3,359.36	3,107.56	1,440.21	1,275.60
Pre Tax Operating Profit(2)	432.95	348.12	93.30	(37.41)	(174.19)
Net Tangible assets(3)	3,706.20	3,355.87	3,097.01	1,864.57	1,255.38

(1) 'Net worth' has been defined as equity share capital plus Reserves and surplus (including, Securities Premium, General Reserve, Legal Reserves, Foreign Currency Translation Reserves, Stock options outstanding and surplus / (deficit) in statement of Profit and Loss).
(2) Pre-Tax Operating Profit / (Loss) is defined as Restated profit / (loss) before tax excluding restated Other Income and Finance income but before Finance Cost.
(3)'Net tangible assets' means the sum of all net assets of our Company excluding intangible assets as defined in Accounting Standard 26

In accordance with Regulation 26(4) of the ICDR Regulations, 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 money will be refunded. In case of delay, if any, in refund, our Company and Selling Shareholders shall pay interest on the application money at the rate of 15% per annum for the period of delay.

The Offer is made pursuant to Rule 19(2)(b)(i) of the SCRR read with Regulation 41 of the ICDR Regulations. The Company is eligible for the Offer in accordance with Regulation 26(1) of the ICDR Regulations. Further, the Offer is made through the Book Building Process wherein 50% of the Offer shall be available for allocation to QIBs on a proportionate basis out of which 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received 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, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Offer Price. Our Company, 3i Research, P5 and the Promoter Selling Shareholders in consultation with the Managers, have allocated 60% of the QIB Category to Anchor Investors on a discretionary basis. One third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation was done to other Anchor Investors. For further details, see "*Offer Procedure*" on page 581 of this Prospectus.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the ICDR Regulations:

(a) Our Company, the Selling Shareholders, our Directors, our Promoters, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoter or persons in control were or are associated as directors or promoters or persons in control have not been debarred or prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;

(b) Our Company has applied to the BSE and the NSE for obtaining their in-principle listing approval for listing of the Equity Shares under the Offer and has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated January 8, 2015 and January 19, 2015, respectively. For the purposes of the Offer, BSE shall be the Designated Stock Exchange;

(c) Our Company has entered into agreements dated March 27, 2015 and April 7, 2015 with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;

(d) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus.

Disclaimer Clause of SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 MANAGERS, AXIS CAPITAL LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AND THEIR RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED IN THE OFFER, THE MANAGERS, AXIS CAPITAL LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGERS, AXIS CAPITAL LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 18, 2014, WHICH READS AS FOLLOWS:

WE, THE 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 MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS ("DRHP") PERTAINING TO THE 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 SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;

(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013, 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 DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP.**

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 PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (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 PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – NOT APPLICABLE.**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) 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 TO BE 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 THIS DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED ONLY IN DEMATERIALISED FORM.

11. WE CERTIFY THAT ALL THE 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 DRHP:

(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 SEBI 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 OR THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE 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 THIS 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 BELOW (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR.

17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – <u>COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY AS PER ACCOUNTING STANDARD 18, CERTIFIED BY SHETTY NAIK & ASSOCIATES, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 124851W) BY WAY OF ITS CERTIFICATE DATED DECEMBER 17, 2014</u>

The filing of the Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of the 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 Managers, any irregularities or lapses in the Draft Red Herring Prospectus.

Price information of past issues handled by the Managers

The price information of past issues handled by the Managers in the past three Financial Years is as follows:

Axis Capital Limited:

Sr. No.	Issue name	Issue size (₹ in Million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	Closing price on listing date (in ₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (in ₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (in ₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (in ₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	Monte Carlo Fashions Limited	3504.30	645.00	December 19, 2014	584.00	567.30	-12.05%	8225.20	526.55	8246.30	511.35	8234.60	476.00	8550.70
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	6039.20	210.30	6074.80
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	6016.15
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 investors was ₹ 210.00 per equity share and for anchor investors was ₹ 230.00
[2] Price for retail individual investors 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.
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 issues in the past three Financial Years handled by Axis Capital Limited:

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	3504.30	-	-	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.

Citigroup Global Markets India Private Limited:

Sr. No.	Issue Name	Issue size ₹ 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 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (closing)
1	Just Dial Ltd.(3)	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

Source: www.bseindia.com

Notes:

1. *The Benchmark index is BSE Sensex.*
2. *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.*
3. *A discount of INR 47 per Equity Share was offered to Retail Individual Bidders in the IPO.*

Summary statement of price information of past issues in the past three Financial Years handled by Citigroup Global Markets India Private Limited:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ million)	No. 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%
2014-2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-2014	1	9,191.41	-	-	-	-	-	1	-	-	-	-	-	1
2012-2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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.

Track record of past issues handled by the Managers

For details regarding the track record of the Managers, as specified in circular (CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please refer to the websites of the Managers, as set forth in the table below:

Sr. No	Name of the Manager	Website
1.	Axis Capital Limited	http://www.axiscapital.co.in
2.	Citigroup Global Markets India Private Limited	http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm

Caution – Disclaimer from our Company, the Selling Shareholders, our Directors, and the Managers

Our Company, the Selling Shareholders, our Directors and the Managers accept no responsibility for statements made otherwise than those contained in this Prospectus or in any advertisements or any other material issued by or at our Company's instance. It is clarified that the Selling Shareholders are providing information in this Prospectus only about and in relation to themselves and the Equity Shares offered by them respectively under the Offer and are not responsible or liable for any other statement or information contained in this Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.ufomoviez.com, or the website of any of our Promoter, Promoter Group, Group Entities or of any affiliate or associate of our Company, would be doing so at his or her own risk.

The Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement entered into between the Underwriters, our Company and the Selling Shareholders.

All information shall be made available by our Company, the Selling Shareholders and the Managers to the public and investors at large and no selective or additional information will be made available for a section of investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company, nor the Selling Shareholders, nor any member of the Syndicate shall be liable to Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and 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 the Equity Shares and that they shall not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the 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.

The Managers and their respective affiliates may engage in transactions with, and perform services for, our Company and the Group Entities or their respective affiliates or the Selling Shareholders and their respective affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and the Group Entities or their respective affiliates or the Selling Shareholders and their respective affiliates, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

The Offer is made in India to persons resident in India, including Indian national residents in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Mutual Funds, 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 respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs and Eligible NRIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, India.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States 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 state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

This Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity 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 Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

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 the Draft Red Herring Prospectus had been filed with SEBI and SEBI has issued its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Selling Shareholders and their respective affiliates from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

IMPORTANT INFORMATION FOR INVESTORS – ELIGIBILITY AND TRANSFER RESTRICTIONS

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any other applicable law of the United States and, unless so registered, 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 state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in reliance on Regulation S under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(3) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer with respect to which it exercises sole investment discretion;

(4) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(5) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

(6) the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

(7) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

(8) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;

(9) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(10) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(11) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(3) the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

(5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

(7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;

(8) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

    THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(9) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

(10) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each EEA State that has implemented the Prospectus Directive (Directive 2003/71/EC) (each, a "**Relevant Member State**"), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors), subject to obtaining the prior consent of the Underwriters; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for the Company or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to with the Underwriter and the Company that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public in a Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than their offer or resale to qualified investors or in circumstances in which the prior consent of the Underwriters has been obtained to each such proposed offer or resale.

The Company, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Disclaimer Clause of BSE

"BSE Limited ("the Exchange") has given vide its letter dated January 08, 2015 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of NSE

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/11352 dated January 19, 2015 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or inconnection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Filing

A copy of the Draft Red Herring Prospectus was filed with SEBI at the Securities and Exchange Board of India, SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been registred with the RoC, and a copy of this Prospectus filed under Section 26 of the Companies Act, 2013 has been delivered for registration with the RoC:

The office of the RoC is located at:

The Registrar of Companies, NCT of Delhi & Haryana
4th floor, IFCI Tower
61 Nehru Place
New Delhi – 110 019
India

Listing

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Initial listing applications will be made to the Stock Exchanges for permission to deal in, and for an official quotation of the Equity Shares. BSE will be the Designated Stock Exchange with which the 'Basis of Allotment' will be finalised.

If permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, our Company and the Selling Shareholders will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest as prescribed under applicable laws.

Our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Offer Closing Date. If our Company does not Allot Equity Shares pursuant to the Offer within 12 Working Days from the Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Each of the Selling Shareholders confirm that they shall reimburse our Company for any interest payments made by our Company on behalf of the Selling Shareholders in this regard, in the proportion of the Equity Shares offered for sale by the Selling Shareholders in the Offer.

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."

Consents

Consents in writing of the Selling Shareholders, the Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Bankers/lenders to the Company, the Managers, Escrow Collection Banks, Public Offer Account Bank, Refund Bank, Registrar to the Offer, Legal Counsel to the Company, Legal Counsel to the Managers as to Indian Law, Legal Counsel to the Managers as to US law, CRISIL, to act in their respective capacities, were obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

Our Company has received written consent from its 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 Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditor on the Restated Unconsolidated Summary Statements and on the Restated Consolidated Summary Statements, each dated March 4, 2015 and the statement of tax benefits dated April 13, 2015 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Expert Opinion

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

Our Company has received written consent from its 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 Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditor on the Restated Unconsolidated Summary Statements and on the Restated Consolidated Summary Statements, each dated March 4, 2015 and the statement of tax benefits dated April 13, 2015 included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Offer Expenses

The estimated Offer related expenses are as follows:

(₹ in million)

Activity	Estimated expenses	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the Managers	202.25	48.26	3.37
Advertising and marketing expenses	66.11	15.77	1.10
Fees payable to the Registrar to the Offer	3.00	0.72	0.05
Underwriting commission, fees payable to the Bankers to the Offer, brokerage and selling commission, as applicable	10.28	2.45	0.17
Brokerage and selling commission payable to Registered Brokers*	0.25	0.06	0.00
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs**	0.79	0.19	0.01
Others (listing fees, legal fees, *etc.*)	136.43	32.55	2.27
Total estimated Offer expenses	**419.11**	**100.00**	**6.99**

* *₹ 10 per applications (net of Service Tax) on every valid application Bid for the Retail Category and the Non-Institutional Category.*

** *The SCSBs would be entitled to a processing fees of ₹15 per Bid cum Application Form(net of Service Tax), for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs.*

Upon completion of the Offer, all expenses with respect to the Offer will be shared among the Selling Shareholders, in proportion to the Equity Shares being offered by them in the Offer. Any payments by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale in the Offer.

Fees, Brokerage and Selling Commission Payable to the Managers

The total fees payable to the Managers (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the engagement letters among our Company, the Selling Shareholders and the Managers and the Syndicate Agreement, copies of which were made 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 application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated December 18, 2014 entered into, among our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which was 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 such refund in any of the modes described in the Red Herring Prospectus or Allotment Advice by registered post/speed post.

IPO grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Previous public or rights issues during the last five years

Except as described in "*Capital Structure*" on page 100 of this Prospectus, our Company has not made any previous public issue or any rights issues during the five years preceding the date of this Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed under "*Capital Structure – Notes to the Capital Structure – Share Capital History*" on page 96 of this Prospectus, our Company has not issued any securities for consideration other than cash.

Underwriting commission, brokerage and selling commission on previous issues

Except as disclosed in "*Capital Structure*", we have not made any previous issues. Further, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of our Company since its inception.

Capital issuances in the preceding three years

Except as disclosed in "*Capital Structure"* on page 96 of this Prospectus, our Company has not made any capital issues during the three years preceding the date of this Prospectus.

Listed companies under the same Management

There are no listed companies under the same management as our Company within the meaning of Section 370(1B) of the Companies Act, 1956 which have made any capital issues in the last three years.

Details of public/ rights issues by listed Group Entities, Subsidiaries and Associates in the last three years

None of the Group Entities, Subsidiaries or Associates are listed.

Performance vis-à-vis objects

There has been no shortfall in terms of performance vis-à-vis objects for any of the previous issues of the Company.

Outstanding debentures or bond issues or preference shares or other instruments

Except the employee stock options granted under the ESOP 2006, ESOP 2010 and ESOP 2014, as disclosed in "*Capital Structure – Notes to the Capital Structure- Employee stock option plans*" on page 123 of this Prospectus, our Company has no outstanding debentures or bonds or redeemable preference shares or other instruments as of the date of this Prospectus.

Stock Market Data of the Equity Shares

This being an initial public offering of our Company, the Equity Shares are not listed on any stock exchange.

Other Disclosures

Except as disclosed in "*Capital Structure*" on page 135 of this Prospectus, none of our Directors or their immediate relatives, Promoters, directors of our corporate Promoters, and/or the members of our Promoter Group have purchased or sold any securities of our Company, during a period of six months preceding the date of filing the Draft Red Herring Prospectus with SEBI.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders dated December 18, 2014, provides for retention of records, including refund orders despatched to the Bidders, with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the non-ASBA process must be addressed to the Registrar to the Offer quoting the full details such as the name and address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, amount paid on application, name and address of the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre where the Bid cum Application Form was submitted and cheque or draft number and issuing bank thereof.

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 member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker, as the case may be, giving full details such as name and address of the sole or First Bidder, Bid cum Application Form number, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number, Bidders' DP ID, Client ID, PAN and name and address of the Designated Branch of the SCSB or the collection centre of the SCSB or the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre 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.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

There have been no investor grievances received by the Company for the three years prior to the filing of the Draft Red Herring Prospectus.

As on date of the Draft Red Herring Prospetus there were no investor complaints pending.

Our Company has constituted a Stakeholders' Relationship Committee, comprising of Mr. Varun Laul, Mr. Sanjay Gaikwad and Mr. Kapil Agarwal as members. For further details, see "*Our Management*" on page 249 of this Prospectus.

Our Company has appointed Mr. Sameer Chavan as the Company Secretary and Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems. He can be contacted at the following address:

Company Secretary and Compliance Officer
Valuable Techno Park
Plot No. 53/1, Road No. 7
MIDC, Marol
Andheri East
Mumbai – 400093
Telephone: +91 (22) 4030 5060
Facsimile: +91 (22) 4030 5124
E-mail: investors@ufomoviez.com

Disposal of investor grievances by listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956

There are no listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 and therefore there are no investor complaints pending against our companies.

Change in Statutory Auditors

There have been no changes in the statutory auditors of our Company during the three years preceding the date of this Prospectus.

Capitalisation of Reserves or Profits

Except as disclosed in "*Capital Structure*" on page 96 of this Prospectus, our Company has not capitalised its reserves or profits at any time since its incorporation.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

TERMS OF THE OFFER

The Equity Shares being offered pursuant to the Offer are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the CAN/Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, notifications and regulations relating to the issue and transfer of capital and listing of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, RBI, RoC, FIPB and/or other authorities, as in force on the date of the Offer and to the extent applicable.

Offer for Sale

The Offer comprises an offer for sale by the Selling Shareholders. For further details in relation to the Offer expenses, see "*Other Regulatory and Statutory Disclosures – Offer Expenses*" on page 567 of this Prospectus.

Ranking of Equity Shares

The Equity Shares being transferred pursuant to the Offer shall be subject to the provisions of our Memorandum and Articles of Association and the Companies Act and shall rank *pari passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Equity Shares under the Offer will be entitled to dividends and / or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of our Articles of Association*" on page 627 of this Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act, 2013, and the Listing Agreement. For further details, see "*Dividend Policy*" and "*Main Provisions of our Articles of Association*" on pages 335 and 627of this Prospectus, respectively.

Face value and Offer Price

The Equity Shares with a face value of ₹ 10 each shall be transferred in terms of the Red Herring Prospectus at an Offer Price of ₹ 625 per Equity Share. The Anchor Investor Offer Price is ₹ 625 per Equity Share. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws.

The Floor Price of the Equity Shares is ₹ 615 per Equity Share and the Cap Price is ₹ 625 per Equity Share. The Price Band and the minimum Bid Lot were decided by our Company, 3i Research, P5 and the Promoter Selling Shareholders, in consultation with the Managers. These were published by our Company at least five Working Days prior to the Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of New Delhi where our Registered Office is located), each with wide circulation. Such information was also disclosed to the Stock Exchanges for dissemination through, and was pre-filled in the Bid cum Application Forms available on, the Stock Exchanges' websites.

Offer Programme

For details of the Offer programme, see "*Offer Structure*" on page 576 of this Prospectus.

Compliance with ICDR Regulations

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- right to receive dividend, 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 or 'e-voting';
- 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 claims being satisfied;
- right of free transferability, subject to applicable law; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the Listing Agreement, and our Memorandum and Articles of Association.

For further details on the main provisions of our Company's Articles of Association including those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see "*Main Provisions of our Articles of Association*" on page 627 of this Prospectus.

Market lot and trading lot

As per the applicable law, the trading of our Equity Shares shall only be in dematerialised form for all investors. Since trading of our Equity Shares will be in dematerialised form, the tradable lot is one Equity Share. In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Allotment in the Offer will be done only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 24 Equity Shares to successful Bidders.

Nomination facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. 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 the holder's 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 the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the

Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require a change the nomination, they are requested to inform their respective depository participant.

Minimum subscription

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Offer. However, in terms of Rule 19(2)(b)(i) of the SCRR, our Company is required to Allot Equity Shares constituting at least 25% of the post-Offer share capital of our Company. If such minimum Allotment is not made, the entire subscription amount shall be refunded. Further, pursuant to Regulation 26(4) of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 1,000.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialized form only, the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre- Offer Equity Shares, minimum Promoters' contribution, Anchor Investor lock-in, pursuant to the Offer as detailed in "*Capital Structure*" on page 116 of this Prospectus and except as provided in "*Main Provisions of our Articles of Association*" on page 627 of this Prospectus, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Associations. For details, see "*Main Provisions of our Articles of Association*" on page 627 of this Prospectus.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. Unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

The consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("**DIPP**") by circular 1 of 2014, with effect from April 17, 2014, as amended ("**Consolidated FDI Policy"**), consolidates and supercedes all previous press notes, press releases and clarifications on FDI issued by the DIPP.

Foreign investment aggregating up to 100% is permitted in our Company under the automatic route.

In terms of the Consolidated FDI Policy and the FEMA Regulations, downstream investments by Indian companies, that are not owned and/or controlled by resident Indians, are subject to certain conditions, including (i) requirement to notify SIA, DIPP and FIPB of downstream investment within 30 days of such investment, even if capital instruments have not been allotted along with the modality of investment in new/existing ventures (with/without expansion programme); (ii) induction of foreign equity in an existing Indian companies to be duly supported by a resolution of the board of directors and a shareholders agreement; (iii) issue/transfer/pricing/valuation of shares to be in accordance with applicable SEBI/RBI guidelines; and (iv) Indian companies making the downstream investments would have to bring in requisite funds from abroad and not leverage funds from the domestic market, except by raising debt in the domestic market; however downstream investments through internal accruals are permissible, subject to certain conditions.

Under the FEMA Regulations, the FDI recipient company at the first level is required to also obtain a certificate from its statutory auditor on an annual basis as regards status of compliance with the relevant conditions applicable to downstream investments under the FEMA. In case the statutory auditor gives a qualified report, such report is required to be immediately brought to the notice of the RBI regional office in whose jurisdiction the registered office of the company is located and obtain an acknowledgment of such intimation.

Representation from the Bidders

No person shall make a Bid in the Offer, unless such person is eligible to acquire Equity Shares of the Company in accordance with applicable laws, rules, regulations, guidelines and approvals. Investors that Bid in the Offer will be required to confirm and will be deemed to have represented to the Company, the Selling Shareholders, the Managers and their respective directors, officers, agents, affiliates and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company and will not offer, sell, pledge or transfer the Equity Shares of the Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company. The Company, the Selling Shareholders, the Managers and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of the Company.

There is no reservation for non-residents, NRIs, Eligible FPIs, foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor. All non-residents, NRIs, Eligible FPIs and foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per existing regulations, OCBs cannot participate in the Offer.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States 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 state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. The Company, the Selling Shareholders and the Managers are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

OFFER STRUCTURE

Initial public offering of Equity Shares aggregating to ₹ 6,000 million through an offer for sale by the Selling Shareholders in accordance with, and pursuant to, Section 28 of the Companies Act, 2013 pursuant to the terms of the Red Herring Prospectus. The Offer shall constitute 34.77 % of the fully diluted post-Offer equity share capital of our Company.

The Offer is made through the Book Building Process.

	QIBs#	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares##	Up to 4,800,000 Equity Shares	Not less than 1,440,000 Equity Shares available for allocation or Offer less allocation to QIBs and Retail Individual Investors.	Not less than 3,360,000 Equity Shares available for allocation or Offer less allocation to QIBs and Non-Institutional Investors.
Percentage of Offer size available for allocation	50% of the Offer being allocated. However, up to 5% of the Net QIB Category 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 Net QIB Category.	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Investors.	Not less than 35% of the Offer or the Offer less allocation to QIBs and Non-Institutional Investors.
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to 96,000 Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and (b) 1,824,000 Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate.	In the event, the Bids received from Retail Individual Investors exceeds 3,360,000 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 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

	QIBs#	Non-Institutional Investors	Retail Individual Investors
			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.
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of 24 Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of 24 Equity Shares thereafter.	24 Equity Shares and in multiples of 24 Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares not exceeding 9,600,000 subject to applicable limits.	Such number of Equity Shares not exceeding the Offer subject to applicable limits.	Such number of Equity Shares such that 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	336 Equity Shares and in multiples of 24 Equity Shares thereafter.	336 Equity Shares and in multiples of 24 Equity Shares thereafter.	24 Equity Shares and in multiples of 24 Equity Shares thereafter.
Allotment Lot	One Equity Share and in multiples of one Equity Share thereafter.	One Equity Share and in multiples of one Equity Share thereafter.	One Equity Share and in multiples of one Equity Share thereafter.
Trading lot	One Equity Share.	One Equity Share.	One Equity Share.
Who can apply	Public financial institutions specified in Section 2(72) of the Companies Act, 2013, FPIs (other than Category III Foreign	Resident Indian individuals, Eligible NRIs, HUF (in the name of *Karta*), companies, corporate bodies, scientific	Resident Indian Individuals, Eligible NRIs, HUF (in the name of *Karta*).

	QIBs#	Non-Institutional Investors	Retail Individual Investors
	Portfolio Investors), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.	institutions societies and trusts, Category III Foreign Portfolio Investors, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.	
Terms of Payment@	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form (including Anchor Investors)*.	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form.	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form.

\# *The Company, 3i Research, P5 and the Promoter Selling Shareholders have, in consultation with the Managers, allocated 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation was done to other Anchor Investors. For further details, see "Offer Procedure" on page 581 of this Prospectus.*

\## *Subject to valid Bids being received at or above the Offer Price. The Offer is made through the Book Building Process wherein 50% of the Offer will be available for allocation to QIBs. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 240,000 Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Category and allocated proportionately to QIBs in proportion to their Bids. 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, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Offer Price. In the event of under-subscription in any category, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories, except in the QIB category, at the sole discretion of the Company, in consultation with the Managers.*

@ *In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the Bid cum Application Form.*

* *The entire Bid Amount was 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 Bid Amount paid by the Anchor Investors, shall be payable by the Anchor Investors within two Working Days of the Offer Closing Date.*

Retail discount

No discount was offered to Retail Individual Investors at the time of making a Bid.

Withdrawal of the Offer

Our Company and/or 3i Research and/or P5 and/or the Promoter Selling Shareholders, in consultation with the Managers, reserve the right not to proceed with the Offer anytime after the Offer Opening Date but before the Allotment of Equity Shares. In such an event the Company shall issue a public notice in the newspapers (including the reasons for such withdrawal), in which the pre-Offer advertisements were published, within two days of the Offer Closing Date or such other time as maybe prescribed by SEBI. Our Company shall also inform about such development to the Stock Exchanges on which the Equity Shares are proposed to be listed and the Managers, through the Registrar to the Offer, shall notify the SCSBs to unblock the accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification.

If our Company and/or 3i Research and/or P5 and/or the Promoter Selling Shareholders withdraw the Offer after the Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, they will file a fresh offer document with SEBI and/or the Stock Exchanges, as the case may be. 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.

Offer Programme

OFFER OPENED ON	**April 28, 2015***
OFFER CLOSED ON	**April 30, 2015***
FINALISATION OF BASIS OF ALLOTMENT	**May 11, 2015**
INITIATION OF REFUNDS	**May 12, 2015**
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	**May 13, 2015**
COMMENCEMENT OF TRADING	**May 15, 2015**

* *The Anchor Investor Bidding Date was on April 27, 2015.*

This timetable, other than Offer Opening Date and the Offer Closing Date, is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the members of the Syndicate. While our Company and the Selling Shareholders shall ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within 12 Working Days of the Offer Closing Date, the timetable may be subject to change for various reasons, including extension of the Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delays in receipt of final listing and trading approvals from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law.

Except in relation to Bids received from Anchor Investors, the Bids and any revision in Bids were accepted only between **10.00 a.m. and 5.00 p.m. IST** during the Offer Period, except on the Offer Closing Date, as mentioned above at the Syndicate Bidding Centres mentioned on the Bid cum Application Form, or, the Designated Branches (in case of Bids submitted by the ASBA Bidders) or the members of the Syndicate at the Specified Locations or by the Registered Brokers at the Broker Centres.

On the Offer Closing Date, the Bids and any revision in the Bids, were accepted only between **10.00 a.m. and 3.00 p.m. IST** and uploaded until (i) 4.00 p.m. IST, in case of Bids by QIBs (Bidding under the Net QIB Category) and Non-Institutional Investors, or such extended time as permitted by the Stock Exchanges, and (ii) 5.00 p.m. IST in case of Bids by Retail Individual Investors, or such extended time as permitted by the Stock Exchanges. It is clarified that Bids not uploaded would be rejected.

Due to limitation of time available for uploading the Bids on the Offer Closing Date, the Bidders were advised to submit their Bids one day prior to the Offer Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Offer Closing Date. Bidders were cautioned that in the event a large number of Bids are received on the Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by the BSE and the NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids were accepted only on Working Days. Bids by ASBA Bidders were uploaded in the electronic system to be provided by the Stock Exchanges either by (i) a Syndicate/Sub Syndicate, (ii) an SCSB, or (iii) Registered Brokers. Neither the Company, the Selling Shareholders nor any Syndicate/Sub Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise. None amongst our Company, the Selling Shareholders or members of the Syndicate shall be liable for any failure in uploading Bids due to faults in any software and/or hardware system or otherwise.

On the Offer Closing Date, extension of time may have been 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 up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the Managers to the Stock Exchange within half an hour of such closure.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Offer shall ask the relevant SCSB or the member of syndicate for rectified data.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI included below under "- Part B - General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the ICDR Regulations. The General Information Document has been updated to reflect amendments to the ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Managers. Please refer to the relevant portions of the General Information Document which are applicable to the Offer.

Our Company, the Selling Shareholders and the Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in applicable law which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with the applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Part A

Book Building Procedure

The Offer is made through the Book Building Process wherein 50% of the Offer shall be available for allocation to QIBs on a proportionate basis. Provided that our Company, 3i Research, P5 and the Promoter Selling Shareholders in consultation with the Managers, have allocated 60% of the QIB Category to Anchor Investors on a discretionary basis out of which one-third was reserved for domestic Mutual Funds only. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, 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 ICDR 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 a combination of categories, at the discretion of our Company, in consultation with the Managers and the Designated Stock Exchanges. The Equity Shares, on allotment, shall be traded only in the dematerialised segment of the stock exchange.

Bid cum Application Form

Please note that 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 Managers, the Registered Brokers, the SCSBs and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available on the websites of the SCSBs, the NSE (www.nseindia.com) and the BSE (www.bseindia.com) and the terminals of the Registered Brokers. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the Managers. QIBs (other than Anchor Investors) and Non-Institutional Bidders 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.

Kindly note that the Syndicate/ sub-Syndicate or the Registered Broker at the Syndicate Bidding Centres or the Non Syndicate Brokers Centres, as applicable, may not accept the Bid if there is no branch of the Escrow Collection Banks at that location.

ASBA Bidders can submit their Bids by submitting Bid cum Application Forms, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained or in physical form to the Syndicate, the sub-Syndicate or the Registered Brokers. The physical Bid cum Application Forms will be available with the Designated Branches, members of the Syndicate/ sub-Syndicate and at our Registered Office.

Upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers to comply with the obligations set out in SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow Collection Bank, and are liable for any failure in this regard.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Investors and Retail Individual Investors applying on a non-repatriation basis (ASBA and non- ASBA)***	White
Non-Residents including Eligible FPIs and Eligible NRIs, applying on a repatriation basis	Blue
Anchor Investors**	White

* *Excluding electronic Bid cum Application Forms.*

** *Bid cum Application Forms for Anchor Investors shall be available at the offices of the Managers.*

*** *Bid cum Application forms will also be available on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com). Same Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, or to the Syndicate (in Specified Cities).*

In addition to the category of Bidders set forth in the sub-section titled "*– Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 593 of the Prospectus, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and/or industrial research organizations in India, which are authorized to invest in equity shares; and
- Any other persons eligible to Bid in the Offer, under the laws, rules, regulations, guidelines and polices applicable to them.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States 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 state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as "U.S. QIBs", for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by associates and affiliates of the Managers

The Managers shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the Managers may purchase Equity Shares in the Offer, in the QIB Category or in Non-Institutional Category as may be applicable to such Bidders. Such Bidding and purchase may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Managers, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Managers, the Promoters, the Promoter Group and any persons related to them cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason therefor. The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the 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 the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by VCFs, AIFs and Non Residents including Eligible NRIs, Eligible FPIs and FVCIs

There is no reservation in the Offer for Eligible NRIs or Eligible FPIs, VCFs, AIFs or FVCIs registered with SEBI. Eligible NRIs, Eligible FPIs, AIFs, VCFs or FVCIs registered with SEBI will be treated on the same basis as other categories for the purpose of allocation. In accordance with the FEMA and the regulations framed thereunder, OCBs cannot Bid in the Offer.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Managers, the Registered Brokers and the SCSBs. 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 Non-Resident External ("**NRE**") or Foreign Currency Non-Resident ("**FCNR**") accounts, 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 meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE 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 Non-Resident Ordinary ("**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. NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour).

Bids by Eligible FPIs

Under the FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (meaning the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of the total issued capital of our Company. Further, in terms of the FEMA Regulations the total holding by an FPI shall be below 10% of the post-Offer paid-up equity share capital of our Company and the total holdings of all FPIs cannot exceed 24% of the post-Offer paid-up equity share capital of our Company. The said 24% limit can be increased up to the applicable sectoral cap by passing a resolution by the Board followed by passing a special resolution to that effect by the shareholders of our Company. Pursuant to a resolution of the Board passed at their meeting held on October 22, 2014 and a resolution of the shareholders passed at the EGM held on October 24, 2014, the limit for investment by FPIs in our Company has been increased to 74% of the total issued and paid-up equity share capital of our Company.

Bids by VCFs, AIFs and FVCIs

The VCF Regulations, FVCI Regulations and AIF Regulations prescribe investment restrictions on VCFs, FVCIs, and AIFs respectively. Accordingly, the holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. However, VCFs or FVCIs may invest not over 33.33% of their respective investible funds in various prescribed instruments, including in public offerings.

The Category I and II AIFs cannot invest more than 25% of their 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 AIF Regulations, cannot invest more than one-third of its investable funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, VCFs which have not re-registered as an AIF under the AIF Regulations shall continue to be regulated by the 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 and the Selling Shareholders reserves the right to reject any Bid without assigning any reason thereof.

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 the Company and the Selling Shareholders 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 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 Insurance Regulatory and Development Authority of India ("**IRDAI**"), a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "**IRDA Investment Regulations**"), 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 a life insurer or 10% of investment assets in case of a general insurer or a 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 a 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) or (c) above, as the case may be.

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 reserves the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the Directors, the officers of our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

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 under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with 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, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged 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 reason.

Public announcement upon filing of the Draft Red Herring Prospectus

Our Company has on December 19, 2014, being the day after the date of filing of the Draft Red Herring Prospectus with SEBI, made a public announcement in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of New Delhi where our Registered Office is located), each with wide circulation, disclosing that the Draft Red Herring Prospectus has been filed with SEBI and inviting the public to give their comments to SEBI in respect of disclosures made in the Draft Red Herring Prospectus.

Pre-Offer Advertisement

Pursuant to Section 30 of the Companies Act, our Company has on April 21, 2015, after registering the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in all editions of Financial Express, an English language national daily newspaper and all editions of Jansatta, a Hindi language national daily newspaper (Hindi being the regional language of New Delhi where our Registered Office is located), each with wide circulation. In the pre-Offer advertisement, our Company stated the Offer Opening Date, the Offer Closing Date and the Offer Closing Date applicable to QIBs.

Payment instructions

In terms of the RBI circular (No. DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS cheques will be processed in three CTS centres thrice a week until April 30, 2014, 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 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 Offer Closing Date.

BIDDERS 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 OFFER CLOSING DATE.

PLEASE NOTE THAT IN THE EVENT OF A DELAY BEYOND SIX WORKING DAYS FROM THE OFFER CLOSING DATE IN CLEARING THE CHEQUES ACCOMPANYING THE BID CUM APPLICATION FORMS, FOR ANY REASON WHATSOEVER, (INCLUDING BUT NOT LIMITED TO ANY MATERIAL CALAMITIES OR ANY EXTENSION BY THE BANK ON THE TIME PERIOD FOR CLEARING WITH PERMISSION OF RBI OR OTHERWISE), SUCH BID CUM APPLICATION FORMS MAY BE CONSIDERED FOR REJECTION.

Payment into Escrow Account for Bidders other than ASBA Bidders

The payment instruments for payment into the Escrow Account should be drawn in favour of:

- In case of resident Retail Individual Investors: “Escrow Account – UFO Moviez IPO - R”

- In case of Non-Resident Retail Individual Investors: “Escrow Account – UFO Moviez IPO - NR”

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: “Escrow Account – UFO Moviez IPO –Anchor Investor - R”

(b) In case of Non-Resident Anchor Investors: “Escrow Account – UFO Moviez IPO –Anchor Investor - NR”

Undertakings by our Company

Our Company undertakes the following:

- That if our Company and/or 3i Research and/or P5 and/or the Promoter Selling Shareholders do not proceed with the Offer after the Offer Closing Date, the reason thereof shall be given as a public notice to be issued by our Company within two days of the 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;

- That if our Company and/or 3i Research and/or P5 and/or the Promoter Selling Shareholders withdraw the Offer after the Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company and/or 3i Research and/or P5 and/or the Promoter Selling Shareholders subsequently decide to proceed with the Offer;

- That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- That 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 shall be undertaken within the timelines specified by law;

- That 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;

- The Allotment letters will be issued or the application money will be refunded within 15 days from the 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;

- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 Working Days of the Offer Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- That in case such refund is not made within 15 days from the Offer Closing Date or such lesser time as specified by the SEBI, interest shall be due to the applicants at the rate of 15% per annum for the delayed period;

- That the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;

- That no further issue of Equity Shares shall be made till final trading approvals from all the Stock

Exchanges have been obtained for the Equity Shares offered through the Red Herring Prospectus or till application monies are refunded on account of non listing; and

- That adequate arrangements shall be made to collect all Bid cum Application Forms by ASBA Bidders and to consider them similar to non-ASBA applications while finalising the Basis of Allotment.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders undertakes and/or certifies to the following:

- The Equity Shares being sold by it pursuant to the Offer have been held by it for a period of at least one year, in terms of Regulation 26(6) of the ICDR Regulations, prior to the filing of the Draft Red Herring Prospectus with the SEBI, and are fully paid up and are in dematerialized form;

- The Equity Shares being sold by it are free and clear from any pre-emptive rights, liens, mortgages, trusts, charges, pledges or any other encumbrances or transfer restrictions;

- It is the legal and beneficial owner and has full title to the Equity Shares being offered by it in the Offer;

- The Equity Shares proposed to be sold by it in the Offer shall be transferred to the successful bidders within the specified time in accordance with the instruction of the Registrar to the Offer;

- It shall not have recourse to the proceeds from the Equity Shares offered by it in the Offer, until the final listing and trading approvals from all the Stock Exchanges have been obtained;

- It has authorised 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, and it shall extend reasonable cooperation to the Company and the Managers in this regard;

- It shall reimburse the Company for any interest paid by the Company at 15% per annum or as per applicable law on a pro-rata basis in proportion to the Equity Shares proposed to be transferred by it as a part of the Offer, if CAN or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT, RTGS or NECS, the refund instructions have not been issued to the clearing system in the disclosed manner within 12 Working Days from the Offer Closing Date; and

- It shall take such steps as may be required to ensure that its Equity Shares proposed to be transferred by way of the Offer will be available for the Offer, including without limitation not selling, transferring, disposing of in any manner or creating any charge or encumbrance on such Equity Shares.

Utilisation of Offer proceeds

The Company and the Selling Shareholders, each, declare that:

- All monies received out of the Offer shall be credited/transferred to a separate bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013; and

- The Selling Shareholder shall not have recourse to the proceeds of the Offer until the final listing and trading approvals from all the Stock Exchanges have been obtained.

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), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon 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 Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

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 ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the 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 ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013 (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 ICDR 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:

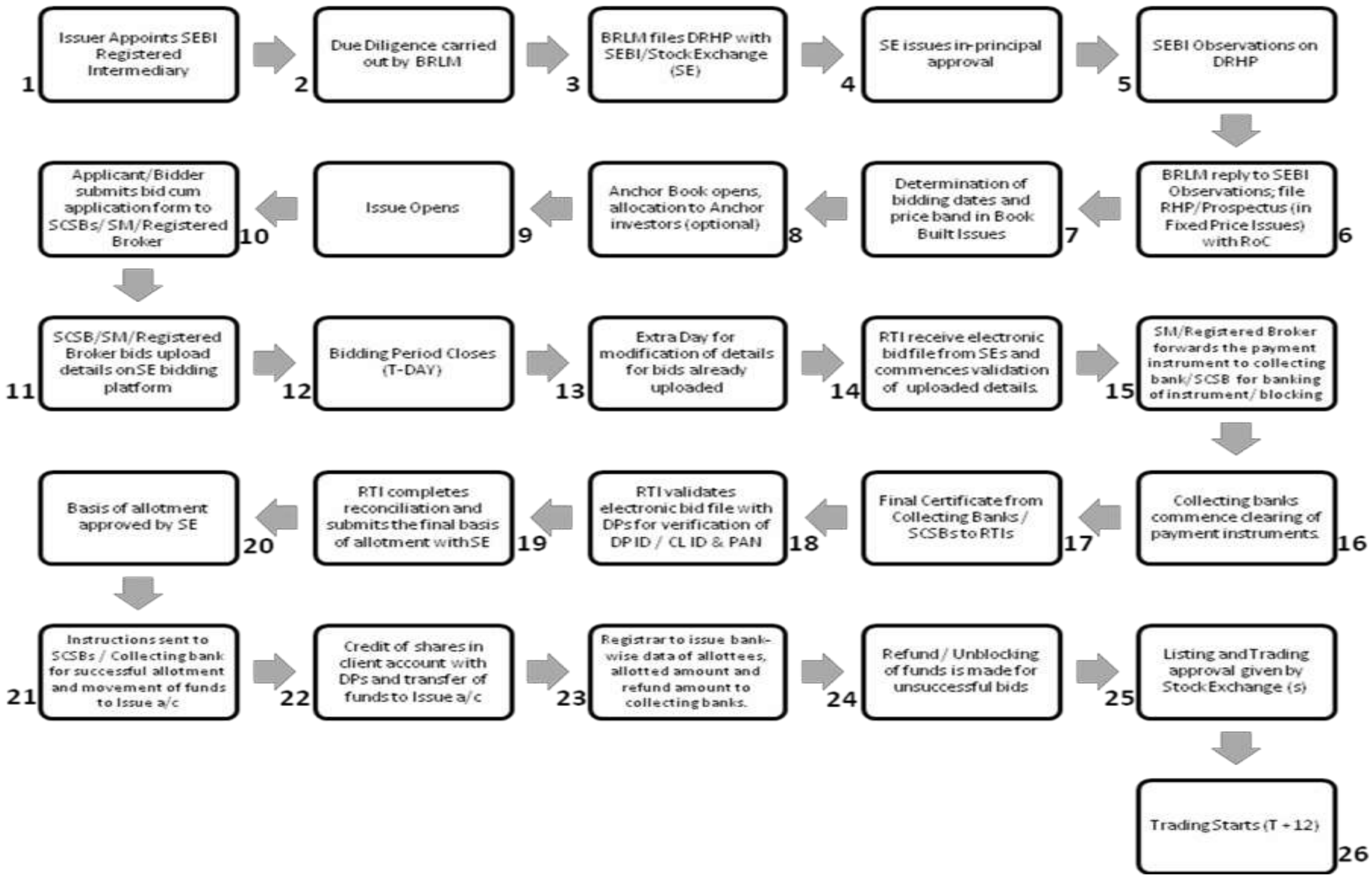
i. Step 7 : Determination of Issue Date and Price

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


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchange (SE)
4 SE issues in-principal approval
5 SEBI Observations on DRHP
6 BRLM reply to SEBI Observations; file RHP/Prospectus (in Fixed Price Issues) with RoC
7 Determination of bidding dates and price band in Book Built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to SCSBs/SM/Registered Broker
11 SCSB/SM/Registered Broker bids upload details on SE bidding platform
12 Bidding Period Closes (T-DAY)
13 Extra Day for modification of details for bids already uploaded
14 RTI receive electronic bid file from SEs and commences validation of uploaded details
15 SM/Registered Broker forwards the payment instrument to collecting bank/SCSB for banking of instrument/blocking
16 Collecting banks commence clearing of payment instruments
17 Final Certificate from Collecting Banks / SCSBs to RTIs
18 RTI validates electronic bid file with DPs for verification of DP ID / CL ID & PAN
19 RTI completes reconciliation and submits the final basis of allotment with SE
20 Basis of allotment approved by SE
21 Instructions sent to SCSBs / Collecting bank for successful allotment and movement of funds to Issue a/c
22 Credit of shares in client account with DPs and transfer of funds to Issue a/c
23 Registrar to issue bank-wise data of allottees, allotted amount and refund amount to collecting banks.
24 Refund / Unblocking of funds is made for unsuccessful bids
25 Listing and Trading approval given by Stock Exchange (s)
26 Trading Starts (T + 12)

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, FIIs, FPIs, QFIs 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 ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III Foreign Portfolio Investors bidding under the QIBs category;
- FPIs which are Category III Foreign Portfolio Investors, bidding under the NIIs category;
- 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 colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, QFIs, 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

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
ESCROW BANK / SCSB BRANCH STAMP & CODE	SUB-BROKER'S/SUB-AGENT'S STAMP & CODE
BANK BRANCH SERIAL NO.	REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 | 6 | 5 | 4 | 3 | 2 | 1	4 | 3 | 2 | 1	4 | 3 | 2 | 1	4 | 3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. Category

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. Investor Status

- ☐ Individual(s) - IND
- ☐ Hindu Undivided Family* - HUF
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - MF
- ☐ Non-Resident Indians - NRI (Non-Repatriation basis)
- ☐ National Investment Fund - NIF
- ☐ Insurance Funds - IF
- ☐ Insurance Companies - IC
- ☐ Venture Capital Funds - VC
- ☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with individual)

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 D D M M Y Y

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 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)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	
Date : ______ 2011		

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.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Syndicate Member / SCSB

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

UFO digital cinema

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

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

ESCROW BANK / SCSB BRANCH STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE

BANK BRANCH SERIAL NO. | REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					
(OR) Option 2					
(OR) Option 3					

5. Category

Retail Individual

Non-Institutional

QIB

6. Investor Status

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)

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 D D M M Y Y

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

Date : ____________, 2011

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

1)

2)

3)

BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

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.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Syndicate Member / SCSB

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

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 favour 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 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 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.

(b) 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.

(c) 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.

(d) 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 Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(e) 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.

(f) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(g) 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 Portion 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.

(h) A Bid cannot be submitted for more than the Issue size.

(i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(j) 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 ICDR 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 ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the 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 ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an 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 favouring 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/cms/sebi_data/attachdocs/1365051213899.html.

(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 the 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

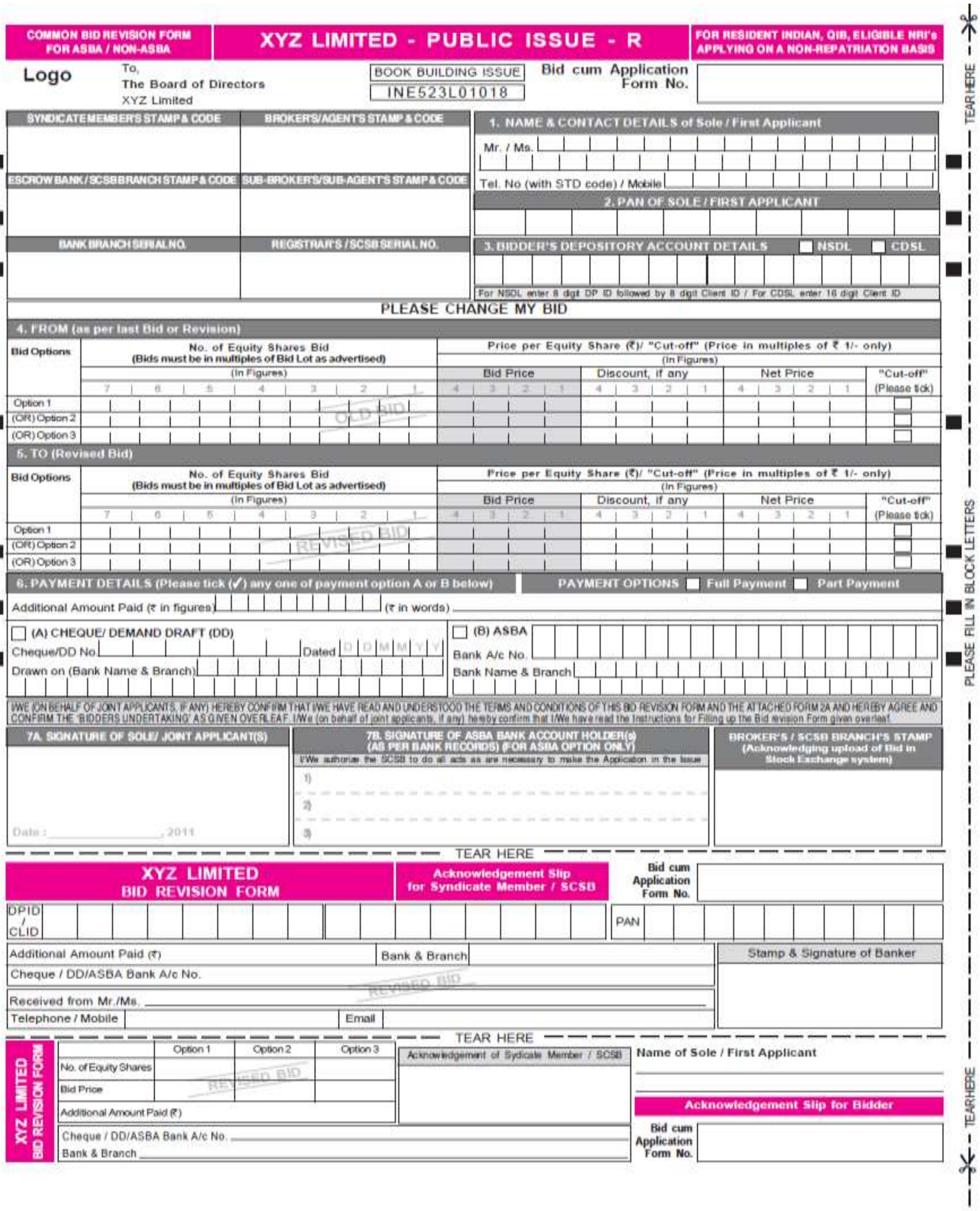
(a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part 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.

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 MEMBER'S STAMP & CODE | BROKER'S/AGENT'S STAMP & CODE

ESCROW BANK / SCSB BRANCH STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE

BANK BRANCH SERIAL NO. | REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (as per last Bid or Revision)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures): Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					
(OR) Option 2	OLD BID				
(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): Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					
(OR) Option 2	REVISED BID				
(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 D D M M Y Y
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 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)

Date : _______ , 2011

7B. 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
1)
2)
3)

BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

XYZ LIMITED
BID REVISION FORM

Acknowledgement Slip for Syndicate Member / SCSB

Bid cum Application Form No.

DPID / CLID

PAN

Additional Amount Paid (₹)

Bank & Branch

Stamp & Signature of Banker

Cheque / DD/ASBA Bank A/c No.

REVISED BID

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED BID REVISION FORM

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price		REVISED BID	
Additional Amount Paid (₹)			

Cheque / DD/ASBA Bank A/c No.
Bank & Branch

Acknowledgement of Sydicate Member / SCSB

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

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 Portion 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 ICDR 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 ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an 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 the 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 favour 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 favouring 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 ICDR 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 placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs; 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 by persons in the United States excluding persons who are a U.S. QIB (as defined in this Prospectus);

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(i) 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;

(j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(l) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(m) Bids/Applications at Cut-off Price by NIIs and QIBs;

(n) 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;

(o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(p) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(q) Bids/Applications for a Bid/Application Amount of more than ₹ 200,000 by RIIs by applying through non-ASBA process;

(r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) 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;

(u) 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;

(v) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;

(w) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;

(x) 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);

(y) 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;

(z) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(aa) Bids/ Applications to bear the stamp of the syndicate member / SCSBs;

(bb) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an 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 ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) In case of under-subscription in the Net 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 is 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 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 ICDR 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 Portion 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 Company, 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 ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 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.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and 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 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, within 60 days from the Bid/Issue Closing Date, the Issuer may forthwith, without interest refund the entire subscription amount received. 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, then the Issuer and every director of the Issuer who is an officer in default may be liable to repay the money, with interest at the rate of 15% per annum.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an 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 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 centres 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 centres 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.

Please note that refunds, on account of our Company withdrawing the issue or failure of the Issue, 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 centres 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 ICDR Regulations, 2009.
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Company, 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

Term	Description
	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 Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a 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 ICDR 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 Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
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

Term	Description
	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 Note	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
Companies Act	The Companies Act, 1956
Cut-off Price	Issue Price, finalised by our Company and the Selling Shareholders, 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 ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the 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
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

Term	Description
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/ Fixed Price Process/ Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the 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
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which are deemed to be foreign portfolio investors.
FPI Regulations	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 sub accounts of FPIs which are category III FPIs FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the 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 Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI, 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

Term	Description
	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 60 of the Companies Act 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
Qualified Financial Investors or QFIs	As defined under the FPI Regulations
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 ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 which does not have complete particulars of the price at which the Equity Shares are offered and the size of the 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
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 ICDR 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 ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html

Term	Description
Specified Locations	Refer to definition of Broker Centres
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

MAIN PROVISIONS OF OUR ARTICLES OF ASSOCIATION

Pursuant to the Companies Act, 2013 and the SEBI Regulations, the main provisions of our Articles relating to, inter alia, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

These Articles consist of 2 parts- Part A and Part B. In case of any conflict in the provisions of Part A and Part B, the provisions of Part B shall prevail or the provisions of Part A shall be regarded as subject to the provisions of Part B, as the context may require. Part B of the Articles, other than Article 136.3 and the related definition, shall cease to remain in effect and shall automatically fall away without any further action by any party (including the Company or any of its Members) immediately on the commencement of trading of the Equity Shares of the Company on any recognised stock exchange pursuant to the IPO (as defined in the Articles).

The regulations contained in the Table marked "F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in the Articles or by the Companies Act, 2013.

PART A

Article	Sub-article	Particulars
		Share capital and variation of rights
3.		Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or subject to compliance with Section 54 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.
4.		Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid–up, and if so issued, shall be deemed to be fully paid-up 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 a general meeting.
5.		The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
	(a)	Equity share capital: (i) with voting rights: and/or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
	(b)	Preference share capital
6.	(1)	Every person whose name is entered as a member in the register of members shall be entitled to receive: (a) one or more certificates in marketable lots for all the shares of each class or denomination registered in his name, without payment of any charge; or (b) several certificates, if the Board so approves (upon paying such fee as the Board so determines), 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 of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be.

(2) Every certificate shall be under the Seal and shall specify the shares to which it relates and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.

(3) In respect of any 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 for a share to one or several joint holders shall be sufficient delivery to all such holders.

(4) Any member of the Company shall have the right to sub-divide, split or consolidate the total number of shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation.

(5) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

7. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository in electronic form. Where a person opts to hold any share with the depository, the Company shall intimate such depository to details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, 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 Board so decides, or on payment of such fees (not exceeding the prescribed amount for each certificate) as the Board 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 or in case of sub-division or consolidation of shares. Notwithstanding the foregoing provisions of this Article 8, the Board shall comply with applicable law including the rules or regulations or requirements of any stock exchange, the Rules and the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

9. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

10. (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription or procurement of subscription to its securities, provided that the percentage rate or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

(2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

(3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

11. (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.

(2) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.

12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

13. Subject to the provisions of the Act, the Board shall have the powers to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

14. (1) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, the Company may, in accordance with the Act and the Rules, offer such shares to-

(a) persons who, at the date of offer, are holders of equity shares of the Company, in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions: (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Article 14(1)(a)(i) shall contain a statement of this right; (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not dis-advantageous to the shareholders and the Company;

(b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act; or

(c) to any persons, whether or not those persons include the persons referred to in Article 14(1)(a) or Article 14(1)(b) above, either for cash or for consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act.

Nothing in this Article 14(1) shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company; Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.

(2) A further issue of shares may be made in any manner whatsoever as the Board may

determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

Lien

15. (1) The Company shall have a first and paramount lien-

(a) on every share (not being a fully paid-up share) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and except as provided in Article 15(2). Fully paid-up shares shall be free from all lien; and

(b) on all shares (not being fully paid-up shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

Provided that the Board may at any time declare any shares wholly or in part to be exempt from the provisions of this Article.

(2) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.

(3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

16. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made-

(a) unless a sum in respect of which the lien exist is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exist as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled there to by reason of his death or insolvency or otherwise.

17. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

(4) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

18. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(2) The residue, if any, shall, subject to a like lien for sums not presently payable as

existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

19. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

20. The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

Calls on shares

21. (1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

(4) A call may be revoked or postponed at the discretion of the Board.

(5) Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

22. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

23. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

24. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

25. (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

26. The Board may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, all or any part of the monies due upon any shares held by him beyond the sums actually called for and

upon all or any of the monies so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, not exceeding, unless the Company in a general meeting shall otherwise direct, [12 percent] per annum, as the member paying such sum in advance and the Board agree upon. Nothing contained in this Article shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. The Board may at any time repay the amount so advanced.

27. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

28. All calls shall be made on a uniform basis on all shares falling under the same class.
Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

29. 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 thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest or any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

30. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Transfer of shares

31 (1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.

(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(3) A common form of transfer shall be used in case of transfer of shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and the registration thereof.

32. (1) Subject to the provisions of Sections 58 and 59 of the Act, the Rules, these Articles, any other applicable provisions of the Act or any other law for the time being in force the Board may refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month 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 notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

(2) Provided that registration of 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.

(3) No fee shall be charged for registration of transfer, transmission, probate, succession certificate, letters of administration, certificate of death or marriage, power of attorney or similar other document.

33. In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless-

(a) The instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;

(b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) The instrument of transfer is in respect of only one class of shares.

34. On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, 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.

35. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Transmission of shares

36. (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

(2) Nothing in Article 36(1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

37. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

(3) The Company shall be fully indemnified by such person from all liability, if any, by action taken by the Board to give effect to such registrations or transfer.

38 (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(3) All the limitation, restriction and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

39. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided 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, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

40. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Forfeiture of shares

41. If a member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may accrued and all expenses that may have been incurred by the Company by the reason of non-payment.

42. The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

43. If the requirement of such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

44. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

45. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in register of members but no forfeiture shall be invalided by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

46. The forfeiture of share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all

other rights incidental to the share.

47. (1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.

(2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

48. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

(3) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

49. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited 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 share;

(2) The Company may receive the consideration, if any given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of:

(3) The transferee shall thereupon be registered as the holder of the share, and

(4) The transferee shall not be bound to see to the application of the purchase money, 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, and re-allotment or disposal of the share.

50. Upon any sale after forfeiture or for enforcing a lien in exercise of the power hereinabove given, the Board may, if necessary appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

51. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company had been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

52. The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

53. The provisions of these Articles as to forfeiture shall apply in the case of non-

payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

54. The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Alteration of Share Capital

55. Subject to the provisions of the Act, the Company may by ordinary resolution-

(a) Increase the authorised share capital by such sum, to be divided into shares of such amount as it thinks expedient;

(b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;

(c) Convert all or any of its fully paid- up shares into stock, and re-convert that stock into fully paid- up shares of any denomination;

(d) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum of association;

(e) Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.

56. Where shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferrable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

(b) The holders of the stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

(c) such of these Articles of the Company as are applicable to paid up shares shall apply to stock and the words “share” and “shareholder”/”member” shall include “stock” and “stock-holder” respectively.

Share Warrants

57. The Company may, subject to and in accordance with the provisions of the Act, issue warrants (hereinafter called "Share Warrants") in respect of fully paid-up shares and accordingly the Directors may in their discretion in respect of any such share, issue under the Seal issue Share Warrants in respect of the shares therein specified and may provide by coupons or otherwise for the payment of Dividends or other moneys on the shares included in the Share Warrant.

Before the issue of any Share Warrant the Board shall draw up the regulations and conditions under and upon which such Shares Warrants or coupons lost, word out, defaced or destroyed will be renewed or replaced by a new Share Warrant and upon which a Share Warrant will be cancelled and the name of the bearer entered upon the register as a Member of the Company in respect of shares included in the Share Warrant to be cancelled, and such regulations shall be printed upon the back of every Share Warrant.

The regulations relating to Share Warrants to be drawn up by the Board may prescribed and limit the manner in which a bearer of a Share Warrant shall be entitled to vote at meeting of the Company. But no regulations shall declare that any person shall be qualified to be a Director of the Company by reason of being the bearer of any Share Warrant.

The Board may, from time to time, vary the conditions upon which Share Warrant shall be issued or held and, subject to such conditions and to these presents, the bearer of a Share Warrant shall be a Member to the full extent. The bearer of a Share Warrant shall be subject to the conditions for the time being in force whether made before or after the issue of such Share Warrant.

58. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and Rules,-
(a) its share capital; and/or
(b) any capital redemption reserve account; and/or
(c) any securities premium account; and/or
(d) any other reserve in the nature of share capital.

Debentures

59. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by a special resolution and subject to the provisions of the Act.

Joint Holders

60. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

(a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.

(b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holders from any liability on shares held by him jointly with any other person.

(c) Any one of such joint-holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.

(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 the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to be include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

(e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher or (as the case may be) in the register in respect of such shares.

(ii) Several executors or administrators of deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Article be deemed joint-holders.

(f) The provisions of these Articles relating to joint-holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

Capitalisation of profits

59. (1) The Company by ordinary resolution in 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 Article 59(2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in case but shall be applied, subject to the provision contained in Article 59(3) below, either in or towards:

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified Article 59(2)(A) and partly in that specified in Article 59(2)(B).

(3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article

60. (1) Whenever such resolution is as aforesaid shall have been passed, the Board shall-

(a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any, and

(b) generally do all acts and things to give effect thereto.

(2) The Board shall have power-

(a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions: and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares on other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

61. Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General meetings

62. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

63. The Board may, whenever it thinks fit, call an extraordinary general meeting

Proceedings at general meetings

64. (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.

(3) The quorum of a general meeting shall be as provided in the Act

65. The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.

66. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

67. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.

68. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

69. (1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consequently numbered.

(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting-

(a) is or could reasonably be regarded, as defamatory of any person; or

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interests of the Company

(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid Article.

(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

70. (1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall;

(a) be kept at the registered office of the Company; and

(b) be opened to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.

(2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of minutes referred to in Article 70(1) above, Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

71. The Board, and, also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

Adjournment of meeting

72. (1) The Chairperson may, *suo moto,* adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting

(4) Save as aforesaid, and save provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

73. Subject to any rights or restrictions for the time being attached to any class or classes of shares-

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

74. A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

75. (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

76. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

77. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Article to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his rights to vote at such meeting in respect thereof.

78. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

79. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.

80. A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on other ground not being a ground set out in the preceding Article.

81. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Proxy

82. (1) Any member entitled to attend and vote at a general meeting may also do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

(2) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

83. An instrument appointing a proxy shall be in the form as prescribed in the Rules.

84. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given. Provided that no intimation in writing of such death, insanity, revocation, or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

85. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen). Provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution.

86. (1) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

(2) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

87. (1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(2) The remuneration payable to the directors, including any managing or whole time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.

(3) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or

(b) in connection with the business of the Company

88 All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

89 (1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

(2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

90. (1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three month from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent

director under the provisions of the Act.

(2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

(3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

91. (1) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

(2) The director so appointed shall hold only up to the date up to which the director in whose place he is appointed would have held office if it had been vacated.

Powers of Board

92. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provision of the Act and other laws, and of the memorandum of association and these Article and to any regulations, not being inconsistent with the memorandum of association and these Article or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Proceedings of the Board

93. (1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(2) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.

(3) The quorum for a Board meeting shall be as provided in the Act.

(4) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

94. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

95. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning a general meeting of the Company, but for no other purpose.

96. (1) The chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

97. (1) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.

(2) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

(3) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

98. (1) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

99. (1) A Committee may meet and adjourn as it thinks fit.

(2) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.

(3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

100. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

101. Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

102 (a) Subject to the provisions of the Act,-
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 financial 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.

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

103. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such

manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

104. (a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

(b) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

105. (1) The Board shall provide for the safe custody of the Seal.

(2) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

106. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

107. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

108. (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

(2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

109. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, 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.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

(3) 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.

110. (1) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

(2) The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Article hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

(3) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall, within seven days from the date of expiry of the 30 day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".
The Company shall transfer any money transferred to the unpaid dividend account of the Company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Investor Education and Protection Fund established under the Act.
The Board shall not forfeit unclaimed dividends before the claim becomes barred by law.

111. (1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(3) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

112. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

113. No dividend shall bear interest against the Company.

114. The waiver in whole or in part of any dividend on any share by any document (whether or not under Seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

115. (1) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.

(2) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.

116. Subject to the applicable provisions of the Act and the Rules made thereunder-

(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.

(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.

(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 if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

117. (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(b) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

(c) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

118. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

Secrecy Clause

119 (1) No Member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to acquire discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

(2) Every Director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all transactions with individuals and in matters relating thereto, and accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the

provisions in these Articles contained.

PART B

Article	Sub-article	Particulars

123. Waiver

Each and every right of PEP, 3i, and each of the Group A Shareholders, shall be capable of being waived by the party or parties to whom such right accrues. Provided that any such waiver of rights shall be only by way of a specific written waiver.

124. Board of Directors of the company

124.1. The composition of the Board at Completion shall be as follows:

(a) PEP shall be entitled to appoint and maintain in office 3 (Three) Directors ("PEP Directors");

(b) 3i shall be entitled to appoint and maintain in office 2 (Two) Directors ("3i Directors" and together with the PEP Directors, "Investor Directors");

(c) Apollo International shall be entitled to appoint and maintain in office one 1 (One) Director ("Apollo Director");

(d) VTL Group shall be entitled to appoint and maintain in office 3 (Three) Directors ("VTL Directors"); of which one Director shall at all times be SG (together with the Apollo Directors, the "Other Nominee Directors"); and

(e) Kapil, acting in his individual capacity, shall be independent joint managing director of the Company, so long as he continues to be both an employee of the Company and a Shareholder (and together with the Investor Directors, Apollo Director and VTL Directors, the "Company Directors").

124.2. At any time after Completion, if the Identified Shareholders mutually agree, the Board shall have the right to appoint 2 (Two) independent Directors, in each case, in each Identified Shareholder's sole discretion, (the "Independent Directors").

124.3. In the event the shareholding of PEP, 3i, Apollo Group and/or the VTL Group undergoes any change, then the Board shall be reconstituted in a manner which is reasonably reflective of the respective shareholding of each Shareholder, on a Fully Diluted Basis (having the right to nominate any Company Directors, each an "Nominating Shareholder") post such change in shareholding, provided that the proportionate right of nomination of Directors is complied with. For example, if the shareholding of PEP exceeds 40% of the cumulative Securities held by the Nominating Shareholders ("Nominating Share Capital"; the relevant percentage held by any Nominating Shareholder in the Nominating Share Capital being referred to as the "Nominating Shareholding"), they shall have the right to nominate 40% of the Board, i.e. the right to appoint 4 (Four) of 10 (Ten) Directors, or such other number as per the size of the Board from time to time; and further, for the purposes of the computations contemplated under this Article 124.3, the total number of

Board seats available to the Nominating Shareholders on a proportionate basis shall not include any seats reserved for Independent Director(s) appointed by the Board in accordance with Article 124.2 above. Provided however that, in the event the Nominating Shareholding is not a multiple of 10 (Ten), it shall be rounded off (only for the purpose of computations under this Article 124.3) in relation to such Nominating Shareholding being greater than, equal to or lower than the nearest percentage multiple of 5 (Five); i.e. if the Nominating Shareholding is 43%, it shall be rounded off to 40% and if the Nominating Shareholding is 47%, it shall be rounded off to 50% and if it is 45%, it shall still be rounded off to 50% (the "Rounded-Off Shareholding"). Provided further, subject to the succeeding sentence, that in the event such correction towards Rounded-Off Shareholding results in a greater number of Directors to be appointed than there are seats on the Board, the Nominating Shareholder with the largest share in the Share Capital shall receive priority in terms of Board seats followed by the next largest and so on. The Rounded-Off Shareholding as contemplated by the foregoing shall be subject to the right of a Nominating Shareholder to appoint and maintain in office at least 1 (One) Director on the Board (provided such Nominating Shareholder holds the Minimum Requisite Shareholding) and nothing contained in this Article shall abrogate or otherwise limit the right of any Nominating Shareholder to appoint and maintain in office at least 1 (One) Director on the Board (provided such Nominating Shareholder holds the Minimum Requisite Shareholding). In the event, the shareholding of any Shareholder falls below the Minimum Requisite Shareholding, such Shareholder shall lose its right to appoint any Directors.

124.4. The Parties agree that, in the event the Investor Directors collectively cast their vote in favour of or against a particular resolution at a Board meeting, and the Other Nominee Directors, together with Kapil, should collectively cast their vote in a manner which is different from the manner in which the Investor Directors cast their vote ("Deadlocked Resolution"), then, any one of the Investor Directors shall have a casting vote, only in respect of such Deadlocked Resolution. The Parties agree that they shall do whatever is necessary to give effect to this Article 124.4. Notwithstanding any provision to the contrary in these Articles, in order to effect this provision, the Deadlocked Resolution shall form part of a separate Board meeting specially convened for the sole purpose of passing the Deadlocked Resolution and any of the Investor Directors (as mutually agreed between the Investors) may be appointed as the chairman of the Board for such separate Board meeting and shall have a casting vote for the limited purposes of the Deadlocked Resolution. If there is a change in the Board composition arising from a change in the shareholdings of the Company or induction of any Independent Directors, such change in Board composition shall be in compliance with the provisions of this Article 124.4 (provided the Investor Directors collectively constitute 50% of the composition of the Board excluding the Independent Directors) and the foregoing provisions of Article 124.3.

124.5. Each of PEP, 3i, Apollo International and VTL Group shall be entitled to remove from office any Director so appointed by it and to appoint another individual Person in the place of the Director so removed. If, as a result of death, disability, retirement, resignation, removal or otherwise, there shall exist or occur any vacancy on the Board, the party that initially appointed such deceased, disabled, retired, resigning or removed director may appoint another individual to fill such vacancy and serve as a Director on the Board. To the extent permissible by Law, the appointment of the Company Directors (except Kapil) shall be by direct nomination by the respective Parties and any appointment or removal under this Article 124.5 shall, unless the contrary intention appears, take effect from the date it is notified to the Company in writing. If the Law does not permit the Persons nominated by the respective Parties to be appointed as Directors of the Company merely by nomination by the respective Parties, the Parties shall ensure that the Board forthwith (and in any event within 15 (Fifteen) Business Days of such nomination or at the next Board meeting, whichever is earlier) appoint such Persons as Directors; and further that, unless any of the Parties change or withdraw such nomination, such Persons are also elected as Directors of the Company until the next general meeting of the Shareholders.

124.6. The Company shall not be obligated to appoint any person nominated by any of the Investors as the Investor Director if such person is an Affiliate of a Competitor. The appointment of such person as an Investor Director shall be made with the unanimous approval of the Board.

124.7. Without prejudice to the above, the Parties agree to exercise all powers and rights available to them so as to fix the number of Directors in accordance with Article 124.1 and to ensure that the persons nominated by the Parties are expeditiously appointed or removed (as the respective Parties may specify) as Directors of the Company and the appointments and removals referred to in Article 124.1 result in the persons nominated or removed becoming or ceasing to be Directors of the Company.

124.8. At least one of the PEP Directors and one of the 3i Directors shall be entitled to be appointed as a member of, or at the option of PEP and 3i respectively, an invitee on, all committees or sub-committees as organized under the Board of the Company, including the audit committee and the compensation committee. The composition of the Board shall be replicated on the boards of directors of each Subsidiary at the request of the Investors subject to the terms of agreement between the Company and such Subsidiaries; which agreement the Company shall take best efforts to amend to give effect to this Article 124.8, subject to applicable Law.

124.9. Each of the Nominating Shareholder shall be entitled, from time to time, to nominate persons to be appointed as alternate Directors to their respective nominee Directors and the Company shall exercise all its rights and powers and take all requisite actions to ensure that such persons are appointed forthwith as such Directors' alternate Directors.

124.10. Subject to the relevant provisions of the Act, the Company shall pay the Company Directors fees for services rendered, which amount shall be determined by the Board and all reasonable out-of-pocket expenses incurred in order to attend Shareholder, Board, committee, sub-committee and other meetings of the Company and/or the Subsidiaries of the Company or otherwise perform their duties and functions as Directors of the Company or any of its Subsidiaries or as a member of any committee or sub-committees of the Company or any committees or sub-committees of any Subsidiaries of the Company. The Company will compensate the Directors in an amount and manner customary for compensating outside directors of similar businesses.

124.11. The Company shall forthwith and in no event later than a period of 30 days from the Completion Date, procure suitable Directors and Officers Liability insurance in favour of all the Directors (including alternate Directors) on the Board from a reputable insurance company, in form and substance satisfactory to the Investors, in respect of claims or liabilities resulting from the actions or omissions of the Directors (including the Investor Directors) as Director of the Company or directors of any of its

Subsidiaries, to the extent permitted by Law. Such insurance shall at minimum be for the aggregate sum of INR 225,500,000 (Two Hundred Twenty Five Million Five Hundred Thousand Rupees) for all Directors.

124.12. Each Relevant Shareholder agrees to vote all of its Securities that are entitled to vote or execute proxies or written consents, as the case may be, and to take all other actions reasonably necessary (including causing the Company to call a special meeting of Shareholders), to ensure that (a) the composition of the Board is as set forth in this Article 124, and (b) the Charter Documents of the Company and its Subsidiaries (a) facilitate, and do not at any time conflict with, any provision of these Articles and (b) permit each Shareholder to receive the benefits to which each such Shareholder is entitled under these Articles.

124.13. The Company Directors shall not be required to hold any qualification shares.

124.14. The Company shall indemnify each of the Directors against the following, provided such Director has exercised due diligence in the performance of his/her duties:

(a) any act, omission or conduct of or by the Company or any of its Subsidiaries or any of their respective employees or agents as a result of which, in whole or in part, the Directors are made parties to, or otherwise incur any loss pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct; or

(b) any action or failure to act undertaken by any of the Directors at the request of or with the consent of the Company or any its Subsidiaries; or

(c) contravention of any Law, including, the Foreign Exchange (Management) Act, 1999 ("FEMA"); any Laws relating to provident fund, gratuity and other labor Laws; and any action or proceedings taken against the Directors in connection with any such contravention or alleged contravention.

Provided however that nothing in this Article 125.14 shall apply to any acts or omissions or conduct of the Group A Shareholders who are Directors or any nominee Directors appointed by the Group A Shareholders, or Kapil, which are attributable to reasons such as gross misconduct, wilful default, negligence or fraud on the part of any such Directors.

124.15. The Investor Directors shall be non-executive Directors and shall have no responsibility towards the day-to-day management of the Company; and shall not be liable for any failure by the Company to comply with applicable Law. The Company shall nominate Directors or persons other than the Investor Directors as "persons in charge" as contemplated under applicable Law.

125. Corporate governance

125.1. The meetings of the Board shall be held at least once every quarter.

125.2. At least 15 Business Days' notice of each Board meeting shall be given to each Director unless in any particular case a majority of the Directors (which majority shall include at least one PEP Director, one 3i Director and one VTL Director) agree otherwise. Such notice shall include the agenda for the Board meeting and all papers connected therewith and/or proposed to be placed or tabled before the Board; and, no items save and except those specified in the agenda may be discussed at any Board meeting, except with the written consent of each of the Investors. Each of the Investors shall have the right to require the Company to include any matter in the agenda and the Company hereby undertakes to ensure that all such matters as required by any of the Investors shall be included in the agenda of the Board or the Shareholders' meetings or any other meetings.

125.3. In the event the agenda for any Board meeting includes a Reserved Matter, the Company shall provide the details of such item together with all supporting documents to the Investors in accordance with the provisions of Article 125.2. Such notice shall be circulated by the Company to the Investors at the same time as the agenda is circulated to the Investor Directors. No Reserved Matter shall be taken up for discussion or resolution passed in relation to such matter at any Board meeting unless the Investors' Consent is obtained by the Company. In the event the Investors' Consent have been obtained for a particular Reserved Matter and at the meeting of the Board, minor modifications to the Reserved Matter are proposed, the Investor Directors may give their affirmative vote to such modification. In the event each of the Investor Directors have given their affirmative vote to such modifications it shall be deemed to be consent of the Investors to such modification of such Reserved Matter. Provided however, in the event any of the Investor Directors abstain from voting or exercises a negative vote to such modification of such Reserved Matter, the Company shall seek such Investor's prior written consent to such modification of such Reserved Matter in the manner prescribed in this Article 125.3.

125.4. The quorum for any meeting of the Board shall be such minimum number of Directors as required under the Act, which shall, include at least one VTL Director, one 3i Director and one PEP Director. In the event a Reserved Matter is proposed to be passed at a meeting of the Board, the quorum for such Board meeting shall be such number of minimum Directors required under the Act, which shall include at least one 3i Director and one PEP Director present throughout the meeting in which the Reserved Matter is proposed to be passed, unless such requirement has been waived in writing by the respective Investors. In the event that a meeting of the Board duly convened cannot be held for lack of quorum, such meeting may be adjourned to the same time and at the same place and on a day following 7 (Seven) days after the original meeting and, at such adjourned meeting, the presence of the number of Directors required by Law shall constitute quorum; provided however that, no Reserved Matter shall be taken up, discussed, considered or resolved at such adjourned meeting without the Investors' Consent.

125.5. Subject to Article 125.4 above, the Chairman of the Company shall be nominated by the Board and shall not have a casting vote.

126. **Information rights**

126.1. The Company shall provide to the Investors all such information and access as set out in Article 126.4 and any other information as may be reasonably requested by the Investors.

126.2. The Company shall provide to the VTL Group, all such information and access as set out in Article 126.4 and any other information as may reasonably be requested by VTL Group.

126.3. Each of the Investors and/or VTL Group may at any time require that the above information be provided to their respective Investor Directors and/or the VTL Directors, as the case may be, in place of or in addition to the Investors and/or VTL Group respectively.

126.4. The information and access rights are as under:-

(i) The annual audited financial statements of the Group (which financial statements shall include the profit and loss accounts, cash flow statements and audited balance sheets) prepared in accordance with the then applicable accounting standards, within 120 days of the end of relevant Financial Year;

(ii) Monthly management accounts of the Group (which shall include a profit and loss account, balance sheet, cash flow statement, brand wise revenue and profitability statement and contribution levels including brand-wise gross profits, advertising and marketing expenses and promotion scheme expenses, certified by the Chief Financial Officer (or officer similarly placed) of the Company, within 15 days of the end of each month. The monthly management accounts will have a specific column that indicates any deviations from the Business Plan;

(iii) Quarterly financial statements of the Group (which shall include profit and loss accounts, the balance sheet and cash flow statements) within 30 (Thirty) from the end of each preceding quarter;

(iv) Individual entities within the Group management accounts which shall include full disclosures of all Connected Party transactions, within 15 (Fifteen) days of each month end;

(v) Monthly summary report of the Group's business operations by the Chief Executive Officer (or officer similarly placed), within 15 (Fifteen) days after each month end;

(vi) Provide the following not less than 30 (Thirty) days prior to the commencement of each Financial Year

(A) annual budget of the Group, and

(B) annual Business Plan.

(vii) Copies of board papers in respect of the meetings of the Board and the board of directors of the Group (the Investors to be advised of the dates and agenda for Board Meetings reasonably in advance) and the Company will place any matter on the agenda that any Investor proposes), unless already provided to the Investor Directors;

(viii) A statement, in the form provided by each Investor, of the Group's annual turnover and assets broken down by reference to the country in which it is generated or located;

(ix) Quarterly business review and progress discussion between Investors and the management team in respect of the Group;

(x) Full and complete details of any proposals or discussions in relation to any IPO as soon as practicable;

(xi) Notification(s) of any material litigation or any circumstances which in the reasonable opinion of the Company are likely to give rise to the same, which may be initiated or, to the extent the Company is aware, threatened by or against any entity in the Group, the Group A Shareholders, or any other member of the management team of any entity in the Group as identified by the Investors in its discretion;

(xii) Notification(s) of any such events which are likely to have a material impact on the business of the Company or the Group immediately when the Company and/or any member of management, becomes aware of such event; and

(xiii) Details of any written offer, whether actual or proposed, which is made to any of the Shareholders or its Subsidiaries or joint venture partners or Affiliates to buy their shares or any such offer received from any such Parties.

a) The Company shall provide to the Investors and the VTL Group such additional information as may be reasonably requested by the Investor and / or the VTL Group, within 14 days of receipt of a notice requesting such information.

b) Any reasonable requests for information by any of the Investors and/or the VTL Group shall be promptly complied with by the Company.

c) The Company shall give full access to the Investors and the VTL Group and their respective authorized representatives (including lawyers, accountants, auditors and other professional advisors) to visit and inspect all properties, assets, corporate, financial, operational and other records, reports, books, contracts and commitments of the Company, and to discuss and consult its business, actions plans, budgets and finances with the Directors and executive officers of the Company, upon reasonable notice. The Investors and the VTL Group shall be entitled to take copies of all such information. All costs incurred in connection with such inspection shall be borne by the Company.

127. **Shareholders meetings**

127.1. The Shareholders shall be entitled to receive notices for meetings of the Shareholders in accordance with the provisions of the Act.

127.2. The quorum for a meeting of the Shareholders shall be a minimum of 5 (Five) Shareholders, including at least one representative of each of PEP, 3i and the VTL Group. At least one representative of each Investor and of the VTL Group shall be present to constitute quorum of the Shareholders' meeting, unless waived in writing by such Investor or such member of the VTL Group, respectively. In the event that a meeting of Shareholders duly convened cannot be held for lack of quorum, the meeting may be adjourned to the same time and at the same place and on a day following 7 (Seven) days after the original meeting and, at such adjourned meeting, the presence of the number of Shareholders required by Law shall constitute quorum, provided however and subject to Article 127.1, no Reserved Matter shall be taken up, discussed, considered or resolved at such adjourned meeting without the Investors' Consent

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128. **Reserved matters**

128.1. So long as any Investor continues to hold the Minimum Requisite Shareholding, the Company undertakes that no action or decision relating to any of the Reserved Matters shall be taken by the Company or any of its Subsidiaries, whether by the Board, any committee or sub-committee of the Board, the board of directors or any of the committees or sub-committees of any Subsidiary of the Company, the Shareholders, the employees, officers or managers of the Company or any of its Subsidiaries or otherwise, unless the Investors' Consent is obtained. Provided however that, with respect to the Reserved Matter set out against number (xxxi) of Article 128.4 hereto (in respect to the roll out of 2D Screens), the prior written consent of 3i shall not be required and only the consent of PEP shall be required and Articles 125.2 to 125.4 shall be read accordingly.

128.2. In relation to the Subsidiaries of the Company and any Person in which an investment is made by the Company, the Company's nominee Director(s) on the board of directors of such Subsidiaries and each such Persons that are also delegates / attorneys / representatives of the Company at shareholders' meetings of the Subsidiaries and / or such Person, as the case may be, shall act according to the directions of the Board subject to the provisions herein on Reserved Matters as set forth in Article 128.3 below.

128.3. The Reserved Matters shall extend to the Subsidiaries of the Company. The Company shall, with respect to the Reserved Matters in relation to the Company or any of its Subsidiaries, request the Investors for their written consent by sending a notice, in writing, to the Investors, at least 12 (Twelve) Business Days prior to the meeting at which the Reserved Matter is proposed to be tabled or discussed or decided or prior to any of the officers or employees or otherwise of the Company or any of its Subsidiaries taking a decision on any Reserved Matter. The Investors shall communicate their respective decisions to the Company within a period of 7 (Seven) Business Days from the date of receipt of the notice from the Company, failing which, the Investors' Consent shall be deemed to have been provided.

128.4. The Reserved Matters are as under:

(i) Merger, de-merger, liquidation, reorganization or sale of the Company or any of its Subsidiaries.

(ii) Any amendments to the Charter Documents of the Company or any of its Subsidiaries.

(iii) Any further issue of Securities of the Company or shares or securities of any of the Company's Subsidiaries.

(iv) Any proposal or decision to raise capital from any Shareholder of the Company, any Shareholders loans or Shareholders guarantees, the determination of their terms and the determination of the number of shares to be issued.

(v) Any material change in the business of the Company or any of its Subsidiaries or the addition of a material business which is not included in the current business of the Company or its Subsidiaries or the termination of a material business of the Company or any of its Subsidiaries. The term "material" for the purposes of this Article shall mean any event having an impact of 10% or more.

(vi) Approval or amendment to the annual budget or the Business Plan of the Company or any of its Subsidiaries.

(vii) Any change in the capital structure of the Company or any of its Subsidiaries or any re-organisation of the capital structure of the Company or any of its Subsidiaries (including new issuance of shares or other securities of the Company or any of its Subsidiaries, or redemption, retirement or buy-back or repurchase of any shares or other securities, issuance of convertible debentures or warrants or other securities, or grant of any options for its shares, including any further issuance pursuant to the Company's subsisting ESOP, or any bonus issuance, stock split by the Company or any of its Subsidiaries) or any action which changes the holdings of the parties in the Company, including, , among others, a public offering, a private placement of shares or other securities of the Company to third party , except for limits defined by the Company's Business Plan.

(Altered vide Special Resolution passed at the Extra Ordinary General Meeting of the Company held on 20th October 2011)

(viii) Any transaction with any Connected Party and/or any material transaction beyond INR 5,000,000 (Rupees Five Million only) in which Directors or officers of the Company or the directors and officers or any of its Subsidiaries have an interest.

(ix) Any transaction entered into by the Company or any of its Subsidiaries, on the one hand, with any of the members of the VTL Group, IMXL and CIPL or their respective Affiliates, on the other hand.

(x) Any prepayment of any existing loan(s) or borrowing(s) from any bank by the Company or any of its Subsidiaries or modification of the terms of such loans or borrowings.

(xi) Any transaction or a series of transactions exceeding in aggregate INR 10,000,000 (Rupees Ten Million only) involving expenditure on premises, plant, equipment, R&D and any other capital expenditure which is not agreed in the Business Plan. Further, the Company shall implement an authorization matrix regarding capital expenditures, acceptable to the Investors, within 3 months of the Completion. However, in the event the aggregate of all the transactions put together deviates from the Business Plan by more than INR 20,000,000 (Rupees Twenty Million only) approval shall be required for all subsequent transactions.

(xii) Any debt or debt like instrument raised beyond INR 45,000,000 (Rupees Forty Five Million only) in any financial year beyond as approved in each annual Business Plan, or any change, modification or amendment to the terms of any such instrument.

(xiii) Any funding (including by way of debt, equity, quasi equity, guarantees, indemnities, or similar means.) by the Company or any of its Subsidiaries, on the one hand, to any of the Company's Subsidiaries, beyond as approved in the annual Business Plan.

(xiv) Any appointment or removal or change in the internal and statutory auditors of the Company or any of its Subsidiaries.

(xv) Acquire the stock or assets or interest in / of any other Person or entry into any joint venture, strategic alliance or similar transactions.

(xvi) Any sale, disposal, mortgage, pledge or Encumbrance, lease or conveyance of a material percentage of the assets of the Company or any of its Subsidiaries. The term "material" for the purposes of this Article shall mean any event having an impact of 10% or more.

(xvii) Declaration of dividends (including any action under Article 190).

(xviii) Buying or selling any shareholding in the Subsidiaries of the Company or any material assets or the whole or substantial business of the Company or any of its Subsidiaries or issuance of equity shares or quasi-equity securities or raising any borrowings / issuing any guarantees in any of the Company's Subsidiaries other than those already disclosed to Investors as part of the Business Plan.

(xix) Establishment or incorporation of any new Subsidiary(ies) or Affiliate(s).

(xx) Liquidation, dissolution or winding up of the Company or any of its Subsidiaries.

(xxi) Constitution of the Board (including any action under Article 152) or any board of directors of any of the Company's Subsidiaries, including any proposal to change the number of directors, or the maximum number of directors to be appointed on such board; or to change the remuneration of the directors.

(xxii) Delegation of any authority of the board to any Person or employees or committee or sub-committee of the Company or any of its Subsidiaries and any amendment to the terms of such delegation, including establishing, dissolving or amending the terms of operation or function of any of the committee or any sub-committee(s) of the Board or board of directors of any of the Company's Subsidiaries.

(xxiii) Any appointment, removal and replacement of any of the Senior Management. or any material change in the terms of employment of any of the Senior Management.

(xxiv) Any change in the accounting or tax principles, policies or procedures, of the Company or any of its Subsidiaries, including any change in fiscal year end or capitalization of any reserves or share premium and making of any significant tax election or adoption of any position for purposed of any tax return that will have a material effect on the Company or any of the Shareholders.

(xxv) Any political or charitable contributions in excess of INR 100,000 (Rupees One Hundred Thousand only) in any Financial Year.

(xxvi) Any guarantee or indemnity or similar arrangement which has the effect of guaranteeing or indemnifying the liability of any third party.

(xxvii) Threatening or commencing litigation other than litigation in the ordinary course of business provided the financial or business impact of such litigation is INR 5,000,000 (Rupees Five Million only) or more. Provided further that any litigation initiated in relation to these Articles or any of the transactions contemplated hereby shall be excluded.

(xxviii) The amendment, modification or termination of the ESOP or proposals for the establishment of any scheme for the issue of equity securities or options to employees, consultants or officers or of any retirement benefit or bonus or profit sharing scheme for employees, consultants or officers of any member of the Company or any of its Subsidiaries, or the making of any payment or contribution to any third party scheme outside the ordinary course of business.

(xxix) Approval, implementation or taking of any other material actions in relation to an IPO.

(xxx) The adoption of a compliance plan (including the anti-bribery and anti-corruption policy) or the repeal thereof or any modification thereto or departure therefrom.

(xxxi) Any roll out by the Company or any of its Subsidiaries, in India and Nepal, of such number of 2D Screens, such that the total aggregate active 2D Screen of the Company and its Subsidiaries exceeds 3,000, and only if the roll out is to occur on or before March 31, 2012.

(xxxii) Enter into any arrangement or contract to do any of the foregoing

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129. **Voting rights and calculation of shareholding**

129.1. PEP shall have the right to vote, along with the equity Shareholders on all matters, whether concerning the Subscription Shares or otherwise. PEP shall specifically be entitled to voting rights in respect of the Subscription Shares, the Sale Shares and such other Securities acquired by PEP from time to time, assuming that all Subscription Shares were converted into Conversion Shares in accordance with Article 210.

129.2. In the event that, from the Completion Date and until conversion of the Subscription Shares in accordance with the terms of these Articles, the voting rights attached to the Subscription Shares in accordance with Article 129.1 are not permitted to be exercised by PEP under applicable Law, the Group A Shareholders and 3i shall abstain to vote in respect of a portion of their Equity Shares such that each Party is entitled to such portion of their voting rights as per their entitlement as if the Subscription Shares were permitted to vote in the manner set forth in Article 129.1. The Group A Shareholders and 3i hereby agree and undertake to, and shall cause their respective Affiliates and nominees to, exercise their voting rights, either directly or indirectly, in the Company to give effect to this Article 129.2.

129.3. Without limiting the provisions of Article 129.2, at all times during the term of these Articles, the Identified Shareholders undertake to, and cause their respective nominees and Affiliates to, exercise all powers and rights available to them, including all rights available to them in their capacity as Shareholders or subject to applicable Law, as Directors, and including their voting rights in respect of all the Securities directly, indirectly or beneficially held by them, at any general meeting of the Shareholders or any Board meeting (as the case may be) or by way of a written consent executed in lieu their vote in a meeting of the Shareholders, and shall take all other actions necessary, to give effect to the provisions of these Articles so as to procure and ensure that the provisions of these Articles are complied with in all respects by the Company and the Identified Shareholders.

130. **Pre-emption right**

130.1. Subject to Article 128 above, in the event the Company proposes to issue any Securities to any Person (collectively, "Dilution Instruments"), then each of the Investors shall, at their sole discretion, be entitled to subscribe to the issue of the Dilution Instruments on a pro rata basis in proportion to their respective shareholding in the Company, on a Fully Diluted Basis, on the same terms as the Dilution Instruments are proposed to be issued, such that their respective shareholding is maintained at least at the level prior to such issuance of the Dilution Instruments.

130.2. The Company agrees and undertakes that it shall not issue any Dilution Instruments or make any new issuance in contravention of the provisions of this Article 130.

130.3. The Company shall apply for, co-operate, follow up diligently with the necessary authorities on a best efforts basis for obtaining all Required Governmental Approvals for the acquisition of the Dilution Instruments by the Investors or any Person nominated by the Investors and shall furnish the Investors, where applicable, with certified true copies of the requisite applications and the Required Governmental Approvals, once granted by the Government.

130.4. The provisions of this Article 130 shall be applicable to each of the Investors so long as the collective shareholding of the relevant Investor and its respective Affiliates in the Company does not fall below the Minimum Requisite Shareholding.

130.5. Further, the provisions of this Article 130 shall not apply in the event of an issue of Dilution Instruments pursuant to (a) an ESOP or (b) an IPO.

130.6. Notwithstanding anything contained in this Article 130, the Company shall not at any time issue Securities to a Competitor (other than any issuance pursuant to the Drag-Along Right of the applicable Dragging Person in accordance with Article 133) without the prior written consent of the VTL Group.

131. **Transfer restrictions**

131.1. Notwithstanding anything contained in these Articles, the Group A Shareholders shall be locked-in and shall not, until the shareholding of each of the Investors in the Company falls below the Minimum Requisite Shareholding, Transfer any Securities held by them. Accordingly, the Group A Shareholders shall not be permitted to Transfer any Securities held by them during such period without the Investors' Consent. Any attempted or proposed Transfer in violation of these Articles is null and void. Any Transfer of Securities by the Group A Shareholders shall be in the manner as provided in these Articles. In the event the Group A Shareholders are required to create an Encumbrance over the Securities held by the Group A Shareholders for the purpose of the Company being able to obtain any borrowings as a part of the approved Business Plan, the Investors' Consent will not be unreasonably withheld.

131.2. The provisions of Article 131.1 shall not be applicable to:

(a) any Transfer of Securities by any member of the Apollo Group to its Affiliates, provided such Affiliate(s) executes as Deed of Adherence and ensures that when such Affiliate(s) ceases to be an Affiliate of the Apollo Group, the Securities are transferred to any member of the Apollo Group or its respective Affiliate(s), who shall once again be required to execute a Deed of Adherence.

(a) any Transfer of Securities by NH to any other member of the VTL Group;

(b) any Transfer between SG, VTL and VML;

(c) any Transfer by SG to his Affiliate(s) with the Investors' Consent, such consent not to be unreasonably withheld, provided that such Affiliate(s) executes a Deed of Adherence and ensures that when such Affiliate(s) ceases to be an Affiliate of SG, the Securities are transferred to SG or his Affiliate(s), who shall once again be required to execute a Deed of Adherence; and

(d) any Transfer of up to 100% of SG's shareholding in the Company in the event SG is permanently incapacitated or expires, subject to such Transfer having been made in accordance with Articles 131.5 to 131.11 herein below.

131.3. It is clarified that subject to the provisions of Articles 131.1 and 131.2, the provisions of Articles 131.5 to 131.24 shall be applicable to any Transfer of Securities by the Group A Shareholders.

131.4. The Parties agree that the Transfer restrictions in these Articles and/or in the Charter Documents of the Company shall not be capable of being avoided by the holding of Securities indirectly through a company or other entity that can itself undergo a change in Control or Ownership in order to dispose of an interest in Securities free of such restrictions. Any Transfer of any Securities resulting in any change in Control or Ownership, directly or indirectly, of any of the Group A Shareholders, or the Investors, or of any Affiliate of such Shareholder which holds, directly or indirectly, any Securities, shall be treated as being a Transfer of the Securities held by such Shareholder, and the provisions of these Articles that apply in respect of the Transfer of Securities shall thereupon apply in respect of the Securities so held. Any attempted or proposed Transfer in violation of these Articles is null and void.

Investors' Right of First Offer

131.5. Any Group A Shareholder ("Offeror") proposing to Transfer all or part of its Securities to any Person ("Group A Offer Shares") shall first offer, by written notice ("Group A Offer Notice") to the Investors, a pro rata right to purchase all the Group A Offer Shares ("Investors Right of First Offer") indicating the price at which the Group A Offer Shares are proposed to be Transferred (the "Group A Offer Price").

131.6. Each of the Investors shall be entitled to respond to the Group A Offer Notice by delivering to the Offeror a written notice (each an, "Investor Response Notices") prior to the expiry of 15 Business Days after the date of receipt of the Group A Offer Notice (the "Offer Period") and making a binding offer to purchase its proportionate portion, based on each Investor's respective shareholding in the Company, on a Fully Diluted Basis, of all (but not some of) the Group A Offer Shares either by itself or through its Affiliates or its nominee(s) (if the Investors and their respective Affiliates are expressly prohibited from acquiring the Group A Offer Shares by applicable Law) at the Group A Offer Price. In the event one of the Investors is not desirous of purchasing the Securities being Transferred by the Offeror, the other Investor and/or its Affiliates or nominees (the "Purchasing Investor") shall have the right to purchase all, but not some, of such further number of Securities being so Transferred, provided the Investor Response Notice sets forth such additional number of Group A Offer Shares the Purchasing Investor intend(s) to purchase and is issued to the Offeror prior to the expiry of the Offer Period.

131.7. If (i) one or more Investor Response Notices making a binding offer to purchase all of the Group A Offer Shares are not received by the Offeror during the Offer Period, or (ii) the Investors indicate in their respective Investor Response Notices that they are not desirous of purchasing the Group A Offer Shares, or (iii) if the Group A Offer Price is not acceptable to the Investors, then the Offeror shall be free to sell all the Group A Offer Shares to any Person (who is not a Competitor) within a period of 90 days from the date the Investor Tag Along Offer Period ends, at a price which is not lower than the Group A Offer Price, subject to compliance with the conditions of Article 131.10. Such proposed Transferee shall execute a Deed of Adherence and, in connection therewith, shall be entitled to the rights and shall assume the obligations under these Articles in accordance with the Deed of Adherence.

131.8. If one or more Investor Response Notices making a binding offer to purchase all of the Group A Offer Shares are received by the Offeror during the Offer Period, the relevant Investor shall purchase all of its entitlement to the Group A Offer Shares (as determined under Article 131.7 above) within 30 (Thirty) Business Days of its Investor Response Notice, and the Offeror shall Transfer such Group A Offer Shares accordingly (it being understood that following such receipt of an Investor Response Notice, the binding offer shall be accepted by the Offeror). In the event the relevant Investor requires prior Governmental Approvals for purchasing the Group A Offer Shares, the 30 (Thirty) Business Day period shall be extended by a further period of 90 (Ninety) days for obtaining the Governmental Approvals, unless otherwise mutually extended by such Investors and the Group A Shareholders. The Company shall register the Transfer of the Securities in respect of which the relevant Investor has exercised its right to purchase such Securities and shall enter the name of the relevant Investor in the register of members of the Company as the holder of such Securities.

131.9. Notwithstanding anything contained in these Articles, the restriction under Article 131.1 and the Transfer restrictions under Articles 131.5 to 131.8 shall not apply to any Transfer of ESOP Shares.

131.10. Notwithstanding anything contained in these Articles, the Group A Shareholders shall not, at any time, directly Transfer any Securities held by them in the Company to a Competitor or enter into an agreement with any Competitor to Transfer any of the Securities held by them in the

Company to such Competitor.

131.11. For the avoidance of doubt, it is clarified that the provisions of Article 131.10 above shall not apply to:

(a) any Transfer of Securities held by the Group A Shareholders pursuant to an Offer for Sale;

(b) any Transfer of the Securities held by the Group A Shareholders through an investment manager(s) / adviser(s) / broker(s) ("Group A Shareholders Intermediary") on any Exchange, provided that the Group A Shareholders have instructed the Group A Shareholders Intermediary not to directly negotiate a Transfer of the Securities held by the Group A Shareholders with a Competitor; and

(c) any Transfer of the Securities held by the Group A Shareholders pursuant to Article 133.

Tag Along Rights of Investors

131.12. In the event both or either of the Investors have not made an offer under Article 131.6 to acquire the Group A Offer Shares, the Offeror shall provide the applicable Investor(s) who did not make any such offer with a written notice within 30 (Thirty) days from the expiry of the Offer Period, ("Offeror Tag Along Notice") with the following details:

(a) the details of the Group A Offer Shares;

(b) the expected date of consummation of the proposed sale;

(c) the name, identity and address of the proposed Transferee;

(d) the proposed sale price and form of consideration offered by the Offeror for such Group A Offer Shares ("Investor Tag Along Offer Price") (which shall not be lower than the Group A Offer Price, if applicable); and

(e) a representation that the proposed Transferee has been informed of the rights of the Investor(s) provided for in Articles 132.12 through 132.18.

131.13. Each of the Investor(s) shall be entitled to respond to the Offeror Tag Along Notice by serving a written notice (each an "Investor Acceptance Notice") prior to the expiry of 15 (Fifteen) Business Days after the date of receipt of the Offeror Tag Along Notice (the "Investor Tag Along Offer Period") of their election to exercise their right to tag along on a pro rata basis based on their respective shareholdings in the Company, on a Fully Diluted Basis, in the manner provided in Articles 131.14 to 131.13 below ("Investor Tag Along Right") requiring the Offeror to ensure that the proposed Transferee also purchases such number of 3i Securities and / or PEP Securities as mentioned in the Investor Acceptance Notice(s) ("Investor Tag Along Shares") (which shall not exceed a portion of the shareholding of the relevant Investor in the Company equal to its Pro Rata Portion) at the Investor Tag Along Offer Price. In the event that any Investor does not exercise its right to the extent of the whole of its entitlement to its Pro Rata Portion (in the case neither of the Investors is acquiring Group A Offer Shares), then the other Investor shall be entitled to increase the number of Securities available under its Investor Tag Along Rights to this extent, provided the

Investor Acceptance Notice sets forth such additional number of Securities the Tag Investor wishes to sell and is issued to the Offeror prior to the expiry of the Investor Tag Along Offer Period.

131.14. In the event 3i and/or PEP exercise the Investor Tag Along Right, the Offeror shall ensure that the proposed Transferee purchases the Investor Tag Along Shares on the same terms including the Investor Tag Along Offer Price and date of consummation of the proposed sale as mentioned in the Offeror Tag Along Notice. It is hereby clarified that if one of the Investors exercises the Investor Right of First Offer ("ROFO Investor") and the other Investor exercises the Investor Tag Along Right, ("Tag Investor"), the ROFO Investor shall be under an obligation to purchase the applicable Investor Tag Along Shares. Notwithstanding the foregoing, if the proposed Transferee is unwilling to purchase the aggregate of all Securities offered by the Offeror and all Securities offered by the Investors (pursuant to the Investors' exercise of the Investor Tag Along Right hereunder), the Offeror may (i) cancel the sale of both its Securities and the sale of the Securities offered by the Investors to the proposed Transferee; or (ii) allocate the maximum number of Securities which such proposed Transferee is willing to purchase ratably to each Shareholder who wishes to sell its Securities in proportion to its respective shareholding in the Company, on a Fully Diluted Basis.

131.15. In the event the Investors do not deliver an Investor Acceptance Notice to the Offeror prior to the expiry of the Investor Tag Along Offer Period, then, upon the expiry of the Investor Tag Along Offer Period, the Offeror shall be entitled to Transfer the Group A Offer Shares to the proposed Transferee mentioned in the Offeror Tag Along Notice on the same terms and conditions and at a price no lower than the Investor Tag Along Offer Price. If completion of the Transfer of the Group A Offer Shares to the proposed Transferee does not take place within the period of 90 (Ninety) days following the expiry of the Investor Tag Along Offer Period, the Offeror's right to sell the Group A Offer Shares to such proposed Transferee shall lapse and the provisions of Articles 132.5 to 132.16 shall once again apply to the Group A Offer Shares. The Offeror shall ensure that the proposed Transferee shall enter into a Deed of Adherence prior to the Transfer of all the Group A Offer Shares and / or the Investor Tag Along Shares.

131.16. Where the Investors require prior Governmental Approvals or shareholder consent for the disposal of the Investor Tag Along Shares, then notwithstanding any other provision of these Articles, the Parties shall use their reasonable commercial efforts to obtain any such Required Governmental Approvals. Any period within which a Transfer of the Investor Tag Along Shares has to be completed by the Investors shall be extended by a further period of 90 (Ninety) days for obtaining the Governmental Approvals, unless otherwise mutually extended by the Investors and the Group A Shareholders. Should the Governmental Approvals not be received within the 90 (Ninety) day period or any other period as extended by the Investors and the Group A Shareholders in writing, the Offeror shall be free to Transfer the Group A Offer Shares to the proposed Transferee without the Investor Tag Along Shares.

131.17. Notwithstanding anything contained in these Articles, there shall be no liability on the part of the Offeror to the Investors if the proposed Transfer of Group A Offer Shares (and therefore the Transfer of Investor Tag Along Shares) is not completed for whatever reason. The decision to effect such a Transfer by the Offeror is in the sole discretion of Offeror.

131.18. The provisions of Article 131.2 to Article 131.17 (other than that of Article 131.10) hereinabove shall cease to apply to upon the occurrence of an IPO.

Tag Along Rights of the Investors post IPO

131.19. After the occurrence of an IPO, in the event any Group A Shareholder ("Offeror-1") proposes to Transfer, to a Person, by way of a block deal or negotiated deal (whether on an Exchange and / or by way of an off market deal or otherwise), such Securities which are in excess of: (i) an aggregate of 10% of the Securities held by such Group A Shareholder; and (ii) 2% of the Share Capital immediately prior to such proposed transaction, in any one transaction, or a series of transactions, in any 12 month period, post an IPO ("Group A Offer Shares-1"), such Group A Shareholder shall provide the Investors with a written notice ("Offeror Tag Along Notice-1") with the following details:

(a) the details of the Group A Offer Shares-1;

(b) the expected date of consummation of the proposed sale; the name, identity and address of the proposed Transferee;

(c) the proposed sale price and form of consideration ("Investor Tag Along Offer Price-1"); and

(d) a representation that the proposed Transferee has been informed of the rights of the Investors provided for in Articles 131.19 through 131.24.

131.20. Each of the Investors shall be entitled to respond to the Offeror Tag Along Notice-1 by each serving a written notice ("Investor Acceptance Notice-1") prior to the expiry of 15 (Fifteen) Business Days after the date of receipt of the Offeror Tag Along Notice-1 (the "Investor Tag Along Offer Period-1") of their election to exercise their respective right to tag along on a pro rata basis based on their respective shareholdings in the Company, on a Fully Diluted Basis, in the manner provided in Article 131.21 to 131.23 below ("Investors Tag Along Right-1") requiring the Offeror-1 to ensure that the proposed Transferee also purchases such number of 3i Securities and PEP Securities (which shall not exceed a portion of the shareholding of the relevant Investor in the Company equal to its Pro Rata Portion) as mentioned in the Investor Acceptance Notice-1 ("Investor Tag Along Shares-1") at the same price and on the same terms as are mentioned in the Offeror Tag Along Notice-1. Notwithstanding the foregoing, if the proposed Transferee is unwilling to purchase the aggregate of all Securities offered by the Offeror-1 and all Securities offered by the Investors (pursuant to the Investors' exercise of the Investor Tag Along Right-1 hereunder), the Offeror-1 may (i) cancel the sale of both its Securities and the sale of the Securities offered by the Investors to the proposed Transferee; or (ii) allocate the maximum number of Securities which such proposed Transferee is willing to purchase ratably to each Shareholder who wishes to sell its Securities in proportion to its respective shareholding in the Company, on a Fully Diluted Basis.

131.21. In the event 3i and/or PEP exercise the Investor Tag Along Right-1, the Offeror-1 shall ensure that the proposed Transferee purchases the Investor Tag Along Shares-1 on the same terms including the Investor Tag Along Offer Price-1 and date of consummation of the proposed sale, as mentioned in the Offeror Tag Along Notice-1.

131.22. In the event, the Investors do not deliver an Investor Acceptance Notice-1 to the Offeror-1 prior to the expiry of the Investor Tag Along Offer Period-1, then, upon the expiry of the Investor Tag Along Offer Period-1, the Offeror-1 shall be entitled to sell and Transfer the Group A Offer Shares-1 to the proposed Transferee mentioned in the Offeror Tag Along Notice-1 on the same terms and conditions and at a price no lower than as specified in the Offeror Tag Along Notice-1. If completion of the sale and Transfer of the Group A Offer Shares-1 to the proposed Transferee does not take place within the period of 90 days following the expiry of the Investor Tag Along Offer Period-1, the Offeror-1's right to sell the Group A Offer Shares-1 to such proposed Transferee shall lapse and the provisions of Articles 131.19 to 131.24 shall once again apply to the Group A Offer Shares-1. The Offeror-1 shall ensure that the proposed Transferee shall enter into a Deed of Adherence prior to the Transfer of all the Group A Offer Shares-1 and / or the Investor Tag Along Shares-1.

131.23. Where the Investors requires prior Governmental Approvals or shareholder consent for the disposal of Investor Tag Along Shares-1, then notwithstanding any other provision of these Articles, the Offeror- 1 shall obtain any such Required Governmental Approvals. Any period within which a Transfer of the Investor Tag Along Shares-1 has to be completed by the Investors shall be extended by a further period of 90 days for obtaining the Governmental Approvals unless otherwise extended by the Investors and the Group A Shareholders in writing. Should the Governmental Approvals not be received within the 90 day period or any other period as extended by the Investors and the Group A Shareholders in writing, the Offeror- 1 shall be free to Transfer the Group A Offer Shares-1 to the proposed Transferee without the Investor Tag Along Shares-1.

131.24. Notwithstanding anything contained in these Articles, there shall be no liability on the part of the Offeror-1 to the Investors if the proposed Transfer of Group A Offer Shares-1 (and therefore the Transfer of Investor Tag Along Shares-1) is not completed for whatever reason. The decision to effect such a Transfer by the Offeror-1 is in the sole discretion of Offeror-1.

Investors' Right of Sale

131.25. Subject to the provisions of Article 131.33, in the event either of 3i or PEP ("Selling Investor") propose to sell any or all of the Investor Securities held by them in the Company, ("Investor Offer Shares"), the Selling Investor shall first offer by written notice ("Investor Offer Notice") the other Investor and the Group A Shareholders a right to purchase all the Investor Offer Shares indicating the price at which the Investor Offer Shares are proposed to be Transferred ("Investor Offer Price").

131.26. Each of the Group A Shareholders and the other Investor shall be entitled to respond to the Investor Offer Notice by delivering to the Selling Investor a written notice (each a "Response Notice") prior to the expiry of 15 (Fifteen) Business Days after the date of receipt of the Investor Offer Notice (the "Group A Offer Period") making a binding offer to purchase all (but not some of) the Investor Offer Shares, either by themselves or their respective Affiliates or their respective nominees (if such Group A Shareholder or Investor is prohibited from acquiring the Investor Offer Shares by applicable Law) at the Investor Offer Price.

131.27. The Group A Shareholders and/or the other Investor (as applicable) shall be entitled to purchase the Investor Offer Shares pro rata to their respective shareholding in the Company. In the event any one or more of the Group A Shareholders or the other Investor is not desirous of exercising the right to purchase the Investor Offer Shares, the other Group A Shareholders and / or the other Investor (as applicable) shall have the right to purchase such further number of Investor Offer Shares as the Group A Shareholders or the other Investor (who is not exercising the right under these Articles 131.25 to 131.33) was entitled to receive pro rata to their respective shareholding in the Company, provided the Response Notice sets forth such additional number of Investor Offer Shares the other Group A Shareholders and / or the other Investor (as applicable) intend(s) to purchase and is issued to the Selling Investor prior to the expiry of the Group A Offer Period.

131.28. If (i) the Response Notice is not received by the Selling Investor during the Group A Offer Period or (ii) the Group A Shareholders and the other Investor indicate in the Response Notice that they are not desirous of purchasing the Investor Offer Shares, or (iii) if the Investor Offer Price is not acceptable to the Group A Shareholders and the other Investor, then the Selling Investor shall be free to sell all the Investor Offer Shares to any Person within a period of 90 days from the date the Group A Offer Period ends, at a price which is not lower than the Investor Offer Price, subject to compliance with Article 131.30. Such proposed Transferee shall execute a Deed of Adherence and, in connection therewith, shall be entitled to the rights and shall assume the obligations under these Articles in accordance with the Deed of Adherence.

131.29. If the Investor Offer Price is acceptable to the Group A Shareholders and/or the other Investor (as the case may be), the Group A Shareholders and / or the other Investor shall purchase the Investor Offer Shares within 15 (Fifteen) Business Days of the Selling Investor confirming the acceptance of the offer of the Group A Shareholders/or the Investor. In the event the Group A Shareholders and / or the other Investor require prior Governmental Approvals for purchasing the Investor Offer Shares, the 15 (Fifteen) Business Day period shall be extended by such further period as is necessary for the purpose of obtaining these approvals up to a maximum of 90 (Ninety) Business Days from the commencement of the Group A Offer Period.

131.30. Notwithstanding anything contained in these Articles, the Investors and/or their respective Affiliates shall not, at any time, directly Transfer, any Investor Securities in favour of a Competitor or enter into an agreement with the Competitor for such Transfer of any of the Investor Securities in favour of a Competitor. For the avoidance of doubt, it is clarified that the provisions of this Article 131.30 shall not apply to:

(a) a sale of the Investor Securities pursuant to Article 133 other than Article 133.3;

(b) any Transfer of the Investor Securities pursuant to an Offer for Sale;

(c) Transfer of the Investor Securities through an investment manager(s)/ adviser(s) / broker(s) ("Intermediary") on any Exchange, provided that the Investors have instructed the Intermediary not to directly negotiate a Transfer of the Investor Securities with a Competitor.

131.31. The provisions of Articles 131.25 to 131.30 shall not be applicable to any Transfer of Securities between the Investors and any of their respective Affiliate(s), provided such Affiliate(s) executes a Deed of Adherence and ensures that when such Affiliate(s) ceases to be an Affiliate of 3i or PEP, as the case may be, the Securities are transferred to 3i or PEP, as the case may be, or their respective Affiliate(s), who shall once again be required to execute a Deed of Adherence.

131.32. Save as otherwise provided in these Articles, there shall be no other restrictions on the Transfer of the Investor Securities by the Investors and/or their respective Affiliates to any Person.

131.33. Notwithstanding anything contained in these Articles, the provisions of Articles 131.25 to 131.29 shall cease to apply from the earlier of the IPO or the collective shareholding of each of (a) the Apollo Group and its Affiliates who are Shareholders in the Company and (b) VTL Group and its Affiliates who are Shareholders in the Company, falling below the Minimum Requisite Shareholding.

Tag Along Rights of the Group A Shareholders

131.34. In the event that, any one or both of the Investor(s) and / or their Affiliates ("Exiting Investor(s)"), propose to Transfer to any Person, in any one or series of related transactions such number of Securities held by them, which in the aggregate constitute more than 50% of the Share Capital, at such point in time , then, such Exiting Investor(s) shall provide the Group A Shareholder(s) with a written notice ("Investor Tag Along Notice") with the following details:

(a) the number of Securities proposed to be sold ("Investor Tag Shares");

(b) the expected date of consummation of the proposed sale;

(c) the name, identity and address of the proposed Transferee;

(d) the proposed sale price and form of consideration offered for such Investor Offer Shares ("Group A Shareholder Tag Along Price"); and

(e) a representation that the proposed Transferee has been informed of the rights of the Group A Shareholder(s) provided for in Articles 131.34 to 131.40

131.35. Each of the Group A Shareholder(s) shall be entitled to respond to the Investor Tag Along Notice by serving a written notice (each a "Group A Shareholder Acceptance Notice") prior to the expiry of 15 (Fifteen) Business Days after the date of receipt of the Investor Tag Along Notice (the "Group A Shareholder Tag Along Offer Period") of their election to exercise their right to tag along on a pro rata basis based on their respective shareholdings in the Company, on a Fully Diluted Basis, ("Group A Shareholder Tag Along Right") requiring the Exiting Investor(s) to ensure that the proposed Transferee also purchases such number of Group A Shareholder Securities as mentioned in the Group A Shareholder Acceptance Notice(s) ("Group A Shareholder Tag Along Shares") (which shall not exceed a portion of the shareholding of the relevant Group A Shareholder in the Company equal to its Pro Rata Portion) at the Group A Shareholder Tag Along Price. In the event that any Group A Shareholder does not exercise its right to the extent of the whole of its entitlement on a Pro Rata Basis, then the other Group A Shareholder(s) shall be entitled to increase the number of Securities available under its Group A Shareholder Tag Along Right to this extent, provided that the Group A Shareholder Acceptance Notice sets forth such additional number of Securities the Group A Shareholder(s) wishes to sell and is issued to the Exiting Investor(s) prior to the expiry of the Group A Shareholder Tag Along Offer Period.

131.36. In the event a Group A Shareholder exercises the Group A Shareholder Tag Along Right, the Exiting Investor(s) shall ensure that the proposed Transferee purchases the Group A Shareholder Tag Along Shares on the same terms including the Group A Shareholder Tag Along Price and date of consummation of the proposed sale as mentioned in the Investor Tag Along Notice. Notwithstanding the foregoing, if the proposed Transferee is unwilling to purchase the aggregate of all Securities offered by the Exiting Investor(s) and all Securities offered by the Group A Shareholder (pursuant to the Group A Shareholder ' exercise of the Group A Shareholder Tag Along Right hereunder), the Exiting Investor(s) may (i) cancel the sale of both its Securities and the sale of the Securities offered by the Group A Shareholders to the proposed Transferee; or (ii) allocate the maximum number of Securities which such proposed Transferee is willing to purchase ratably to each Shareholder who wishes to sell its Securities in proportion to its respective shareholding in the Company, on a Fully Diluted Basis.

131.37. In the event the Group A Shareholders do not deliver the Group A Shareholder Acceptance Notice to the Exiting Investor(s) prior to the expiry of the Group A Shareholder Tag Along Offer Period, then, upon the expiry of the Group A Shareholder Tag Along Offer Period, the Exiting Investor(s) shall be entitled to Transfer the Investor Tag Shares to the proposed Transferee mentioned in the Investor Tag Along Notice on the same terms and conditions and at a price no lower than the Group A Shareholder Tag Along Price. If completion of the Transfer of the Investor Tag Shares to the proposed Transferee does not take place within the period of 90 (Ninety) days following the expiry of the Group A Shareholder Tag Along Offer Period, the Investor's right to sell the Investor Offer Shares to such proposed Transferee shall lapse and the provisions of Articles 131.34 to 131.36 shall once again apply to the Investor Offer Shares. The Exiting Investor(s) shall ensure that the proposed Transferee shall enter into a Deed of Adherence prior to the Transfer of all the Investor Offer Shares and / or the Group A Shareholder Tag Along Shares.

131.38. Where the Group A Shareholder require prior Governmental Approvals or shareholder consent for the disposal of the Group A Shareholder Tag Along Shares, then notwithstanding any other provision of these Articles, the Parties shall use their reasonable commercial efforts to obtain any such Required Governmental Approvals. Any period within which a Transfer of the Group A Shareholder Tag Along Shares has to be completed by the Group A Shareholder shall be extended by a further period of 90 (Ninety) days for obtaining the Governmental Approvals, unless otherwise mutually extended by the Investors and the Group A Shareholders. Should the Governmental Approvals not be received within the 90 (Ninety) day period or any other period as extended by the Investors and the Group A Shareholders in writing, the Exiting Investor(s) shall be free to Transfer the Investor Offer Shares to the proposed Transferee without the Group A Shareholder Tag Along Shares.

131.39. Notwithstanding anything contained in these Articles, there shall be no liability on the part of the Exiting Investor(s) to the Group A Shareholders if the proposed Transfer of Investor Tag Shares (and therefore the Transfer of Group A Shareholder Tag Along Shares) is not completed for whatever reason. The decision to effect such a Transfer by the Exiting Investor(s) is in the sole discretion of such persons.

131.40. The provisions of Article 131.25 to 131.39 hereinabove shall cease to apply to upon the occurrence of an IPO.

131.41. Any Transfer of Securities by the Relevant Shareholder to any Person ("Transferee") in accordance with this Article 131 shall be subject to such Person executing a Deed of Adherence.

131.42. In the event either of the Investors transfers its Securities to multiple Transferees in a single or series of transactions such that one or more Transferees holds the Minimum Requisite Shareholding, the rights under Article 8 (Reserved Matters) shall apply either to such Investor or any 1 (One) Transferee as agreed upon between such Investor and the Transferees.

131.43. A copy of any Deed of Adherence executed by any Transferee in accordance with Article 131.41 shall be delivered to the Company by such Relevant Shareholder.

131.44. The form of the Deed of Adherence is provided below:

FORM OF DEED OF ADHERENCE

THIS DEED is made on [insert date].

BETWEEN:

(1) (the "Transferor"); and
(2) (the "Transferee").

(A) Under the terms of the Shareholders Agreement dated March 21, 2011, made inter alia among (1) UFO Moviez India Limited, (2) the Group A Shareholders, (3) 3i Digital Media (Mauritius) Limited and (4) PEP, (3i and PEP jointly, the "Investors") (the "Shareholders' Agreement"), the Investors have acquired and have been issued and allotted Securities on the condition that in the event the Transferor proposes to Transfer to the Transferee [insert number and class of shares] (the "Shares"), such Transfer shall be subject to the Transferee entering into this Deed of Adherence (the "Deed").

(B) The Transferee wishes to accept such Securities and accordingly, agrees to enter into this Deed pursuant to the Shareholders' Agreement.

IT IS HEREBY AGREED as follows:

(a) Expressions defined and capitalized in the Shareholders' Agreement shall (unless the context otherwise requires) have the same meaning when used in this Deed.

(b) The Transferee undertakes to and covenants with all of the Parties to the Shareholders' Agreement (including any Person who has entered into a Deed of Adherence pursuant to the Shareholders' Agreement) to comply with the provisions of and to perform all the obligations in the Shareholders' Agreement so far as they may remain to be observed and performed as if the Transferee had been a Party to the Shareholders' Agreement in place of the Transferor.

(c) In the event that (i) the Transferor ceases to hold the Minimum Requisite Shareholding; and (ii) the Transferee holds more than Minimum Requisite Shareholding, the Transferee shall have the rights under and the benefit of the provisions of the Shareholders' Agreement (other than rights under Clause 12 (Liquidation Preference) and Clause 13 (Exit Rights) as if the Transferee had been a Party thereto in place of the Transferor to the extent of the Shares and the Shareholders' Agreement shall be construed and apply accordingly.

OR

(d) In the event that the Transferor continues to hold any Securities (greater than the Minimum Requisite Shareholding):

a. the Transferee shall have the rights (subject to clause c) below) under and the benefit of the provisions of the Shareholders' Agreement (other than rights under Clause 12 (Liquidation Preference) and 13 (Exit Rights) as if the Transferee had been a Party thereto in place of the Transferor to the extent of the Shares and the Shareholders' Agreement shall be construed and apply accordingly. Provided however that, in the event the Transferee holds less than the Minimum Requisite Shareholding, then the Transferee shall not have any rights applicable to a Relevant Shareholder, holding at least Minimum Requisite Shareholding;

b. all rights and obligations granted to the Transferee under this Deed upon such Transfer shall be exercisable, where applicable, by or against the Transferor and Transferee in accordance with their proportionate shareholding in the Company; and

c. the rights under Clause 8 (Reserved Matters) shall be exercised by [Transferor OR Transferee], as agreed upon between the Transferor and the Transferee.

(e) The address for notices of [Name of Transferee] for the purposes of Clause 21 of the Shareholders' Agreement is:

(f) This Deed is governed by Indian law and by way of this clause, the provisions of Clauses 22 (Dispute Resolution) and 23 (Governing Law and Jurisdiction) shall be incorporated herein.

EXECUTED AS A DEED BY:
[Insert name of Transferee]
In the presence of:
Name:
Address:

132. **Liquidation preference**

132.1. In the event of an occurrence of any Liquidation Event, the Liquidation Preference Shareholders and the Non-Liquidation Preference Shareholders shall be entitled to receive amounts from the Liquidation Preference Proceeds in accordance with the following:

(a) In the event that the Liquidation Preference Proceeds are less than or equal to the aggregate Net Capital Outstanding of the Liquidation Preference Shareholders, then all of the Liquidation Preference Proceeds shall be distributed to the Liquidation Preference Shareholders pro rata in proportion to their respective Net Capital Outstanding, and the Non-Liquidation Preference Shareholders shall not receive any of the Liquidation Preference Proceeds.

(b) In the event that the Liquidation Preference Proceeds are greater than the aggregate Net Capital Outstanding of the Liquidation Preference Shareholders but less than the Required Pro Rata Share Amount, then the Liquidation Preference Proceeds shall be distributed as follows: (i) first to the Liquidation Preference Shareholders until each Liquidation Preference Shareholder receives an amount that is equal to their respective Net Capital Outstanding and (ii) following the application in sub-clause (i), the Surplus Amount shall be distributed amongst the Short Liquidation Preference Shareholders and the Non-Liquidation Preference Shareholder pro rata in proportion to their respective shareholdings in the Company, on a Fully Diluted Basis, as on the date of such distribution under this Article 132.1(b), until such time as all the Short Liquidation Preference Shareholders and the Non-Liquidation Preference Shareholder become Satisfied Shareholders or there is no further Surplus Amount to distribute, provided that, for the avoidance of doubt, no Short Liquidation Preference Shareholder nor Non-Liquidation Preference Shareholder shall receive an amount greater than its Pro Rata Share;

(c) In the event that the Liquidation Preference Proceeds are sufficient such that, if the Pro Rata Share for each Liquidation Preference Shareholder and Non-Liquidation Preference Shareholder is distributed to each such person, all the Liquidation Preference Shareholders shall receive an amount equal to at least their Net Capital Outstanding (such amount of Liquidation Preference Proceeds, the "Required Pro Rata Share Amount"), then the Liquidation Preference Proceeds shall be distributed amongst the Liquidation Preference Shareholders and the Non-Liquidation Preference Shareholders pro rata in proportion to their respective shareholding in the Company, on a Fully Diluted Basis, as on the date of such distribution under this Article 132.1(c).

132.2. Schedule 12 of the Shareholders Agreement sets forth an illustrative example of the amounts that the Liquidation Preference Shareholders and the Non-Liquidation Preference Shareholders would be entitled to receive under various Liquidation Event scenarios. Upon the occurrence of any Liquidation Event, the determination of the allocation of Liquidation Preference Proceeds shall be made in accordance with Article 132.1 and prepared on a basis consistent with Schedule 12 of the Shareholders Agreement (provided that, in the event of any inconsistency, the provisions of Article 132.1 shall prevail) and the Parties shall take all steps necessary to distribute the proceeds of the Liquidation Event in accordance with this Article 132. Without limiting the foregoing:

(a) to the extent reasonably practicable prior to the occurrence of a Liquidation Event, the Liquidation Preference Shareholders shall notify the Company and the Non-Liquidation Preference Shareholders of the Net Capital Outstanding of each of the

Liquidation Preference Shareholders, and the Company and the Liquidation Preference Shareholders shall work in good faith to calculate the amounts to be distributed or paid in connection with the Liquidation Event and how such amounts need to be distributed or paid so as to comply with Article 132.1, and such calculation shall be provided to the Non-Liquidation Preference Shareholders; provided that if such notification and calculation cannot be completed prior to the occurrence of a Liquidation Event it shall be completed as soon as reasonably practical thereafter; and

(b) if in connection with a Liquidation Event the Company will be making a distribution to the Shareholders, then the Company will, unless otherwise agreed to by the Liquidation Preference Shareholders, transfer the proceeds payable to the Liquidation Preference Shareholders to such Persons in accordance with Article 132.1; and

(c) if in connection with a Liquidation Event, the Non-Liquidation Preference Shareholders receive any amount or proceeds in contravention of the requirements set forth in Article 132.1, such Persons shall immediately (and in any event within 2 (Two) Business Days or receipt of such amount of proceeds by such Person) pay the applicable amounts to the Liquidation Preference Shareholders in the relevant proportion; provided that if any Non-Liquidation Preference Shareholder fails to pay any amount required in accordance with this Article 132, interest shall accrue on the unpaid sum from the due date to the date of actual payment (both before and after any arbitral award or judgment) at a rate which is 12% per annum, calculated based on a 365 (Three Hundred and Sixty Five) day year and the actual number of days elapsed from the due date to the date of actual payment.

133. **Exit rights**

133.1 Without prejudice to the following provisions of this Article 133, the Parties agree that until 48 months from the Completion Date, a sale of the Company, (a "Company Sale"), rather than an IPO, shall be the preferred mode of liquidity event or "exit" for the Investors (unless the Investors agree otherwise) and the Parties will work in good faith to pursue an "exit" on this basis.

133.2 Either Investor shall have a right to sell its entire shareholding in the Company, at any time, during the period commencing from the Completion Date until 36 months from the Completion Date ("Agreed Period"), subject to (a) the other Investor's prior written consent and (b) the right of first offer under Articles 133.25 to 133.30 provided that the applicable Transferee signs a Deed of Adherence. It is clarified that any Transfer of Securities by either Investor after the Agreed Period shall not require the prior written consent of the other Investor, however any such Transfer shall be subject to Articles 133.25 to 133.30 and to the requirement that such Transferee signs a Deed of Adherence. Further, any Investor may Transfer its Securities to its Affiliates, subject to and in accordance with the provisions of Article 133.31.

133.3 Subject to Articles 133.1 and 133.2 above, between (a) the Conversion Date and (b) 36 months from the Completion Date, none of the Parties shall Transfer any of the Securities held by them to any other Person.

Provided however that, the Investors shall, by mutual agreement, have the right to sell all their Securities to any Person in a Company Sale and require the Group A Shareholders to also sell all of their Securities in such Company Sale in the manner set forth in Article 133.5, provided that the equity valuation of the Company in such Company Sale is at least two times (2x) the Weighted Average Entry Valuation (in USD), such that if the consideration to be paid by the purchaser in such Company Sale is in a currency other than in USD, the calculation of the equity valuation of the Company (based on such currency) shall be converted to USD at the Conversion Rate. In connection with any Company Sale under this Article 133, the Investors shall be entitled to require the Company to appoint an Investment Banker to facilitate the Company Sale. Provided however, if an Investor's shareholding in the Company falls below the Minimum Requisite Shareholding, such Investor will not have the right to require the Company Sale to be completed at the valuation specified in this Article 133; and the other Investor (whose shareholding is greater than the Minimum Requisite Shareholding) shall have the right to waive the requirement of such valuation at its sole discretion.

133.4 After the expiration of 33 months from the Completion Date, the Company shall appoint an Investment Banker to facilitate a Company Sale and such Company Sale shall be completed as soon as reasonably practicable after such appointment, provided that the Company shall pursue a completion date for a Company Sale that is approximately 36 months after the Completion Date (but in the event the completion of a Company Sale does not occur by such time, the Company shall continue to pursue such Company Sale). All Parties shall be obligated to sell all of their Securities in any such Company Sale in the manner set forth in Article 133.5, provided that the equity valuation of the Company in such Company Sale is at least two and a half times (2.5x) the Weighted Average Entry Valuation (in USD), such that if the consideration to be paid by the purchaser in such Company Sale is in a currency other than in USD, the calculation of the equity valuation of the Company (based on such currency) shall be converted to USD at the Conversion Rate. Provided however, if an Investor's shareholding in the Company falls below the Minimum Requisite Shareholding, such Investor will not have the right to require the Company Sale to be completed at the valuation specified in this Article 133.4 and the other Investor (whose shareholding is greater than the Minimum Requisite Shareholding) shall have the right to waive the requirement of such valuation at its sole discretion.

133.5 **Drag Along Right:**

(a) The obligation of the Group A Shareholders (in Article 133.3) and all Relevant Shareholders (in Article 133.4 or Article 133.7) to sell all their Securities in a Company Sale shall be implemented in accordance with this Article 133.5. With respect to Article 133, the Investors are collectively the "Dragging Person" and with respect to Articles 133.4 or 133.7, the Company is the "Dragging Person" (provided that each Investor shall also be the Dragging Person for the purposes of a Drag-Along Sale with respect to Article 133.4 or 133.7 in the event that the Company is not taking the action required or permitted under this Article 133.5).

(b) The applicable Dragging Person shall exercise the rights in Articles 133.3, 133.4 and 133.7, as the case may be (collectively, the "Drag-Along Right"), by delivering to the Group A Shareholders (with respect to Article 133.3) and all the

Relevant Shareholders (with respect to Article 133.4 or Article 133.7) (collectively, the "Dragged Shareholders"), respectively, written notice (a "Drag-Along Sale Notice") of the proposed Company Sale contemplated by Articles 133.3, 133.4 or 133.7, as the case may be (collectively, the "Drag-Along Sale"), not less than 10 (Ten) Business Days prior to the date proposed for completion of the Drag-Along Sale (the "Drag-Along Sale Completion Date"). The Drag-Along Sale Notice shall stipulate (i) the price per Security to be paid in the proposed Drag-Along Sale (the "Drag-Along Sale Price"), (ii) the name of the purchaser in the proposed Drag-Along Sale, (iii) the Drag-Along Sale Completion Date and (iii) any other material terms and conditions of the Drag-Along Sale.

(c) Subject to the liquidation preference of the Liquidation Preference Shareholders under Article 132, each Dragged Shareholder shall sell all their Securities in the Drag-Along Sale on the same terms and conditions as are applicable to the other Relevant Shareholders participating in the Drag-Along Sale, including the same form and amount of consideration per Security. The Drag-Along Sale may be structured as a sale of securities of the Company and as a single transaction or a series of related transactions, in each case, as determined by the Dragging Person, but taking into account which form of transaction is likely to generate to the Investors the highest proceeds in a Company Sale with the applicable purchaser. The Company shall be responsible for the costs and expenses incurred in connection with any proposed Drag-Along Sale (whether or not completed), including the fees and expenses of any Investment Bank and all other advisors reasonably required and appointed by the Dragging Person to advise the Company and / or the Relevant Shareholders in connection with such Company Sale or the process with respect to a Company Sale (including attorneys, accountants and other advisors). Provided that, each Relevant Shareholder shall be responsible for its own costs and expenses incurred in connection with the use of Exclusive Advisors; which for avoidance of doubt shall exclude fees and expenses of all advisors appointed by the Dragging Person to advise the Company and/or the Relevant Shareholders, as a whole, on the Company Sale.

(d) The Dragged Shareholders shall cooperate in, and shall take all actions that the Dragging Person deems reasonably necessary or desirable to complete, the Drag-Along Sale, including voting their respective Securities (or executing and delivering any written consents in lieu thereof) in favour of the Drag-Along Sale and against any action or proposal that may prevent, hinder or impede the completion of the Drag-Along Sale, procuring any Governmental Approvals and third-party consents necessary to complete the Drag-Along Sale and not exercising any dissenters' or similar rights to which they may be entitled in connection with the Drag-Along Sale. Each Dragged Shareholder shall grant to the Dragging Person an irrevocable proxy to vote, including in any action by written consent, such Dragged Shareholder's Securities in accordance with such Dragged Shareholder's agreements in this Article 133.5 (d).

(e) The Dragged Shareholders and the Company shall enter into definitive agreements as are customary for transactions of the nature of the proposed Drag-Along Sale and the Dragging

Person (if the same includes any Investors) and the Dragged Shareholders agree to (i) give or make warranties, representations, covenants and indemnities in connection with the Drag-Along Sale, including relating to their title to the Securities and capacity to sell the Securities and the businesses of the Company, and its Subsidiaries and (ii) be required to bear their proportionate share of any escrows, holdbacks or adjustments in respect of the purchase price or indemnification obligations; provided that: in all cases, (A) (i) such warranties and representations, covenants and indemnities and (ii) obligations (including in connection with purchase price adjustments), are no more extensive or onerous than those given by, and / or imposed on, the Investor(s) to such purchaser and the liability of such Dragged Shareholder or the Dragging Person in respect of breach of such representations and warranties shall not exceed the maximum amount of the consideration ultimately (post the Liquidation Preference) received by such Dragged Shareholder or the Dragging Person in connection with the Drag-Along Sale and shall be several and in proportion to the number of Securities sold by the Dragged Shareholder or the Dragging Person in the Drag-Along Sale; (B) the Group A Shareholders shall agree, if requested by the purchaser in the Company Sale, to be subject to non-compete and other restrictions (as set forth in clause 15 of the Shareholders Agreement) for the benefit of such purchaser on the same terms and to the same extent as set forth clause 15 of the Shareholders Agreement. It is hereby clarified that the non-compete and other restrictions as set forth in this Article 133.5 (e) (B) to be assumed by the Group A Shareholders for the benefit of the purchaser in the Company Sale, shall under no event directly or indirectly result in any restriction or obligation being more extensive or onerous than those already imposed on such Group A Shareholder under these Articles and consequently, any period that has been prescribed upon which such restrictions shall cease to apply, shall under no event be deemed to be reset or extended for the benefit of the purchaser in the Company Sale.

(f) Each Dragged Shareholder shall, upon request, deliver to the Dragging Person the certificate(s) and other instruments representing the Securities of such Dragged Shareholder, in proper form for transfer, together with an irrevocable power-of-attorney authorizing the Dragging Person to execute the share transfer form or instruction slips (if applicable) on behalf of the Dragged Shareholder in connection with such Drag-Along Sale; provided, however, that if the Drag-Along Sale is terminated, the Dragging Person shall promptly return to the Dragged Shareholders all certificates and other applicable instruments representing the Securities that such Dragged Shareholders delivered for transfer and any power-of-attorney previously delivered in connection with such proposed transfer.

(g) In connection with any Drag-Along Sale the Company will (i) cooperate with the Investors and the proposed purchaser and their respective advisors, to facilitate and effect any Drag-Along Sale, (ii) execute a reasonably satisfactory confidentiality agreement with the purchaser, (iii) use, and cause its and its Subsidiaries' employees and personnel to use, its and their reasonable best efforts to facilitate and support any due diligence process and (iv) cooperate in obtaining all

Governmental Approvals and third-party approvals and consents reasonably necessary or desirable to consummate such Drag-Along Sale.

(h) Notwithstanding anything contained in this Article 133.5, there shall be no liability on the part of the Dragging Person to the Dragged Shareholders (other than the obligation to return any certificates and instruments evidencing Securities and powers-of-attorney received by the Investors or the Company, as the case may be) if the Company Sale is not completed for whatever reason, regardless of whether a Drag-Along Sale Notice has been delivered.

133.6 The Company shall file a draft red herring prospectus on the expiry of 39 months from the Completion Date if a Company Sale has not been effected by such time. Any IPO shall (i) be at a pre-IPO equity valuation (being the pre-money equity valuation of the Company prior to any fresh issuance of Securities in the IPO), of at least two times (2x) the Weighted Average Entry Valuation (in USD), such that the calculation of the pre-IPO equity valuation of the Company (based on INR in an IPO on an Exchange in India) shall be converted to USD at the Conversion Rate; and (ii) result in a public offering of at least USD 100,000,000 (USD One Hundred Million only) (which shall include a Offer for Sale component). It is hereby agreed by the Parties that from 39 months from the Completion Date and until 48 months from the Completion Date PEP, at its sole discretion may require the Company to effect the IPO at a pre-IPO equity valuation of less than two times (2x) the Weighted Average Entry Valuation (in USD), such that the calculation of the pre-IPO equity valuation of the Company (based on INR in an IPO on an Exchange in India) shall be converted to USD at the Conversion Rate, provided that such IPO results in a public offering of at least USD 50,000,000 (USD Fifty Million only) (which shall include a Offer for Sale component). The Company and the Investors shall work together to maximize the Offer for Sale component of the IPO. In any offering under this Article 133.6, 3i shall be entitled to offer such number of shares as will enable it to receive proceeds in the IPO equal to its Net Outstanding Capital as of that date, ("OFS Shareholding") and thereafter, both Investors shall be entitled to offer their shares in the IPO pro rata to their respective shareholding in the Company, on a Fully Diluted Basis, as may be applicable post OFS Shareholding, until all their shares are included in such Offer of Sale, prior to any offer of shares by the other Shareholders. In connection with any such IPO, the provisions of Article 133.8 shall apply. Further, in connection with such IPO the Company and the Relevant Shareholders shall make all necessary filings and take all necessary actions (including exercise of voting rights and powers, whether direct or indirect, available to such Person) in order to ensure that such IPO is completed in the manner and within the timelines contemplated herein. It is clarified that in the event that an IPO is not completed (i.e., the shares of the Company are not listed on an Exchange) on or before the expiry of 48 months from the Completion Date, then the provisions of Articles 133.7 and 133.8 shall continue to apply.

133.7 **The Parties hereby agree that:**

(a) In the event the Company has not completed a Company Sale or an IPO as set forth in the prior clauses of this Article 133 within 48 months of the Completion Date, the Company shall appoint an Investment Banker (who may be the same Investment Banker appointed pursuant to the earlier sections of this Article 133, subject to Investors' Consent) who shall be mandated to locate the highest available purchase price in a Company Sale for the Securities of the Company. The Company and the Investment Banker shall use all reasonable efforts to pursue such Company Sale in a process designed to maximize the value of the Company, which sale process may include a sale by auction and/or sealed bid process, or otherwise. All Parties shall fully cooperate and use their reasonable efforts to facilitate that process. Any such Company Sale could occur either in a single transaction or, to the extent a higher value could be achieved, in a series of separate sales of Company securities or assets involving different buyers.

(b) If, at the end of six months from the commencement of the process under Article 133.7(a), only one purchaser has been identified, unless the Investors agree otherwise, all Parties shall hereby agree that they shall be obligated to sell all their Securities in such Company Sale on the terms identified by the Investment Banker and in accordance with the process set forth in Article 133.

(c) If, at the end of six months from the commencement of the process under Article 133.7(a), more than one purchaser has been identified, unless the Investors agree otherwise, all Parties shall hereby agree that they shall be obligated to sell all their Securities in the Company Sale with the highest valuation and in accordance with the process set forth in Article 133.5.

(d) In the event that both Investors decide not to participate in any of the Company Sales or if no purchaser is identified as contemplated in sub-clauses (b) and (c) above, then the Company shall undertake an IPO on the best terms available as promptly as reasonably practicable and in accordance with the terms set forth in Article 133.8. In any such offering, both Investors shall be entitled to offer their Securities in the IPO pro rata to their respective shareholding in the Company, on a Fully Diluted Basis, until all their Securities are included in any Offer of Sale, prior to any offer of shares by the other Shareholders.

133.8 In the event of any IPO, the relevant Parties shall comply with the provisions set forth below, as well as Article 134 (in the event of an overseas offering), Article 135.10 and Article 135.19:

(a) The Company shall appoint, in the first instance, an Investment Banker (who may be the same Investment Banker appointed pursuant to the earlier sections of this Article 133, subject to Investors' Consent) and, to the extent it is customary with respect to the listing on the applicable Exchange on which the IPO listing will occur for there to be an underwriter, the Company shall appoint, in the second instance, an underwriter (subject to Investors' Consent), who may be the same as the Investment Banker;

(b) The Exchange on which the IPO shall occur will be decided by the Investors, following advice from one or more Investment Bankers, that can reasonably be expected to maximize the value of the Company and liquidity for Investors;

(c) All Relevant Shareholders will furnish to the Company, the Investment Banker and underwriter (if any) any information and documents as may be reasonably requested by the Company, the

Investment Banker and the underwriter (if any) in order to facilitate the IPO;

(d) The Group A Shareholders, other than RK, will enter into lock-up agreements that are customary or required under the law in the jurisdiction of the Exchange on which the Listing will occur.

134. **Registration rights overseas**

134.1. If the Company proposes to raise funds through a Listing of any shares or stock on one or more exchanges in the United States of America ("US Exchange") or any other Exchange, then at the request of 3i and /or PEP, and if the applicable Law at that time so permits the Company to do so, the Company shall take all such steps, do all such things, execute all such writings and make all regulatory applications and filings as may be required by Law for permitting or facilitating the unrestricted sale and distribution of the Investor Securities (or such of them as 3i and /or PEP may specify), on a proportionate basis, on such US Exchange or other Exchange, such that the Investor Securities are freely transferable on such US Exchange or other Exchange.

134.2. With respect to any Listing on a US Exchange or any other Exchanges that requires registration of Securities, the registration rights of 3i and PEP shall include 3 demand registrations upon request of each of 3i and PEP, one registration on Form F-3 or S-3 (with respect to a US Exchange; or on such similar document as required by any other Exchange) a year, unlimited piggyback registration subject to customary cut-back provisions, with expenses to be paid by the Company.

134.3. If any shares are listed or proposed to be listed on one or more Exchanges overseas through an offering of existing shares of the Company or otherwise (including where such existing shares are represented through American Depository Receipts, Global Depository Receipts or other similar instruments) ("Sponsored Offering") (whether with or without an accompanying primary offering), then the Company shall afford the Investors a right to participate, on a proportionate basis, in the Sponsored Offering to the maximum extent permissible in Law and, in such case, if 3i and /or PEP chooses to participate in the Sponsored Offering, the Company shall register the securities specified by 3i and /or PEP with appropriate and necessary regulatory authorities required in connection with such Sponsored Offering.

134.4. For the purposes of this Article 134 any reference to the term 'Exchange' shall mean an international stock exchange and shall expressly exclude any exchange(s) in India.

135. **Other covenants**

Announcements

135.1. No formal or informal public announcement or press release which makes reference to the Investors and/or the terms and conditions of these Articles or any of the matters referred to herein, shall be made or issued by or on behalf of the Company or the Group A Shareholders without the Investors' Consent.

135.2. If the Company or any of its Subsidiaries is obliged to make or issue any announcement or press release required by Law or by any stock exchange or governmental or regulatory authority, it shall give the Investors every reasonable opportunity to comment on and/or amend any announcement or release before it is made or issued (provided that this shall not have the effect of preventing the Company or any of its Subsidiaries from making the announcement or release or from complying with its legal, stock exchange, governmental and/or regulatory obligations under Law).

135.3. Save as permitted by Article 135.1, the Company, any of its Subsidiaries and the Group A Shareholders shall not issue any press release or make any public statement or other communication about the matters in the Transaction Documents or any document referred to in the Transaction Documents unless it is required by Law, by the rules of an Exchange or by any other competent regulatory authority.

135.4. A press release, public statement or other communication about the Investors or any of their respective Affiliate(s)' investments in the Company or any of its Subsidiaries, the matters in these Articles or any document referred to in it may be made by the Company, any of its Subsidiaries or the Group A Shareholders only with the Investors' Consent.

135.5. The Company and its Subsidiaries and each of the Group A Shareholders undertake to the Investors that they shall not:

(a) use the name of the Investors in any context whatsoever (except as required by applicable Law); or

(b) hold themselves out as being associated with the Investors in any manner whatsoever without the Investors' Consent. Nothing in these Article 135.1 to Article 135.5 shall restrict the Company, any of its Subsidiaries or the Group A Shareholders from stating that the Investors and / or their respective Affiliates, as the case may be, are Shareholders in the Company.

135.6. **Auditor**

The Company shall ensure that the statutory auditors of the Company shall continue to be one of the Specified Auditors and any change in the internal auditors shall be done only with the Investors' Consent. The accounts of the operating subsidiaries of the Company, including SEPL and SDS, shall be duly audited by a Specified Auditor, if required by the Investors.

135.7. **Use of Proceeds**

The subscription proceeds from the PEP Securities shall be used by the Company and / or its Subsidiaries for capital expenditures, retirement of debt obligations, acquisitions, working capital needs and for other purposes of the Company's Business, as the case may be, as decided by the Board from time to time.

135.8. **Connected Party**

All agreements and transactions between the Company and any of its Subsidiaries, on the one hand and any Connected Party/Concern, on the other hand, shall be entered into on an arms' length /market price basis.

135.9. **More Favourable Rights**

So long as each of the Investors hold at least the Minimum Requisite Shareholding, the Company shall not provide any Person with rights in relation to the Company which are more favourable than those provided to any Investor hereunder, without the Investors' Consent.

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135.10. **Investors not to be considered Promoter**

The Investors are only financial investors in the Company. The Company shall ensure that the Investors shall not be considered / classified as 'promoter(s)' of the Company for any reason whatsoever and the Investor Securities are not subject to any restriction (including that of lock-in or other restriction) which are applicable to promoters under any applicable Law. For the purposes of an IPO, Apollo International Limited and the VTL Group (collectively "Lock-in Shareholders") agree that they are the "promoters" of the Company and any lock-in requirements under legal or regulatory provisions shall be fulfilled by the Lock-in Shareholders in proportion to their shareholding. The Company and the Lock-in Shareholders undertake not to designate any of the Investors or other shareholders of the Company as a "promoter" of the Company or make any declaration or statement, either directly or indirectly, in filings with regulatory or governmental authorities, offer documents or otherwise mentioning any of the Investors as a "promoter". In the event any regulatory, statutory or judicial authority, body or agency, including the Securities and Exchange Board of India, rules, holds or adjudicates that either of the Investor(s) is a "promoter" of the Company, or requires the Company to mention either of the Investor(s) as a "promoter" of the Company in any filings or documents, the Company and the Lock-in Shareholders shall immediately inform the relevant Investor(s) of the same in writing and the Company and the Lock-in Shareholders further undertake to do all things, take all steps and make all appropriate representations in consultation with the relevant Investor(s) to ensure that the relevant Investor(s) are not considered a "promoter".

135.11. **Right to Conduct Business**

(a) Subject to Article 135.11(b), each of the Company and the Group A Shareholders hereby unconditionally and irrevocably consents to the Investors and/or any member of the Investor Group at any time, and from time to time, making investments in or entering into collaboration or other agreements or arrangements with Persons or companies in India or elsewhere, engaged in the same or a similar business as that of the Company and / or its Subsidiaries. The Company and the Group A Shareholders shall from time to time at the request of the Investor(s), certify that it does not object to such investment, agreement or arrangement with such Persons and in such form as may be requested by the Investor(s).

(b) Each of the Company and the Group A Shareholders hereby acknowledges that the Investors and their respective Affiliates invest in numerous companies, some of which may compete with the Company and / or its Subsidiaries and do not object to the same provided that, (i) if the Investors and/or their respective Affiliates hold any securities in a Competitor, or (ii) if a Person in which the Investor and/or their respective Affiliates hold securities commences any Competing Business, then the Investors shall not nominate as Directors the same individuals who are their respective nominee directors on the board of directors of the Competitor. Provided further, if any of the Investor Directors are also on the board of the Competitor, then immediately and without delay, such Investor Director shall either be removed from and replaced on the Board or from the board of the Competitor such that the same individual is not a nominee director on the board of directors of the Competitor

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135.12. **Social Obligations and Compliance with Law**

The Company shall adhere to the Social Obligations and shall comply with applicable Law. The Company shall make all relevant applications, filings and payments under such Laws as may be required from time to time and shall maintain all Governmental Approvals and/or consents from third parties as may be required under applicable Law for the conduct of the Business.

135.13. **Fair Practices**

(a) The Company and its Subsidiaries shall not, and no Director, officer, agent, consultant, employee or any other Person acting for or on behalf of the Company or any of its Subsidiaries, shall (a) violate the U.S. Foreign Corrupt Practices Act any other anti-bribery or anti-corruption laws applicable to the Investors (as may be specified by the Investors from time to time) or the Company, as may be specified by the Investors from time to time; or (b) corruptly offer, promise to pay, pay, promise to give or give, or authorize the payment or giving of anything of value to any representative of any Governmental Entity or authority or any political party or officer thereof or any candidate for office (individually and collectively, a "Governmental Official") or to any Person under circumstances where such representative knows or is aware of the high probability that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any Government Official:

(i) for the purpose of (i) influencing any act or decision of such Governmental Official in his official capacity, (ii) inducing such Governmental Official to do or omit to do any act in violation of his lawful duty, (iii) securing any improper advantage, or (iv) inducing such Governmental Official to influence or affect any act or decision of any government entity, or

(ii) in order to assist the Company or any of its Subsidiaries in obtaining or retaining business for or with, or directing business to the Company or its Subsidiaries.

"Governmental Entity" as used in the previous paragraph means any government or any department, agency or instrumentality thereof, including any entity or enterprise owned or controlled by a government, or a public international organization.

(b) The Company and its Subsidiaries shall adopt an anti-bribery and anti-corruption policy (on terms acceptable to the Investors) and shall comply with and shall take all reasonable steps to ensure that all of its officers, employees, agents, consultants or any other Person acting for or on behalf of the Company or its Subsidiaries shall comply with, such policy. In connection with the renewal of contracts with agents or consultants who assist the Company in dealing with governmental bodies or entities, the Company and its Subsidiaries shall require the agents and consultants to covenant that they shall agree to comply with the anti-bribery policy of the Company, its Subsidiaries or any of its Affiliates.

135.14. **Further assurances**

The Investors, the Company and the Group A Shareholders undertake that they will do or procure to be done all such further acts and things, execute or procure the execution of all such other documents and exercise all voting rights and powers, whether direct or indirect, available to it in relation to any Person so as to ensure the complete and prompt fulfillment, observance and performance of the provisions of these Articles and generally that full effect is given to the provisions of these Articles.

135.15. **Aggregation**

Wherever in these Article there are provisions which calculate the shareholding of a Relevant Shareholder in the Company, the shareholding of such Relevant Shareholder shall be aggregated with that of the shareholding by all the Affiliates of such Party. For the avoidance of doubt it is clarified that the shareholding of RK and Apollo International in the Company shall at all times be aggregated for the purposes of computing the shareholding of RK or Apollo International. Any reference to PEP or 3i means such of the PEP Group or the 3i Group which hold Securities.

135.16. **Required Governmental Approvals**

(a) The Company shall obtain and prepare all such forms, reports and documents as may be required to be filed or obtained, or comply with, any Required Governmental Approval with any authority under any Law and/or pursuant to any previously obtained Governmental Approvals, including such documents as may be required under FEMA. The Company shall make all such filings and reports and obtain all Required Governmental Approvals with any authority as may from time to time be required under any applicable Law in connection with the transactions contemplated herein.

(b) It is clarified that Article 135.16(a) shall only apply to the extent the Company is required to obtain such Required Governmental Approval under applicable Law. Nothing contained in Article 135.16(a) shall be deemed to require the Company to procure any Required Governmental Approval, as required to be obtained by any other Party to give effect to the transactions contemplated herein.

135.17. **Exercise of Rights**

(a) At all times, the Parties shall and shall cause their respective nominees and Affiliates, to exercise all powers and rights available to them, including all rights available to them in their capacity as Shareholders or as Directors including their voting rights in respect of all the shares directly, indirectly or beneficially held by them, at any general meeting of the Company or Board meeting (as the case may be) or by way of a written consent executed in lieu of such a meeting of Shareholders, and shall take all other actions necessary, to give effect to the provisions of these Articles so as to procure and ensure that the provisions of these Articles are complied with in all respects by the Company and its Shareholders.

(b) Without prejudice to the other provisions of these Articles, the Parties agree to exercise all powers and rights available to them in support of the provisions of these Articles so as to procure and ensure that the provisions of these Articles are complied with in all respects.

(c) In particular and without prejudice to the generality of Articles 135.17(a) and 135.17(b) above, the Group A Shareholders and the Company shall ensure that the characteristics of the Subscription Shares are adhered to and that, upon conversion of the Subscription Shares, the requisite number of Conversion Shares are issued upon the conversion of the Subscription Shares.

(d) The Company and Group A Shareholders covenant and undertake that prior to the issuance of the Subscription Shares, all corporate, shareholder and other approvals required to be obtained by the Company in relation to the Subscription Shares, and the Equity Shares to be issued on conversion of the Subscription Shares under Law shall be obtained by the Company.

135.18. **Tax Matters**

(a) The Company shall, and shall procure that each of its Subsidiaries shall, provide to the Shareholders, to the extent commercially reasonable, all information with respect to the Company and its Subsidiaries which is requested by a Shareholder to enable such Shareholder (or its direct or indirect owners) to comply with any of their United States federal income tax reporting obligations, if applicable, including rules relating to controlled foreign corporations (CFCs) and passive foreign investment companies (PFICs). Such assistance shall include providing information as requested by such Shareholder to enable such Shareholders (or their direct or indirect owners) to comply with their obligations under the Sections 1248, 6038, 6038B, 6046 and 6046A of the United States Internal Revenue Code, including information relating to earnings and profits as computed for United States federal income tax purposes.

(b) The Company and its Specified Auditor, in discussions and coordination with the applicable Relevant Shareholder, shall arrange for that Specified Auditor to determine annually (and otherwise at the discretion of such Relevant Shareholder) if the Company or any of its Subsidiaries is a PFIC or would be a PFIC were such entity a corporation for United States federal income tax purposes. If it is determined that the Company or any of its Subsidiaries is a PFIC or would be a PFIC were such entity a corporation for United States federal income tax purposes, the Company shall permit a Relevant Shareholder (or its direct or indirect owners) to make a qualified election fund election with respect to its interest in such corporation pursuant to Section 1295 of the United States Internal Revenue Code, and shall cause to be furnished to such Relevant Shareholder, no later than March 1st of the succeeding calendar year, the relevant PFIC annual information statement substantially in the form annexed hereto as Schedule 10 to the Shareholders Agreement, pursuant to United States Treasury Regulation Section 1.1295-1(g). In addition, the Company shall use commercially reasonable efforts, and shall use commercially reasonable efforts to procure that each of its Subsidiaries shall, take such actions as such Relevant Shareholder shall reasonably request to enable the Company and any of its Subsidiaries to avoid PFIC status. In connection with the Specified Auditor making the determinations under this clause, the Company will provide to the Specified Auditor all relevant information requested by the Specified Auditor.

(c) All (i) incremental costs incurred in connection with Articles 135.18(a) and 135.18(b) over and above any costs incurred by the Company in the normal course of its audit and / or (ii) any cost of a special audit, shall be borne by the applicable Relevant Shareholder; provided however that any such incurrence of incremental costs shall be subject to the consent of the applicable Relevant Shareholder, which consent shall not be unreasonably withheld and if the applicable Relevant Shareholder withholds consent, the Company shall not be liable for not fulfilling obligations imposed under Articles 135.18(a) and 135.18(b) to the extent such consent has been withheld.

135.19. Costs

All costs incurred in relation to an IPO, including costs incurred in connection with sale of all or any of the Investor Securities, and for Listing shall be shared between the Company and the persons selling securities through the IPO, including Investors, in accordance with applicable law and as mutually agreed between the Parties at the appropriate stage.

136. **TERMINATION OF RIGHTS**

136.1. The rights of the Parties under Part B of these Articles shall terminate until the earlier of the following:

(a) 3i and its Affiliates ceasing to collectively hold at least the Minimum Requisite Shareholding; or

(b) PEP and its Affiliates ceasing to collectively hold at least the Minimum Requisite Shareholding; or

(c) The Apollo Group and their respective Affiliates ceasing to collectively hold at least the Minimum Requisite Shareholding; or

(d) The VTL Group and their respective Affiliates ceasing to collectively hold at least the Minimum Requisite Shareholding; or

In case of termination pursuant to Article 136.1 (a) to (d), the rights under Part B of these Articles shall terminate with respect to such Parties who cease to hold at least the Minimum Requisite Shareholding, provided that so long as they continue to hold any Securities, such Party shall be bound by all its obligations under the Part B of these Articles and only its rights shall terminate after such Party ceases to hold at least the Minimum Requisite Shareholding, subject to Articles 136.2 and 136.3 below. It is hereby clarified that in the event any Party and / or its Affiliates ceases to hold at least the Minimum Requisite Shareholding pursuant to Article 136.1 (a) to (d) above, the rights under Part B of these Articles shall terminate only in respect of the rights of the Party who ceases to hold at least Minimum Requisite Shareholding and the other Party's rights and obligations, shall continue to be in force until terminated in accordance with Part B of these Articles.

(e) Upon commencement of trading of the equity shares of the Company on any recognised stock exchange pursuant to an initial public offering.

136.2. Unless terminated in terms of Clause 136.1 (e) above, any termination of the SHA in respect of any party to the SHA:

(a) The Group A Shareholder Tag Along Right in accordance with Articles 125.34 to 125.40 shall survive so long as the applicable Group A Shareholder and / or its Affiliates hold any Security;

(b) The Investor Tag Along Rights of the Investor in accordance with Articles 125.12 to 125.17 shall survive so long as the applicable Investor and / or its Affiliates hold any Security;

(c) The obligation of the VTL Group and its Affiliates under clause 19.5 of the Shareholders Agreement shall cease to apply upon the VTL Group and their respective Affiliates ceasing to collectively hold the Minimum Requisite Shareholding;

(d) All obligations under Part B of these Articles of 3i and its Affiliates who hold Securities (except restrictions on sale of Securities to a Competitor as provided under Article 125.30 and obligations under Article 127, which restrictions and obligations shall survive so long as 3i and / or its Affiliates hold any Security) shall cease to apply upon 3i and its Affiliates ceasing to collectively hold the Minimum Requisite Shareholding. In the event of any Transfer of Securities by 3i to any Person after 3i and its Affiliates cease to collectively hold the Minimum Requisite Shareholding, the transferee in such Transfer shall undertake to the Parties to be bound by restrictions on sale of Securities to a Competitor until such transferee holds any Security;

(e) All obligations under Part B of these Articles of PEP and its Affiliates who hold Securities (except restrictions on sale of Securities to a Competitor as provided under Article 125.30 and obligations under Article 127 which restrictions and obligations shall survive so long as PEP and / or its Affiliates hold any Security) shall cease to apply upon PEP and its Affiliates ceasing to collectively hold the Minimum Requisite Shareholding. In the event of any Transfer of Securities by PEP to any Person after PEP and its Affiliates cease to collectively hold the Minimum Requisite Shareholding, the transferee in such Transfer shall undertake to the Parties to be bound by restrictions on sale of Securities to a Competitor until such transferee holds any Security;

136.3 In the event of any termination of the rights under Part B of these Articles pursuant to Article 136.1, the non-compete obligations under Clause 15 of the Shareholders' Agreement shall continue with full force and effect until the expiry of the Apollo Restriction Period in respect of the Apollo Group or VTL Restriction Period in respect of the VTL Group as set forth in Clause 15 of the Shareholders' Agreement read with the exceptions under Clause 15.15 thereof."

Provided however that in the event of termination of this Part B of these Articles in terms of Article 136.1(e), none of the rights or obligations of the Investors as set out in Clause 15 of the Shareholders' Agreement shall survive such termination and the term "Apollo Restriction Period" shall thereafter mean (i) three years from the Apollo Group together with its Affiliates ceasing to hold 5% of the Share Capital; or (ii) Apollo Group ceasing to be promoter or part of the promoter group of the Company, whichever is later and the term “VTL Restriction Period” shall thereafter mean (i) three years from the VTL Group together with its Affiliates ceasing to hold at least 5% of the Share Capital; or (ii) VTL Group ceasing to be promoter or part of the promoter group of the Company, whichever is later.

136.4. Any termination as mentioned above shall not affect the accrued rights of the Parties hereunder.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material were attached to the copy of the Red Herring Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, were made available for inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Offer Closing Date.

A. Material contracts for the Offer

1. Offer agreement dated December 18, 2014 amongst our Company, the Selling Shareholders and the Managers.

2. Agreement dated December 18, 2014 amongst our Company, the Selling Shareholders and the Registrar to the Offer.

3. Employee and Certain Individual Selling Shareholders' Share Escrow Agreement dated December 18, 2014 amongst our Company, the Employee Selling Shareholders, Mr. Prafulla Vaidya, Mr. Raaja Kanwar, Mr. Rakesh Gupta, Mr. Uday Gaikwad (through their authorised representative), the Escrow Agent, and the Managers.

4. Escrow agreement dated April 21, 2015 amongst our Company, the Selling Shareholders, the Managers, the Escrow Collection Banks, the Public Offer Account Bank, the Refund Bank and the Registrar to the Offer.

5. Promoter and Corporate Selling Shareholders' Share Escrow Agreement dated April 16, 2015 amongst our Company, Mr. Narendra Hete, Mr. Sanjay Shankar Gaikwad, VML, VTL, 3i Research, P5, the Escrow Agent and the Managers.

6. Syndicate agreement dated April 16, 2015 amongst our Company, the Selling Shareholders and the Managers.

7. Underwriting agreement dated May 10, 2015 amongst our Company, the Selling Shareholders and the Underwriters.

B. Other material contracts in relation to our Company

1. Scheme of amalgamation involving UFO Moviez Limited, our erstwhile holding company, and our Company.

2. Share subscription agreement dated March 21, 2011 amongst our Company and P5 Asia Holding Investments (Mauritius) Limited.

3. Share purchase agreement dated March 21, 2011 amongst our Company, P5 Asia Holding Investments (Mauritius) Limited and 3i Digital Media (Mauritius) Limited.

4. Share purchase agreement dated March 21, 2011 amongst our Company, P5 Asia Holding Investments (Mauritius) Limited and Apollo International Limited, one of our Promoters.

5. Share purchase agreement dated May 2, 2011 amongst our Company, P5 Asia Holding Investments (Mauritius) Limited and Glance Finance Limited.

6. Share purchase agreement dated May 2, 2011 amongst our Company, P5 Asia Holding Investments (Mauritius) Limited and Mr. Sanjay Gaikwad, one of our Promoters.

7. Share purchase agreement dated May 2, 2011 amongst our Company, P5 Asia Holding Investments (Mauritius) Limited and Mr. Narendra Hete, one of our Promoters.

8. Shareholders' agreement dated March 21, 2011 and the amendment and termination agreement dated November 20, 2014 amongst our Company, our Promoters, Mr. Raaja Kanwar, P5 Asia Holding Investments (Mauritius) Limited, 3i Digital Media (Mauritius) Limited (party to the shareholders agreement) and 3i Research (Mauritius) Limited (party to the amendment and termination agreement).

9. Investment agreement dated December 22, 2006 and amendment agreements dated January 5, 2007, January 18, 2007 and March 21, 2011 amongst our Company, the erstwhile UFO Moviez Limited, Apollo International Limited, Mr. Sanjay Gaikwad, Mr. Raaja Kanwar, ELC, UFO International Limited, Mr, Kapil Agarwal and 3i Digital Media (Mauritius) Limited.

10. Share purchase agreement dated February 5, 2011 amongst our Company, Scrabble, Dr. Sunil Patil, Mr. Ranjit Thakur and Walkwater Media Limited.

11. Share subscription and shareholders'.agreement dated February 5, 2011 amongst our Company, Scrabble, Dr. Sunil Patil, Mr. Ranjit Thakur and Walkwater Media Limited.

12. Share subscription agreement dated September 21, 2011 amongst our Company, Dr. Sunil Patil, Mr. Ranjit Thakur and Scrabble.

13. Share purchase agreement dated September 21, 2011 amongst our Company, Walkwater Media Limited and Scrabble.

14. Shareholders' agreement dated September 21, 2011 and supplementary agreement dated September 26, 2012 amongst our Company, Mr. Ranjit Thankur, Dr. Sunil Patil, Walkwater Media Limited and Scrabble.

15. Share purchase agreement dated November 22, 2014 between Dr. Sunil Patil, Scrabble and our Company.

16. Shareholders' agreement dated March 28, 2011 amongst our Company, Mr. Usman Fayaz, Mr. Usman Faheed, Mrs. Zubetha Beghum, Ms. Amrin Rizwana, Mr. V. Shridharan and SDS.

17. Share subscription agreement dated March 28, 2011 amongst our Company, Mr. Usman Fayaz, Mr. Usman Faheed, Mrs. Zubetha Beghum, Ms. Amrin Rizwana, Mr. V. Shridharan and SDS.

18. Share purchase agreement dated August 2, 2011 amongst our Company, Mr. Usman Fayaz and SDS.

19. Share purchase agreement dated March 28, 2011 amongst our Company, an existing shareholder of SDS and SDS.

20. Share purchase agreement dated April 23, 2014 amongst our Company, SDS, Mr. Usman Fayaz, Mr. Usman Faheed, Mrs. Zubetha Beghum and Ms. Amrin Rizwana.

21. Investment agreement dated December 18, 2014 among our Company, VDSPL, Valuable Technologies Limited, Mr. Sanjay Gaikwad and Mr. Narendra Hete.

C. Material documents

1. Certified copies of the Memorandum and Articles of Association, as amended till date and certificates of incorporation of our Company dated June 14, 2004, August 31, 2006, November 10, 2006 and June 12, 2008.

2. Resolution of the Board dated October 22, 2014 authorising the Offer.

3. Resolutions of the Board dated November 20, 2014 and April 16, 2015, approving the size of the Offer.

4. Resolution of the Board dated December 18, 2014 approving the Draft Red Herring Prospectus.

5. Resolution of the Board dated April 16, 2015 approving the Red Herring Prospectus.

6. Resolution of the board of directors of 3i Research (Mauritius) Limited, dated November 19, 2014 authorising its component of the Offer.

7. Resolution of the board of directors of P5 Asia Holding Investments (Mauritius) Limited, dated November 19, 2014 authorising its component of the Offer.

8. Resolution of the board of directors of Valuable Media Limited, one of our Promoters, dated August 7, 2014 authorising its component of the Offer.

9. Resolution of the board of directors of Valuable Technologies Limited, dated December 8, 2014 authorising its component of the Offer.

10. Consent letter dated December 8, 2014 from Mr. Sanjay Gaikwad in relation to the Offer.

11. Consent letter dated December 8, 2014 from Mr. Narendra Hete in relation to the Offer.

12. Consent letter dated December 12, 2014 from Mr. Raaja Kanwar in relation to the Offer.

13. Consent letter dated December 13, 2014 on behalf of Mr. Rakesh Gupta in relation to the Offer.

14. Consent letter dated December 13, 2014 on behalf of Mr. Prafulla Vaidya in relation to the Offer.

15. Consent letter dated December 13, 2014 on behalf of Mr. Uday Gaikwad in relation to the Offer.

16. Consent letters from the Employee Selling Shareholders in relation to the Offer.

17. The examination reports of the Auditors, M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, dated March 4, 2015 on our Restated Summary Statements included in this Prospectus.

18. The statement of tax benefits dated April 13, 2015 included in this Prospectus.

19. Copies of the annual reports of our Company for Fiscal 2014, Fiscal 2013, Fiscal 2012, Fiscal 2011 and Fiscal 2010.

20. Consent of our Directors, the Managers, Legal Counsel to the Company as to Indian law, Statutory Auditors, Legal Counsel to the Managers as to Indian law, Legal Counsel to the Managers as to international law, Registrars to the Offer, Escrow Collection Banks/Bankers to the Offer, Bankers to our Company, Company Secretary and Compliance Officer, lenders to the Company and the Chief Financial Officer as referred to in their specific capacities.

21. Consent letters from CRISIL dated December 5, 2014 and January 23, 2015 for disclosure of information from their report titled Study of the media and entertainment sector in India, November, 2014 and the Update to CRISIL Report comprising Study of the Media and Entertainment Sector in India dated January 19, 2015.

22. Statement showing allotment of Equity Shares pursuant to exercise of options under the ESOP 2006, aggregated on a quarterly basis.

23. In-principle listing approvals dated January 8, 2015 and January 19, 2015 from BSE and NSE, respectively.

24. Agreement amongst NSDL, our Company and Karvy Computershare Private Limited, dated March 27, 2015.

25. Agreement amongst CDSL, our Company and Karvy Computershare Private Limited, dated April 7, 2015.

26. Due diligence certificate dated December 18, 2014 to SEBI from the Managers.

27. Copy of the resolutions of the Board dated November 7, 2013 and the shareholders dated November 30, 2013 in relation to appointment of Mr. Sanjay Shankar Gaikwad as the Managing Director.

28. Copy of the resolutions of the Board dated January 28, 2014 and the shareholders dated February 24, 2014 in relation to appointment of Mr. Kapil Kumar Agarwal as the Joint Managing Director.

29. Copy of the letter (CFD/DIL/ISSUES/AKD/PM/9263/2015) dated March 27, 2015 issued by the Securities and Exchange Board of India issuing observations on the Draft Red Herring Prospectus.

30. Copy of the CRISIL Report.

31. Consent of CRISIL dated April 9, 2015 for disclosure of the CRISIL Report.

Any of the contracts or documents mentioned in this 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 applicable laws.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, and guidelines issued by the Government of India or the guidelines and regulations issued by SEBI, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA or the SEBI Act, or rules made thereunder or guidelines and regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

Signed by the Directors of the Company

Sd/- **Sanjay Shankar Gaikwad** ***Managing Director***	Sd/- **Varun Laul** ***Non-Executive Nominee Director***
Sd/- **Kapil Kumar Agarwal** ***Joint Managing Director***	Sd/- **Sanjeev Aga** ***Chairman and Independent Director***
Sd/- **Raaja Kanwar** ***Non-Executive Nominee Director***	Sd/- **Lynn Antionette De Souza** ***Independent Director***
Sd/- **Biswajit Anna Subramanian** ***Non-Executive Nominee Director***	Sd/- **S. Madhavan** ***Independent Director***
Sd/- **Ameya Narendra Hete** ***Non-Executive Nominee Director***	

Signed by the Chief Financial Officer

Sd/-   **Ashish Malushte**

Place: Mumbai

Date: May 11, 2015

3i Research (Mauritius) Limited confirms that all statements made by it in this Prospectus in relation to itself and the Equity Shares being offered by it by way of the Offer are true and correct and assumes no responsibility for any of the statements made by the Company and other Selling Shareholders in this Prospectus.

Signed by the Selling Shareholder, 3i Research (Mauritius) Limited

For 3i Research (Mauritius) Limited

Sd/-

____
(Authorized Signatory)

Date: May 11, 2015

P5 Asia Holding Investments (Mauritius) Limited confirms that all statements made by it in this Prospectus in relation to itself and the Equity Shares being offered by it by way of the Offer are true and correct and assumes no responsibility for any of the statements made by the Company and other Selling Shareholders in this Prospectus.

Signed by the Selling Shareholder, P5 Asia Holding Investments (Mauritius) Limited

For P5 Asia Holding Investments (Mauritius) Limited

Sd/-

(Authorized Signatory)

Date: May 11, 2015

Valuable Technologies Limited confirms that all statements made by it in this Prospectus in relation to itself and the Equity Shares being offered by it by way of the Offer are true and correct.

Signed by the Selling Shareholder, Valuable Technologies Limited

For Valuable Technologies Limited

Sd/-

(Authorized Signatory)

Date: May 11, 2015

Valuable Media Limited confirms that all statements made by it in this Prospectus in relation to itself and the Equity Shares being offered by it by way of the Offer are true and correct.

Signed by the Selling Shareholder, Valuable Media Limited

For Valuable Media Limited

Sd/-

(Authorized Signatory)

Date: May 11, 2015

Mr. Narendra Hete confirms that all statements made by him in this Prospectus in relation to himself and the Equity Shares being offered by him by way of the Offer are true and correct.

Signed by the Selling Shareholder, Mr. Narendra Hete

Sd/-

Date: May 11, 2015

Mr. Sanjay Gaikwad confirms that all statements made by him in this Prospectus in relation to himself and the Equity Shares being offered by him by way of the Offer are true and correct.

Signed by the Selling Shareholder, Mr. Sanjay Gaikwad

Sd/-

Date: May 11, 2015

Mr. Raaja Kanwar confirms that all statements made by him in this Prospectus in relation to himself and the Equity Shares being offered by him by way of the Offer are true and correct.

Signed by the Selling Shareholder, Mr. Raaja Kanwar

Sd/-

Date: May 11, 2015

Mr. Uday Gaikwad, confirms that all statements made by him in this Prospectus in relation to himself and the Equity Shares being offered by him by way of the Offer are true and correct.

Signed for and on behalf of Mr. Uday Gaikwad

Sd/-

Date: May 11, 2015

Each selling shareholder confirms, that all statements made by the respective selling shareholder in this Prospectus in relation to itself and the Equity Shares offered in the Offer, in connection with the Offer for Sale, are true and correct.

For and on behalf of (i) Mr. Rakesh Gupta; (ii) Mr. Prafulla Vaidya; and (iii) Employee Selling Shareholders, acting through Mr Ashish Malushte, power of attorney holder.

Sd/-

Mr. Ashish Malushte:
(Attorney holder)

Date: May 11, 2015