DRAFT RED HERRING PROSPECTUS
Dated: January 31, 2018
(*The Draft Red Herring Prospectus will be updated upon filing with the RoC*)
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

Nazara™

NAZARA TECHNOLOGIES LIMITED

Our Company was originally incorporated as Nazara.com Private Limited on December 8, 1999 at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Nazara Technologies Private Limited and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra located at Mumbai ("**RoC**") to our Company on July 4, 2003. Thereafter, our Company was converted into a public limited company and the name of our Company was changed to Nazara Technologies Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC to our Company on December 13, 2017. For details of change in the name and change in the registered office of our Company, see "*History and Certain Corporate Matters*" on page 156.

Registered and Corporate Office: 51-57, Maker Chambers 3, Nariman Point Mumbai 400 021, Maharashtra, India
Contact Person: Vinav Agarwal, Company Secretary and Compliance Officer;
Tel: +91 22 4033 0800; **Fax:** +91 22 2281 0606 **E-mail**: cs@nazara.com;
Website: www.nazara.com; **Corporate Identity Number**: U72900MH1999PLC122970

OUR PROMOTERS: VIKASH MITTERSAIN, NITISH MITTERSAIN AND MITTER INFOTECH LLP

INITIAL PUBLIC OFFERING OF UP TO 5,543,052 EQUITY SHARES OF FACE VALUE OF ₹4 EACH ("EQUITY SHARES") OF NAZARA TECHNOLOGIES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION COMPRISING AN OFFER OF SALE OF UPTO 5,182,753 EQUITY SHARES BY WESTBRIDGE VENTURES II INVESTMENT HOLDINGS AND UPTO 360,299 EQUITY SHARES BY MITTER INFOTECH LLP COLLECTIVELY CALLED THE "SELLING SHAREHOLDERS") ("OFFER"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹4 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, RETAIL DISCOUNT, IF ANY, AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND THE [●] EDITION OF THE MARATHI DAILY NEWSPAPER [●] (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the Syndicate Members, and by intimation to Self Certified Syndicate Banks ("**SCSBs**"), Registered Brokers, Registrar and Transfer Agents ("**RTA**"), and Collecting Depository Participants ("**CDP**").

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), and in accordance with Regulation 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), the Offer is being made through the Book Building Process wherein at least 75% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" on page 456.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹4 and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined and justified by our Company and the Selling Shareholders in consultation with the BRLMs as stated under "*Basis for Offer Price*" on page 98) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 17.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Selling Shareholders, severally and not jointly, confirm only the statements specifically made by the Selling Shareholders in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their respective portion of the Equity Shares being offered in the Offer for Sale and severally assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●].A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date. See "*Material Contracts and Documents for Inspection*" on page 588.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
ICICI Securities	Edelweiss Ideas create, values protect	LINK Intime
ICICI Securities Limited ICICI Center, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 E-mail: nazara.ipo@icicisecurities.com Investor Grievance E-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Payal Kulkarni / Shekher Asnani/ Suyash Jain SEBI Registration No.: INM000011179	**Edelweiss Financial Services Limited** 14th Floor, Edelweiss House Off CST Road, Kalina Mumbai 400 098 Maharashtra, India Tel: + 91 22 4009 4400 Fax: +91 22 4086 3610 E-mail: nazara.ipo@edelweissfin.com Investor grievance e-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Siddharth Shah / Yash Modi SEBI Registration No.: INM0000010650	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg Vikhroli (West) Mumbai 400 083 Maharashtra, India Tel: +91 22 4918 6200 Fax: +91 22 4918 6195 E-mail: nazara.ipo@linkintime.co.in Investor grievance email: nazara.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No. INR000004058

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

(1) *Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date, i.e. on [●].*

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

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act or regulation, as amended from time to time.

General Terms

Term	Description
"our Company", "the Company", "the Issuer" or "Nazara"	Nazara Technologies Limited
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries

Company Related Terms

Term	Description
Articles of Association/AoA	Articles of association of our Company, as amended
Associate Company	Mastermind Sports Limited (with effect from May 22, 2017)
Audit Committee	Audit committee of our Company constituted in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations. For details see "*Our Management – Committees of the Board – Audit Committee*" on page 174
Auditors/Statutory Auditors	Statutory auditors of our Company, namely, S.R. Batliboi and Associates LLP, Chartered Accountants
Board/Board of Directors	Board of directors of our Company or a duly constituted committee thereof
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Company constituted in accordance with Section 135 of the Companies Act, 2013. For details see "*Our Management – Committees of the Board – Corporate Social Responsibility Committee*" on page 177
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹4 each
ESOP 2016	Nazara Technologies ESOP 2016
ESOP 2017	Nazara Technologies ESOP 2017
Group Entity	Mastermind Sports Limited
Ind AS Financial Statements	Special Purpose Unconsolidated Ind AS Financial Statements and Special Purpose Consolidated Ind AS Financial Statements
Independent Directors	Directors on the Board of our Company who are eligible to be appointed as independent directors as per Section 149(6) of the Companies Act, 2013
IPO Committee	IPO committee of our Company. For details see "*Our Management – Committees of the Board – IPO Committee*" on page 178
Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations, Section 2(51) of the Companies Act, 2013 and as disclosed in "*Our Management*" on page 168
Materiality Policy	The policy on materiality adopted by our Board on January 17, 2018 with regard to the following: (i) outstanding litigation to be disclosed by our Company in the Draft Red Herring Prospectus; (ii) identification of our Group Entity; and (iii) identification of material creditors of our Company
Next Wave	Next Wave Multimedia Private Limited
Nodwin Gaming	Nodwin Gaming Private Limited
Memorandum of Association/MOA	Memorandum of Association of our Company, as amended
Nomination & Remuneration Committee	Nomination, remuneration and compensation committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. For details see "*Our Management – Committees of the Board – Nomination & Remuneration Committee*" on page 176
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations For details, see "*Our Promoters and Promoter Group*" on page 181
Promoter Selling Shareholder	Mitter Infotech LLP
Promoters	Promoters of our Company, namely, Vikash Mittersain, Nitish Mittersain and Mitter Infotech LLP

Term	Description
	For details, see "*Our Promoters and Promoter Group*" on page 181
Registered and Corporate Office	Registered office of our Company located at 51-57, Maker Chambers 3, Nariman Point, Mumbai 400 021, Maharashtra, India
Registrar of Companies/RoC	Registrar of Companies, Mumbai
Restated Consolidated Financial Statements	The restated consolidated financial information of our Company, our Subsidiaries and our Associate Company, as applicable, which comprises of the restated consolidated balance sheet, the restated consolidated profit and loss information and the restated consolidated cash flow information as at and for the six months period ended September 30, 2017 and the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, the Indian GAAP and restated in accordance with the SEBI ICDR Regulations
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and the Restated Unconsolidated Financial Statements
Restated Unconsolidated Financial Statements	The restated unconsolidated financial information of our Company which comprises the restated unconsolidated balance sheet, the restated unconsolidated profit and loss and the restated unconsolidated cash flow information as at and for the six months period ended September 30, 2017 and the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, the Indian GAAP and restated in accordance with the SEBI ICDR Regulations
Selling Shareholders	WestBridge Ventures II Investment Holdings and Mitter Infotech LLP
Shareholders	Shareholders of our Company from time to time
Special Purpose Consolidated Financial Statements	Special purpose consolidated financial statements of our Company, our Subsidiaries and our Associate Company, as applicable, which comprise the balance sheets as at September 30, 2017 and March 31, 2017, the opening balance sheet as at April 1, 2016 (transition date balance sheet), the statements of profit and loss, the statements of cash flows and the statements of changes in equity for the six-month period ended September 30, 2017 and for the year ended March 31, 2017, and a summary of the significant accounting policies and other explanatory information which have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements can change if (a) there are any new Ind AS standards issued through March 31, 2018, (b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and (c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016; when company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018
Special Purpose Unconsolidated Financial Statements	Special purpose financial statements of our Company, which comprise the balance sheets as at September 30, 2017 and March 31, 2017, the opening balance sheet as at April 1, 2016 (transition date balance sheet), the statements of profit and loss, the statements of cash flows and the statements of changes in equity for the six-month period ended September 30, 2017 and for the year ended March 31, 2017, and a summary of the significant accounting policies and other explanatory information which have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements can change if (a) there are any new Ind AS standards issued through March 31, 2018, (b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and (c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016; when company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018
Stakeholders Relationship Committee	Stakeholders relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. For details see "*Our Management – Committees of the Board – Stakeholders Relationship Committee*" on page 177
Subsidiaries/Subsidiary	Subsidiaries of our Company namely: (i) Nazara Bangladesh Limited; (ii) Nazara Pro Gaming Private Limited; (iii) Nazara PTE Limited; (iv) Nazara Technologies FZ-LLC: (v) Nazara Technologies;

Term	Description
	(vi) Nazara Uganda Limited; (vii) Nazara Zambia Limited; (viii) Next Wave Multimedia Private Limited (with effect from December 22, 2017); (ix) Nodwin Gaming Private Limited (with effect from January 10, 2018) (x) NZMobile Kenya Limited; and (xi) NZMobile Nigeria Limited.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot/Allotment/Allotted	Unless the context otherwise requires, transfer of the Equity Shares pursuant to the Offer to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Allotment is made
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors at the end of the Anchor Investor Bidding Date in terms of the Red Herring Prospectus and the Prospectus which shall not be higher than the Cap Price and shall be decided by our Company and the Selling Shareholders, in consultation with the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, one Working Day prior to the Bidding Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Allotment is made to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, the pay-in date mentioned in the CAN
Anchor Investor Portion	Up to 60% of the QIB portion which may be allocated by our Company in consultation with the Selling Shareholders and the Managers to Anchor Investors on a discretionary basis One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the anchor Investor Allocation Price
Application Supported by Blocked Amount of ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
Banker to the Offer/Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being [●]
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Procedure*" on page 456
Bid	An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations The term "Bidding" shall be construed accordingly

Term	Description
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid, less Retail Discount, if any.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as applicable
Bid Lot	[●]
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and the [●] edition of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office of our Company is situated), each with wide circulation Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and the [●] edition of the Marathi daily newspaper, [●], (Marathi being the regional language of Maharashtra, where the Registered Office is situated) each with wide circulation
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof. The Bid/Offer Period will comprise Working Days only.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLMs or Managers	The book running lead managers to the Offer namely, ICICI Securities Limited and Edelweiss Financial Services Limited
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	Agreement dated [●] entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank, the Public Offer Account Bank(s) and the Refund Bank, *inter alia*, for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by our Company and the Selling Shareholders in consultation with the BRLMs, at which the Retail Individual Bidders are entitled to Bid. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, , PAN, MICR Code and bank account details
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms.

Term	Description
	The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Banks from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after filing of the Prospectus with the RoC
Designated Intermediaries	Syndicate, sub-syndicate members/agents, SCSBs, Registered Brokers, CDPs and RTAs who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated SCSB Branches	Such branches of the SCSBs which shall collect ASBA Forms a list of which is available in the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated January 31, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Edelweiss	Edelweiss Financial Services Limited
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe for or purchase the Equity Shares
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting an Anchor Investor Application Form
First/Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and included and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in "*Offer Procedure*" on page 456
I-Sec	ICICI Securities Limited
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids received at or above Offer Price.
Mitter Infotech	Mitter Infotech LLP
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Non-Institutional Bidder(s)/NIBs	All Bidders that are not QIBs or Retail Individual Bidders, who have Bid for an amount more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FIIs, FPIs and FVCIs
Offer Agreement	The agreement dated January 31, 2018, between our Company, the Selling Shareholders and the BRLMs, pursuant to Regulation 5(5) of the SEBI ICDR Regulations and under which certain arrangements are agreed to in relation to the Offer
Offer Price	The final price (including any discount thereof) decided by our Company and the Selling Shareholders in consultation with the BRLMs on the Pricing Date, at which Equity Shares

Term	Description
	will be Allotted to Bidders other than Anchor Investors, to whom Allotment will be at the Anchor Investor Offer Price in terms of the Red Herring Prospectus
Offer Proceeds	The proceeds of the Offer that are available to the Selling Shareholders , net of offer related expenses
Offer/Offer for Sale	The initial public offering of up to 5,543,052 Equity Shares of face value of ₹4 each for cash at a price of ₹[●] each, including a share premium of ₹[●] per Equity Share, aggregating up to ₹[●] million comprising of an offer of up to 5,182,753 Equity Shares by Westbridge and up to 360,299 Equity Shares by Mitter Infotech in terms of the Red Herring Prospectus
Price Band	The price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof as decided by our Company and the Selling Shareholders in consultation with the BRLMs advertised at least five Working Days prior to the Bid/Offer Opening Date, in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and the [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is situated), each with wide circulation
Pricing Date	The date on which our Company and the Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The prospectus of our Company which will be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account Bank	The bank(s) with which the Public Offer Account(s) shall be maintained, in this case being [●]
Public Offer Account(s)	The bank account opened under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
QIB Portion/ QIB Category	The portion of the Offer (including the Anchor Investor Portion) being at least 75% of the Offer consisting of [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto and which will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	[●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	The agreement dated January 31, 2018 entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Offer/Registrar	Link Intime India Private Limited
Retail Individual Bidder(s)/RIB(s)	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not more than 10% of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s)
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at

Term	Description
	(http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) or such other websites and updated from time to time
Selling Shareholders	Westbridge and Mitter Infotech
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement dated [●] entered into by the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by such Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	The Bidding centres where the Syndicate shall accept ASBA Forms from Bidders
Syndicate	The BRLMs and the Syndicate Members
Syndicate Agreement	Agreement dated [●] entered into among the BRLMs, the Syndicate Members, our Company and the Selling Shareholders in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Systemically Important Non-Banking Financial Company	A non-banking financial company registered with the Reserve Bank of India and having a net worth of more than ₹[●] million as per the last audited financial statement
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date
Westbridge	WestBridge Ventures II Investment Holdings
Working Day	All days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical/Industry Related Terms/Abbreviations

Term	Description
AAEC	Association of American Editorial Cartoonists
ACLS	Access Control Lists
ARPU	Average Revenue Paying User
CAGR (Compounded Annual Growth Rate)	CAGR = (End Value/Start Value)^(1/Periods) -1
DAU	Daily Active Users
DHCP	Dynamic Host Configuration Protocol
EA	Electronic Arts
EB	Exabyte
ESL	Electronic Sports League
FMCG	Fast moving consumer goods
Freemium Business	Freemium Business includes revenue generated through advertising services
Frost & Sullivan Report	Industry Insights for Online and Mobile Gaming in India by Frost & Sullivan dated January 20, 2018
Garena	Sea Limited
GB	Gigabyte
GDP	Gross Domestic Product
GSMA	Groupe Spéciale Mobile Association
LAN	Local Access Network
MAU	Monthly Active Users
MB	Megabyte
MNP	Mobile Number Portability
Moody	Moody's Investors Service
NAS	Network Attached Storage
NASSCOM	National Association of Software and Services Companies
NCMP	Nazara Content Management Platform
NYSE	New York Stock Exchange
OEMs	Original Equipment Manufacturers
QAU	Quarterly Active Users
ROCE	Return on Capital Employed

Term	Description
ROE	Return on Equity
SDK	Software Development Kit
SOHO	Small Office Home Office
Subscription Business	Subscription Business includes revenue generated through subscription/ download of games/other contents on telecom operator networks
Ubisoft	Ubisoft Entertainment SA
VLANS	Virtual Local Area Networks
VPN	Virtual private Network
WAP	Wireless Access Portal

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI AIF Regulations
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
Bn/bn	Billion
BSE	BSE Limited
Category I Foreign Portfolio Investors	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CN Act	Cable Network Act, 1995
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI policy circular of 2017 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, effective from August 28, 2017, including any modifications thereto or substitutions thereof
COPRA	Consumer Protection Act, 1986
Copyright Act	The Copyright Act, 1957
Criminal Procedure Code	Code of Criminal Procedure, 1973
CSR	Corporate social responsibility
Customs Act	The Customs Act, 1962
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DoIT	Department of Information Technology, Ministry of Electronics and Information Technology, Government of India
DP ID	Depository Participant’s Identification
DP/Depository Participant	A depository participant as defined under the Depositories Act
EGM	Extraordinary General Meeting
EPA	Environment Protection Act, 1986
EPF Act	The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESI Act	The Employees’ State Insurance Act, 1948
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations framed thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and amendments thereto

Term	Description
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations
Financial Year/Fiscal/ Fiscal Year/FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GDP	Gross domestic product
GIR	General Index Register
GoI/Government	Government of India
GST	Goods and Services Tax
GST Act	Central Goods and Services Tax Act, 2017
HNI	High Networth Individuals
ICAI	The Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards notified by the Ministry of Finance
IFRS	International Financial Reporting Standards
Income Tax Act / IT Act	The Income Tax Act, 1961
Ind AS	Indian Accounting Standards (Ind AS)
India	Republic of India
Indian Accounting Standard Rules	The Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDA	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
IT	Information Technology
IT Act	Information Technology Act, 2000
IT Intermediary Rules	Information Technology (Intermediaries Guidelines) Rules, 2011
MCA	Ministry of Corporate Affairs, Government of India
Mn/mn	Million
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A./NA	Not Applicable
NAV	Net Asset Value
NBFC	Non-banking financial company registered with the RBI
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Notified Sections	The sections of the Companies Act, 2013 that were notified by the Ministry of Corporate Affairs, Government of India
NR	Non-resident
NRE Account	Non Resident External Account
NRI	An individual resident outside India, who is a citizen of India or an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Patents Act	The Patents Act, 1970
PBT	Profit Before Tax
PCB(s)	Pollution Control Board
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoW	Rest of the world
RTGS	Real Time Gross Settlement

Term	Description
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Insider Trading Regulations, 2015	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Sq. ft./sq.ft.	Square feet
Stamp Act	The Indian Stamp Act, 1899
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
Takeover Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
Trade Marks Act	Trade Marks Act, 1999
U.S. Securities Act	U.S. Securities Act of 1933, as amended
U.S./USA/United States	United States of America
UAE	United Arab Emirates
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of SEBI ICDR Regulations

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

Notwithstanding the foregoing, terms in "*Regulations and Policies in India*", "*Statement of Tax Benefits*", "*Financial Statements*", "*Industry Overview*", "*Main Provisions of Articles of Association*" and "*Offer Procedure - Part B - General Information Document*" on pages 152, 102, 190, 105, 501 and 466, respectively, shall have the meaning given to such terms in such sections.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to "India" in this Draft Red Herring Prospectus are to the Republic of India, all references to "USA", "US" and "United States" are to the United States of America, all references to "Bangladesh" are to the People's Republic of Bangladesh, all references to "Kenya" are to the Republic of Kenya, all references to "Singapore" are to the Republic of Singapore, all references to "Mauritius" are to the Republic of Mauritius, all references to "Zambia" are to the Republic of Zambia, all references to "Uganda" are to the Republic of Uganda and all references to "Nigeria" are to the Federal Republic of Nigeria.

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

Financial Data

The financial data in this Draft Red Herring Prospectus is derived from the Restated Unconsolidated Financial Statements and Restated Consolidated Financial Statements prepared in accordance with the Companies Act and applicable accounting standards, and restated in accordance with the SEBI ICDR Regulations.

In addition, proforma financial information as required under the SEBI ICDR Regulations in relation to our acquisition of majority stake in Next Wave and Nodwin Gaming is included in this Draft Red Herring Prospectus.

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

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular Financial Year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. The Restated Financial Statements is as of and for the six months period ended September 30, 2017 and the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 and March 31, 2013. In addition, Ind AS Financial Statements along with the statement of reconciliation of the (i) unconsolidated and consolidated statement of profit and loss as reported under previous Indian GAAP to Ind AS for the six months ended September 30, 2017 and the Financial Year ended March 31, 2017; and (ii) unconsolidated and consolidated equity as previously reported under previous Indian GAAP to Ind AS as at September 30, 2017, March 31, 2017 and April 1, 2016 have also been included in this Draft Red Herring Prospectus. For further details, see "*Financial Statements*" and "*Financial Information - Summary of Certain Significant Differences between Indian GAAP and Ind AS*" on pages 190 and 420, respectively.

There are significant differences between Indian GAAP, Ind AS, US GAAP and IFRS. The reconciliation of the financial information to IFRS or US GAAP has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. See "*Risk Factors – Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition*" on page 42 for risks involving differences between Indian GAAP and IFRS or US GAAP and risks in relation to Ind AS. Further, for details of significant differences between Indian GAAP and Ind AS, see "*Summary of Certain Significant Differences between Indian GAAP and Ind AS*" on page 420. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Indian GAAP, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" on pages 17, 134 and 399, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

Currency and Units of Presentation

All references to:

- "AED" or "Dirham" are to the United Arab Emirates Dirham, the official currency of the UAE;
- "GBP" or "£" are to the Great British Pound, the official currency of the United Kingdom;
- "KES" are to the Kenyan Shilling, the official currency of Kenya;
- "MUR" are to the Mauritian Rupee, the official currency of Mauritius;
- "NGN" are to the Nigerian Naira, the official currency of Nigeria;
- "Rupees" or "₹" or "INR" or "Rs." are to the Indian Rupee, the official currency of India;
- "SGD" are to the Singapore Dollar, the official currency of Singapore;
- "UGX" are to the Ugandan Shilling, the official currency of Uganda;
- "USD" or "US$" are to the United States Dollar, the official currency of the United States; and
- "ZMK" are to the Zambian Kwacha, the official currency of Zambia.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies:

Currency	As on March 31, 2013(1) (₹)	As on March 31, 2014(1) (₹)	As on March 31, 2015(1) (₹)	As on March 31, 2016 (₹)	As on March 31, 2017 (₹)	As on September 30, 2017 (₹)
1 AED	14.79	16.27	17.02	18.00	17.62	17.81
1GBP	82.32	99.85	92.46	95.09	80.88	87.71
1 KES	0.63	0.68	0.66	0.64	0.62	0.62
1 MUR	1.68	1.91	1.65	1.80	1.77	1.86
1 NGN	0.34	0.36	0.31	0.33	0.21	0.18
1 ZMK	10.03	9.50	8.20	5.85	6.71	6.74
1 SGD	43.81	47.45	45.50	48.89	46.40	48.18
1 UGX	0.02	0.02	0.02	0.02	0.02	0.02
1 USD	54.39	60.10	62.59	66.33	64.84	65.36

(Source: RBI website, www.oanda.com)

(1) In the event that March 31 or September 30, as applicable, of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered

Industry and Market Data

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 17. Accordingly, investment decisions should not be based solely on such information.

Information has been included in this Draft Red Herring Prospectus from the report titled Industry Insights for Online and Mobile Gaming in India by Frost & Sullivan dated January 20, 2018, which report has been commissioned by our Company for the purposes of confirming its understanding of the industry in connection with the Offer. For details of risks in relation to the commissioned industry report, see "*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by Frost & Sullivan, the accuracy, adequacy or completeness of which is not guaranteed*" on page 35.

"The market research process for this study has been undertaken thorough secondary / desktop research as well as primary research, which involves discussing the status of the market with leading participants and experts. The research methodology used is the Expert Opinion Methodology. Quantitative market information was sourced from interviews by way of primary research as well as from trusted portals and industry publications, and therefore, the information is subject to fluctuations due to possible changes in the business and market climate. Frost & Sullivan's estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

*This study has been prepared for inclusion in the draft and final Prospectus and Offering Memorandum of "THE CLIENT in relation to an initial public offering ("**IPO**") in connection with its listing on one of the leading global stock exchanges.*

This report and extracts thereof are for use in the draft and final Prospectus and Offering Memorandum issued by the Company and all presentation materials (including press releases) prepared by or on behalf of the Company (and reviewed by Frost & Sullivan) in relation to the Listing exercise. The company is permitted to use the same in internal and external communications as needed in the context of the Listing exercise. However, no part of the report may be distributed for any other commercial gain to parties not connected with the said Listing exercise.

This report has exclusively been prepared for the consumption of "THE CLIENT", and any unauthorised access to or usage of this material by others is forbidden and illegal.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken adequate care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of mobile gaming industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective, and it will not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be liable for any loss suffered because of reliance on the information contained in this study. This study should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise."

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

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects, our objects, our goals, our plans and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “likely to”, “seek to”, “shall” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements (whether made by us or any third party) are predictions and 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.

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 industry in which our Company operates 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 and globally 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 laws, regulations and taxes and 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 Company’s expectations include, but are not limited to, the following:

- Our dependence on our subscription business for a substantial portion of our revenue;
- Our dependence on in-app purchases and advertisements for monetising our freemium business;
- Our dependence on third parties for the distribution of our mobile games and our billing pipeline;
- Our dependence on content aggregators for aggregating mobile games for our subscription business;
- Our dependence on third party developers for development and frequent updates of mobile games for our freemium business;
- Our dependence on third parties in relation to the operation of our Esports business;
- Difficulty in predicting consumer preferences in the mobile games industry;
- Our global operations are subject to the risks and uncertainties of conducting business outside India; and
- Our ability to successfully integrate the new cricket mobile offerings and Esports business with our existing operations.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 17, 134 and 399, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views, plans, estimates, and expectations with respect to future events of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the 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. Neither our Company, our Directors, our Promoters, the Selling Shareholders, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with SEBI requirements and as prescribed under applicable law, the Selling

Shareholders severally and not jointly will ensure that investors are informed of material developments in relation to statements and undertakings made by the respective Selling Shareholders from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, our Company may be required to undertake an annual updation of the disclosures made in the Red Herring Prospectus and make it publicly available in the manner specified by SEBI.

SECTION II: RISK FACTORS

RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, or the industry and segments in which we currently operate in India. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If anyone or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, cash flows, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to extensive regulatory environments that may differ significantly from one jurisdiction to another. In making an investment decision, prospective investors must rely on their own examinations of us and the terms of the Offer, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. For further details, see "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 134 and 399, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If our business, cash flows, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "Forward-Looking Statements" on page 15..

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Consolidated Financial Statements.

INTERNAL RISK FACTORS

Risks relating to our Business and our Industry

1. We are dependent on our Subscription Business for a substantial portion of our revenues.

Our business is driven by our Subscription Business, Freemium Business and esports business. For Financial Year 2017, and in the six month ended September 30, 2017, as per our Restated Consolidated Financial Statements, our revenue from subscription/ download of games/other contents, which entails periodic (monthly, weekly or daily) subscription to access our network of more than 1,000 mobile games, had a revenue of ₹1,861.75 million and ₹807.70 million, respectively. While we have historically experienced growth and scaling up of our subscription business (for instance, revenue from our subscription/ download of games/other contents business during Financial Years 2015, 2016 and 2017 were ₹1,529.75 million, ₹2,082.10 million and ₹1,861.75 million, respectively, as per our Restated Consolidated Financial Statements), there can be no assurance that it will continue to remain a successful or profitable business, or that it may not decline for any reason whatsoever, including reasons beyond our control. For instance, the increased availability and accessibility of smartphones, the increasing popularity of free-to-play and freemium games, the easy availability of mobile games content across platforms without the involvement of telecom operators and a reduction in payment barriers may all result in a decline of the Subscription Business.

Customer acquisition in our Subscription Business is primarily driven by our arrangements with global and local advertisement networks and strategic partnerships with telecom operators. Pursuant to our arrangements with advertisers and telecom operators, advertisements for our subscription services are placed on popular mobile WAP sites and online portals, which lead the consumers to the payment gateway of the telecom partner for subscription to our services. Certain browsers include features which may block our advertisements. Any increase in use of such browsers or other technologies which hinder accessibility to our customers may have an adverse impact on our Subscription Business operations.

Further, the telecom operators who are critical to our Subscription Business are typically heavily regulated by the relevant authorities in their respective jurisdictions. Any adverse changes to the regulations governing the telecom operators or their statutory obligations, which may limit their ability in any manner to provide a platform and billing pipeline for our mobile games in the Subscription Business, may have an adverse impact on our results of operations and cash flows. Further our telecom partners may also opt to change their internal operational policies, including in relation to inclusion of gaming subscription services and with respect to subscriber churn, which may have an adverse impact on our business relationship with the telecom operators. Any impact on our Subscription Business may result in a material adverse impact on our overall results of operations, cash flows and net profits.

2. We are dependent on in-app purchases and advertisements for monetising our Freemium Business.

Revenues in our Freemium Business are generated through advertisements and in-app purchases. However, mobile gamers in geographies where we operate have a low propensity to pay for such in-app purchases, and we do not have a track record of having generated revenues through in-app purchases. We cannot assure you of the time frame in which in-app purchases will become popular with gamers in emerging markets. A continuing trend of shortage of revenues from in-app purchases may have an impact on the scale of our revenue from advertising services which contributed 2.09% to our revenue from operations as of Financial Year 2017 and 3.72% to our revenues from operations as of six month ended September 30, 2017. Further, in case there is an increase in the contribution of our Freemium Business to our overall net revenues, any decline in the profitability of the Freemium Business for lack of in-app purchases or any other reason may impact our overall profitability.

Further, we also enter into arrangements with advertisement networks for including advertisements in our freemium games. Our arrangements with advertisement networks provide for a fixed cost per impression for videos and static banners. As per the terms of the agreement, the advisement network pays our Company its share in the advertisement revenues, on a monthly basis. In the event that gamers do not click on such advertisements, or in the event that there is a delay in payment or a non-payment of our revenue share by the advertisement networks, our revenue from advertising services would be adversely impacted, thereby affecting our results of operations and cash flows.

3. We are dependent on third parties for the distribution of our mobile games, and our billing pipeline.

Our network of mobile games is predominantly dependent on various third parties such as app stores (Google Play Store, App Store, etc.), telecom operators, advertisement networks and third-party developers for customer acquisition, distribution of games and promotion of our network of games to users. Our revenue from subscription/ download of games/other contents, which contributed 97.91% of our revenue from operations as of Financial Year 2017, and 96.28% for the six month ended September 30, 2017, is reliant upon 113 telecom operators situated in 61 countries, as on September 30, 2017 for its billing pipeline. We typically enter into revenue sharing arrangements with telecom operators to enable users' access to our network of mobile games, on terms which may not in all cases be favourable to us. For instance, our agreements with telecom operators typically include one or more of the following onerous terms:

- we may be appointed on a non-exclusive, principal-to-principal basis by the telecom operator, and our agreement with the telecom operator may not confer any exclusive right on us with respect to the services to be rendered by us or confer any exclusive territorial right on us;

- we may not be permitted to send any communication to the subscribers of the telecom provider without the telecom provider approving the form, manner, content and transmission of the communication;

- the telecom operator may have the right to re-negotiate the commercials at any point of time during the term of the agreement or discontinue with the subscription services provided by us at any time for reasons attributable to non-viability of the business proposition of our services or there not being enough market acceptance of our services;

- we may be required to indemnify, hold harmless and defend the telecom operator, its affiliates, and their respective employees, officers and directors against any claim by a third party including but not limited to damages, costs, expenses as a result of such claim as well as from any other losses suffered with regard to a breach of the terms of the agreement; and

- the telecom operator may have the right to terminate or suspend, in whole or in part, the agreement without liability and without assigning any reason whatsoever.

Further, there can be no assurance that any telecom operator on whom we rely for a substantial portion of our revenues in the Subscription Business, will continue to remain operational at its current scale of operations, or at all. Any reduction in our number of arrangements with the telecom operators, or the number of subscribers of a telecom operator in a particular geography, may have a material impact on our revenues from the Subscription Business and our overall profitability. For instance, the introduction of a new telecom operator in India, which has been widely considered as a disruptive event in the telecom and mobile data sector in India had an adverse impact on the revenue of our Company, primarily due to an adverse impact on the subscriber base of our existing telecom partners through whom we offer our subscription services, thereby negatively affecting the rate of acquisition of new users and rate of renewal of our subscription services by subscribers of existing telecom partners and renewal of user base. We cannot assure you we will be able to successfully counter the impact that the new telecom operator has had on our Subscription Business. Further, in the event that all telecom operators other than the new telecom operator cease their operations, or have lower or nil profit, our partnerships with such telecom operators may cease, which may have a material adverse impact on our Subscription Business operations, which contributes significantly to the revenues of our Company. There can be no assurance that a similar disruptive event in any other geography where we offer our mobile games offerings will be beneficial to us or will not adversely affect our results of operations, cash flows and profitability in such geography, especially if such disruption is caused by a telecom operator with whom we do not have tie-ups in that geography. Customer acquisition in our Subscription Business is primarily driven by our arrangements with global and local advertisement networks and strategic partnerships with telecom operators. In the event that, pursuant to our arrangements with advertisement networks we are unable to source subscribers for our Subscription Business, the results of our operations may be adversely affected, thereby impacting our profitability and growth.

For our Freemium Business, we are dependent on our arrangements with app stores such as Google Play Store and App Store for providing us with a platform to showcase our games, and our advertising arrangements for the generation of revenues. In the event that we are not able to sustain our arrangement with either Google Play Store or App Store, it may have a significant impact on the profitability of our Freemium Business, and its contribution to our overall revenues, results of operations and cash flows. Further, there can be no assurance that our arrangements with Google Play Store or App Store or our advertising arrangements will continue to be on terms favourable to us. Any regulatory changes in relation to the nature or duration of advertising content, or any technological developments which impact the ability of our advertisements to be showcased (e.g. pop-up blockers, ad filters, etc), may impact our ability to generate revenues from our Freemium Business. We also depend upon third-party payment service providers to provide gamers with various payment options, such as direct carrier billing, credit cards, debit cards and payment through other third-party payment services. Any disruptions in such payment mechanisms may have an adverse impact on our results of operations and cash flows. Further, in the event that any of the app stores cease operations or are significantly adversely impacted by any change in regulation, our Freemium Business operations maybe substantially adversely impacted.

Our esports business, which is presently in the initial stages of growth, is anticipated to depend largely on the availability of high-speed internet data, which in turn is dependent on the ability of various telecom operators across the world in providing access to high-speed internet data to their respective users. If any of the third party service providers for the Subscription Business, Freemium Business or esports business deliver unsatisfactory services, engage in fraudulent actions, or are unable or refuse to continue to provide its services to us and our gamers for any reason, it may materially and adversely affect our business, financial condition and results of operations and cash flows.

4. We are dependent on content aggregators for aggregating mobile games for our Subscription Business, and none of our games offered through our Subscription Business are developed in-house.

Our network of games for our Subscription Business comprises over 1,000 mobile games, as on September 30, 2017, which are aggregated by content aggregators from third part developers across the world. The aggregation of these games is based on non-exclusive arrangements with such developers, on an annual basis. As a result, there can be no assurance that there will not be multiple mobile games similar to our games in a particular geography, or that such mobile games will not be available at subscription rates which are more attractive than the rates offered by us, or that we will be able to renew such arrangements annually. In the event that telecom operators in a particular geography partner with other mobile games aggregators or publishers with games similar to ours but at more competitive rates, there can be no assurance that the telecom operators will continue their existing arrangements with us on terms favourable to us, or at all.

5. We are dependent on third party developers for development and frequent updates of mobile games for our Freemium Business.

We engage third party developers for development and frequent updates of mobile games for our Freemium Business, by including licensed intellectual property in our mobile games. The term of our agreements with third-party developers typically ranges from four years to five years, renewable upon both parties' consent. Additionally, our reliance on external developers may expose us to the following risks:

- continuing strong demand for top-tier developers' resources, combined with the recognition they receive in connection with their work, may cause developers who worked for us in the past either to work for a competitor in the future or to renegotiate agreements with us on terms less favourable to us;

- limited financial resources and business expertise and inability to retain skilled personnel may force developers out of business prior to completing products; and

- a competitor may acquire the businesses of key developers or sign them to exclusive development arrangements and, in either case, we would not be able to continue to engage such developers' services for our products, except for any period of time for which those developers are contractually obligated to complete development for us.

The third-party developers engaged by us may terminate our agreements prior to their expiration, or they may refuse to renew the agreements on terms favourable to us, or at all. Further, in certain circumstances, the actions of third-party developers which are beyond our control could materially and adversely affect the success of our mobile games offerings, which may have an adverse impact on our business condition, results of operations and cash flows.

6. The operation of our esports business is dependent on various third parties.

Our esports business is operated by our recently acquired Subsidiary, Nodwin Gaming. As a part of its esports operations, Nodwin Gaming manages online and offline gaming leagues and cups across different games such as 'Counter Strike: Global Offensive' and 'DOTA 2', with participation from Indian and international teams. While nearly all the preliminary rounds of the esports tournaments organised by Nodwin Gaming are held online, with participants playing from their individual computers, the latter stages are held at large offline events which attracts live audiences.

For the esports business, Nodwin Gaming has entered into an arrangement with a well-known global gaming publisher, since the last three years, and an exclusive partnership with ESL, the biggest esports organizer in the world *(Source: Frost & Sullivan Report*). Pursuant to the arrangements, such third parties have the right to unilaterally terminate the agreement, in accordance with the terms of the arrangement. Further, Nodwin Gaming has obtained an exclusive, non-assignable and non-transferable license for a term of five years from ESL to use the ESL system and ESL community and management platform for setting up and operating the ESL tournament in India. In the event that any of these agreements are terminated, the business operations of Nodwin Gaming would be adversely impacted, and any inability of Nodwin Gaming to procure a replacement for such arrangement may result in a material adverse effect on the results of operations and cash flows of Nodwin Gaming. Nodwin Gaming has also been organising the Indian national qualifying rounds of a popular esports Convention, the agreement for which is renewed on an annual basis. However, we cannot assure you that Nodwin Gaming will be able to renew the agreement each year on favourable terms or at all.

Nodwin Gaming also utilises 'Toornament', a publicly available technology platform for hosting its gaming tournaments. In the event that owing to any change in technology, or terms of use of 'Toornament', Nodwin Gaming is unable to host its gaming tournaments on the platform, the business operations and financial position of Nodwin Gaming maybe adversely impacted. Additionally, Nodwin Gaming organises tournaments where gamers assemble and play games online, for which arrangements based on purchase orders and invoices are entered into with, *inter alia*, venue owners, vendors for equipment and human resource agencies. In the event that any such third parties breach any terms of the arrangement, in the absence of a formal agreement, Nodwin Gaming may not be able to seek a contractual remedy through legal proceedings. Any breach by such third parties may result in an adverse impact on the results of operations, cash flows and brand value of Nodwin Gaming.

Nodwin Gaming also relies on sponsorship revenues from brands for many of its esports events. In case of a decline in the overall economic environment that results in an adverse impact on the branding spends of corporates, the prize money offered by Nodwin Gaming maybe adversely impacted, thereby impacting its brand value and popularity.

Nodwin Gaming also executes annual, event specific agreements with sponsors and licensees for the right to use certain brands in relation to its esports tournaments. Certain of these agreements are pending renewal and maybe renewed in due course. In the absence of any long term agreements, in the event that Nodwin Gaming is unable to continue such arrangements with such third parties, the business operations of Nodwin Gaming would be adversely impacted. Further, Nodwin Gaming does not have limited liability under its arrangements with third parties. In the event that any alleged breach by such third parties results in the levy of a large amount of penalty or damages, the results of operations and cash flows of Nodwin Gaming maybe adversely impacted. Any adverse impact on Nodwin Gaming, owing to the foregoing reasons may have an unfavourable impact on the reputation, financial position and the results of operations and cash flows of our Company.

7. We may be unable to cater to the evolving consumer preferences in the mobile games industry.

Consumer preferences for mobile games are usually cyclical and difficult to predict, and even successful titles remain popular for only limited periods of time, unless refreshed with new content or otherwise enhanced. In order to remain competitive, we must continuously aggregate new mobile games for our Subscription Business or introduce enhancements to our existing freemium mobile games. If our future mobile games do not achieve expected consumer acceptance or generate sufficient revenues upon their introduction, we may not be able to recover the licensing and marketing costs associated with such games. While we rely on data analytics in determining consumer preferences and trends, there is no assurance that the data analytics will be accurate or reliable, or whether we would be able to accurately predict and aggregate future mobile games offerings which will be suited to the changing consumer preferences. In addition, cultural differences may affect consumer preferences and limit the international popularity of our mobile games that are popular in India or require us to modify the content of the mobile games to be successful. Our business and results of operations and cash flows could be negatively impacted if we do not correctly assess consumer preferences in the countries in which our mobile games are available.

8. We may not be able to successfully integrate the new cricket mobile offerings and esports business with our existing business operations.

We have recently acquired two companies which have augmented our cricket mobile games and added the esports business to our network of offerings, respectively. Pursuant to the investment agreement dated January 2, 2018, our Company has acquired 54.99% of the shareholding of Nodwin Gaming and pursuant to the investment agreement dated December 12, 2017, our Company has acquired 52.38% of the shareholding of Next Wave. For details of the agreements executed in relation to the acquisitions, see "*History and Certain Corporate Matter*" on page 156.

Our foray into the esports business is very recent, and we have limited experience in the esports business. Further, the esports business is currently in a nascent stage in India. As a result, there is no assurance that we will be successful in operating and integrating the esports business and be able to generate returns, as we have been in the Subscription Business, the Freemium Business, or at all. Our inability to establish ourselves in the esports business, a decline in the esports business or the reduced profitability of the esports business may have an impact on our business condition, results of operations and cash flows. Further, we cannot assure you that there will not be an increase in the attrition of management personnel, employees or consultants in our acquired companies post our acquisition. In the event that any key employees of Next Wave or Nodwin Gaming resign, the operations of the companies may be adversely impacted, thereby adversely impacting the results of operations and cash flows. Further, we may also be unsuccessful in integrating the new cricket mobile offerings of Next Wave with our existing Freemium Business, thereby adversely impacting our results of operations and cash flows.

While our Company has executed investments agreements with the founders of Next Wave and Nodwin Gaming, which, *inter alia*, provide for the right of our Company to appoint majority of directors on the board of the companies, transfer restrictions on the founders, affirmative vote matters for key decisions in relation to the companies, non-compete provisions in relation to the founders, remedies in case of a breach of the agreements, and the provisions for further purchase of shares in the companies by our Company, we cannot assure you that we will be successful in implementing such rights. In the event of a dispute or breach of such agreements by any of the parties, the financial condition, operations results of operations and cash flows of the companies may be adversely impacted, thereby resulting in a material adverse effect on our results of operation, cash flows and financial position.

Further, while we intend to create a network of synergistic companies within our existing corporate structure, and continuously find companies which have shown positive results in esports in emerging markets and offline gaming in emerging technologies like virtual reality and augmented reality, companies who have been successful in relation to in-app purchases and have a strong portfolio of games and other synergistic companies in allied areas such as advertisement monetisation and real money gaming platforms, we cannot assure you that we will be able to successfully integrate such companies efficiently in our business. In order to finance such acquisitions, we may obtain loans or financing facilities, which may contain restrictive covenants and which may impact our results of operations and cash flows.

9. We are a company with global operations, and are subject to the risks and uncertainties of conducting business outside India.

We conduct our business across emerging markets such as India, Middle East, Africa, South East Asia and Latin America, and derive a substantial amount of our revenues and profits from international sales, particularly from Africa and South East Asia. During the Financial Year 2017, and during the six month ended September 30, 2017, our international operations contributed 65.91% and 79.13%, respectively to the revenue of our Company. The markets in which we operate are diverse and fragmented, with varying levels of economic and infrastructure development and distinct legal and regulatory systems, and do not operate seamlessly across borders as a single or common market. We may require considerable management attention and resources for managing our growing business across these emerging markets.

Going forward, we anticipate that international sales will continue to account for a significant portion of our total revenues and profits and moreover, that sales in emerging markets in Asia, Africa and elsewhere will be an increasingly important part of our international sales. Further, we plan to continue the expansion of our game offerings to various other jurisdictions, where we have limited or no experience in marketing, developing and deploying our games. Therefore, we may be subject to risks inherent in doing business in countries other than India, including:

- challenges caused by distance, language and cultural differences;
- providing content and services that appeal to the tastes and preferences of users in multiple markets;
- protectionist laws and business practices;
- complex local tax regimes;
- higher costs associated with doing business in multiple markets;
- risks related to the legal and regulatory environment in non-Indian jurisdictions, including with respect to privacy and data, or in relation to taxation or repatriation of our revenues or profits from foreign jurisdictions to India;
- security, and unexpected changes in laws, regulatory requirements and enforcement;
- burdens of complying with a variety of foreign laws in multiple jurisdictions;
- potential damage to our brand and reputation due to compliance with local laws, including requirements to provide player information to local authorities;
- fluctuations in currency exchange rates;
- political, social or economic instability;
- the potential need to recruit and work through local partners;
- reduced protection for or increased violation of intellectual property rights in some countries;
- difficulties in managing global operations and legal compliance costs associated with multiple international locations;
- natural disasters, including earthquakes, tsunamis and floods;
- inadequate local infrastructure; and
- exposure to local banking, currency control and other financial-related risks.

Further, a number of agreements executed by our Company and by our Subsidiaries, are governed by laws other than Indian law. We cannot assure you that in the event of a dispute under such agreements, we will be able to successfully defend our position, and any adverse decision may adversely impact our financial position, results of operations and cash flows. If we are unable to manage our global operations successfully, our financial results could be adversely affected, which may impact profit margins or make it increasingly difficult for us to conduct business in foreign markets.

10. Our business is subject to a variety of laws worldwide, many of which are untested and still developing and which could subject us to further regulation, claims or otherwise harm our business.

We are subject to a variety of laws across the geographies in which we operate, including laws regarding consumer protection (including with respect to the use of email, telephonic, text messaging and other forms of electronic marketing), intellectual property, virtual items and currency, export and national security, all of which are continuously evolving and developing. The scope and interpretation of the laws that are or may be applicable to us are often uncertain and may be conflicting, particularly laws outside India. It is also likely that as our business grows and evolves and our games are played in a greater number of countries, we will become subject to laws and regulations in additional jurisdictions. If we are not able to comply with these laws or regulations or if we become liable under these laws or regulations, we could be directly harmed, and we may be forced to implement new measures to reduce our exposure to this liability. This may require us to expend substantial resources or to modify our games, which would increase our legal compliance cost, harm our business, financial condition, results of operations and cash flows. In addition, the increased attention focused upon liability issues as a result of legal proceedings could harm our reputation or otherwise impact the growth of our business. Any costs incurred as a result of this potential liability could harm our business and operating results.

It is possible that a number of laws and regulations may be adopted in India or the emerging markets, that could restrict the online and mobile industries, including player privacy, advertising, taxation, gaming, copyright, distribution and antitrust. Furthermore, the growth and development of electronic commerce and virtual items and currency may prompt calls for more stringent consumer protection laws that may impose additional burdens on or limitations on operations of companies such as ours conducting business through the internet and mobile devices. We anticipate that scrutiny and regulation of our industry may increase, and we will be required to devote legal and other resources to addressing such regulation. For instance, based on any amendment, clarification or interpretation taken by the Government or regulatory authorities in future, which may result in the classification of any of our existing or future games, may expose us to restrictions under the foreign exchange laws and/or penalties or statutory or regulatory action and/or we maybe required to cease offering or scale back such games. Further, given that a significant portion of our business operations are operated overseas, any change in law, clarification or interpretation adopted by the judicial, regulatory or statutory authorities in relation to identification of the place of effective management under the applicable tax legislations in India could adversely impact the tax benefits available to our Company and its Subsidiaries, which may result in an adverse impact on our results of operations and cash flows. Changes in current laws or regulations or the imposition of new laws and regulations in India or the emerging markets may reduce the growth of our business operations and hamper our business operations.

11. We may not be successful in exercising control over the content appearing in our games.

Owing to the availability of our mobile games on third party platforms, we have limited control on the access of our content across demographics and geographies. There can be no assurance that one or more of our offerings may not be subject to adverse consumer perceptions or sentiments. Further, we advertise our Subscription Business through various advertisement networks. Further, we include advertisements in our freemium game offerings. We have limited control over the operations of such advertisement networks, and on the advertisements being displayed while users are engaging with our mobile games offerings, and there can be no assurance that all advertisements displayed during mobile games will be age appropriate or that no advertisement may result in adverse consumer perceptions or sentiments. Any negative perception or sentiment towards our mobile games offerings may result in a decrease in the subscription and distribution of our games, which may have an adverse impact on our business, financial condition, results of operations and cash flows. Further, our arrangements with telecom operators include provisions which require us to monitor the content being provided to our subscribers. In the event that there is a breach of such term of our agreements with telecom operators, our agreement maybe terminated, thereby adversely impacting our business operations, cash flows and financial position.

12. Any security breaches and attacks against the telecom operators or platforms utilised by us for the distribution of our mobile games may have an impact on our business, results of operations and cash flows.

Our business generates and processes a large amount of data, and the improper use or disclosure of such data could harm our reputation. Both our Subscription Business and our Freemium Business are distributed through third party channels including telecom operators, app stores (Google PlayStore, App Store), etc., which may be subject to security breaches, cyber-attacks, viruses, malicious software, break-ins, phishing attacks or other attacks. We have no control over the security measures put in place by such third party channels to prevent such breaches and attacks or their actions in this respect. Breaches of cyber-security measures could result in misappropriation of information or data, deletion or modification of user information, or a denial-of-service or other interruption to our business operations. Further, the platforms through which we distribute our mobile games may contain errors or "bugs" that are not detected until after the games are published. Any such errors could impact the overall user experience, which could cause users to reduce their time or interest in our mobile games offerings or not recommend our content to other prospective users.

As a part of our Subscription Business, the telecom operators collect the revenues for our games, which are transferred to us periodically. In the event of any cyber-attack or fraud in payment for subscription services, which impacts the revenues of the telecom operators, the revenue transferred to us may be significantly reduced. Further, in our Freemium Business, payments are made to us by payment processing agents on an accrued, monthly basis, and any cyber-attacks on the systems of Google Play Store or App Store may impact their ability to make payments due to us. There can be no assurance that the third party channels and service providers shall not be subject to a cyber-attack in the future, or that they have adequate security measures in place to mitigate the impact of such an attack. Any security breach or cyber-attack on us or on the third party channels and service providers may have an adverse impact on our cash flows and results of operations.

13. Our inability to license intellectual property may adversely impact the growth of our Freemium Business.

We license a substantial majority of the intellectual property incorporated in our mobile games offerings in our Freemium Business, including some of our most popular mobile games, from third parties. For Financial Year 2016 and 2017, and in the six month ended September 30, 2017, our Freemium Business had a revenue from advertising services of ₹29.53 million, ₹39.83 million and ₹31.23 million, respectively. While the intellectual properties and brands selected by us for licensing is based on our judgement of current and future user preferences and data analytics, there can be no assurance that the mobile games selected by us and offered to users will be successful or profitable.

Further, our agreements with licensors may typically include terms which are not favourable to us, including, *inter alia*:

- a revocable, non-exclusive, non-transferable, non-assignable and limited license to use the licensed work during the license period;
- the requirement to obtain the prior consent of the licensor for using or permitting any third party to use the licensed work for any sale and retail promotion of the mobile games offerings;
- the licensor having the unilateral right to terminate the licensing agreement without citing any reason or any liability whatsoever; and
- continuation of our liability to pay all pending royalties to the licensor until the commercial exploitation of the licensed works, even post the expiry or termination of the licensing agreement.

We must maintain good relationships with our licensors to ensure the continued smooth operation of our licensed intellectual properties and brands. Our licenses may be terminated upon the occurrence of certain events, such as a material breach by us. While the licenses for the intellectual properties and brands generally are for a term that covers the life of the game, we may want to extend a license upon its expiration but may not be able to do so on terms acceptable to us or at all. Our ability to continue to license such intellectual property and to maintain good relationships with our licensors may also affect our ability to license other intellectual properties from the same licensors.

14. We may be unable to maintain or enter into arrangements in respect of intellectual property owned by others used in our mobile games and promotional materials, or to maintain or enter into arrangements for the rights to publish or distribute games developed by others.

Many of our mobile games offerings are based on or incorporate intellectual property owned by others. For instance, our Company has licensed popular children's brands such as Chhota Bheem, Motupatlu, Shikari Shambhu, Suppandi and Mighty Raju, and cricket brands such as Royal Challengers Bangalore, for developing and publishing freemium mobile games. We face intense competition for such licenses and rights. If we are unable to maintain such licenses and rights in terms favourable to us or at all or obtain additional licenses or rights with significant commercial value, our ability to develop and popular and contemporary mobile games may be adversely affected and our revenue, profitability and cash flows may decline significantly. While we are required to pay to the licensor a recoupable fixed licensing fee, payable at milestones specified in the agreement, and a share in the revenues generated from the games developed using the licensed intellectual property, competition for such licenses may also increase the amounts that we have pay to licensors and developers, which could significantly increase our costs and reduce our profitability.

Further, some of our arrangements for licensing intellectual property are non-exclusive arrangements. Accordingly, the licensors of the intellectual property may execute similar agreements with other game developers or for other entertainment services based on the intellectual property licensed by us. Any such agreements may significantly impact the popularity and recall value of our games, thereby impacting our returns from operations and cash flows. Further, we cannot assure you that the intellectual property licensed by us will continue to remain popular or will continue to generate returns for us. Any adverse actions or news about the celebrities or brands incorporated in our games may significantly adversely impact the brand value of our games and that of our Company. Any of such events may have an adverse impact on our profitability, results of operations and cash flows.

15. Any third party claims in relation to infringement of intellectual property rights could materially adversely affect our business, reputation, financial condition, results of operations and cash flows.

We may receive claims that we have infringed the intellectual property rights of third parties in relation to our games. Any such claim could result in expensive litigation and distract our management from day-to-day operations. Any claims or litigation over the games that we have acquired or intellectual property that we have licensed, whether justified or not, could be time-consuming and costly, harm our reputation, require us to modify or discontinue our mobile games, pay monetary amounts as damages or enter into royalty or licensing arrangements. Any royalty or licensing arrangements that we may seek in such circumstances may not be available to us on commercially favourable terms or at all. Although we have indemnity provisions against the developers from whom we acquire games or license intellectual property, the indemnity cover may not be sufficient or may not be accepted by a court of law.

We enter into confidentiality and assignment agreements with our employees and co-developers and confidentiality agreements with parties with whom we conduct business in order to confirm our ownership of intellectual property and to limit access to, and disclosure and use of, our proprietary information. However, these contractual arrangements and the other steps we have taken to protect our intellectual property may not prevent the misappropriation of our proprietary information or deter independent development of similar games by others. Further, our corporate structure includes several different subsidiaries in many countries, which increases our burden with respect to policing our employees' compliance with their confidentiality obligations. Finally, in some instances we may be required to obtain licenses to intellectual property in lieu of ownership. Such licenses may be limited in scope and require us to renegotiate on a frequent basis for additional use rights. Moreover, to the extent we only have a license to any intellectual property used in any of our games, there may be no guarantee of continued access to such intellectual property, including on commercially reasonable terms.

Further, any unauthorised use of our gaming content or licensed intellectual property by any third party may dilute the value of the intellectual property in such games for our Company. Further, in the event that any of our co-development partners infringe our licensed rights in any intellectual property, we may be held in breach of our licensing agreement and/or may face infringement action from the licensors. Any legal action or litigation initiated by our Company for enforcement of its rights in such intellectual property may be time consuming and costly. Any of the foregoing could have a material adverse effect on our business prospects, financial condition, results of operations and cash flows, and result in disruptions to our business. We will not be able to protect our intellectual property if we are unable to enforce our rights or if we do not detect unauthorized use of our intellectual property.

16. Our business is intensely competitive and our mobile games may not be commercially successful or our users may prefer our competitors' products to our own.

Our competitors range from established entertainment companies to emerging start-ups, and we expect new competitors to continue to emerge. If our competitors develop and market more successful mobile games offerings or offer similar mobile games offerings as us but at lower prices, it will have a material adverse impact on our revenue, margins, and profitability. Further, there are many factors that could adversely affect the popularity of our mobile games, including, *inter alia*:

- our ability to anticipate and adapt to future technology trends and new business models in the industry;
- our ability to promote our mobile games offerings effectively; and
- our ability to differentiate our mobile games offerings from those offered by our competitors.

Our existing mobile games could cease to be popular for a variety of reasons including changes in consumer preferences. For instance, mobile cricket games which constitute a significant portion of our freemium mobile games may become unpopular amongst the Indian population, which may have a significant adverse impact on our returns from operations. Additionally, some of our mobile games require significant time before such games become popular. Accordingly, the rise in popularity of some mobile games can be slow and there may be significant time involved before we begin to realize the benefits of such offering. In the event that a mobile game that we anticipate to become popular fails to do so, we may not be able to realize such failure until several months after the mobile game has been released. If our existing mobile games offerings cease to remain popular or in the event that we are unable to introduce contemporary, popular mobile games or our new mobile games offerings fail to gain popularity, our business, results of operation and cash flows could be materially and adversely affected.

17. Our revenues and profitability are directly linked to the exploitation and growth of our network of games. Any failure to source games could adversely affect our profitability and business growth.

We earn revenues by exploiting games that we distribute through our Subscription Business, and customizing freemium games using local intellectual property and brands. Acquisition of games and popular intellectual property is an integral part of our business. Our ability to successfully acquire such content depends on our ability to maintain existing relationships and form new ones, within the gaming ecosystem. We believe that maintaining existing relationships is key to enabling us to continue to secure such content and to exploit such content in the future. While we have benefited from long-standing relationships with telecom operators and established relationships with content aggregators and third-party developers in the past, there can be no assurance that we will be able to successfully maintain these relationships and continue to have access to content through such means. If any such relationship were to be adversely affected, or we are unable to form new relationships or renew these arrangements in a timely manner or at all, or our access to content otherwise deteriorates, or if any party fails to perform under its agreements or arrangements with us, it could have a material adverse effect on our business prospects, financial condition, results of operations and cash flows.

18. Our esports business is seasonal in nature, since a significant number of the events between June to December. Concentration of the tournaments in one half of the calendar year may have an adverse impact on the results of operation and cash flows in the first half of the calendar year.

Our esports business which is operated through our Subsidiary, Nodwin Gaming, is seasonal in nature since a significant number of the events organised by Nodwin Gaming are held between June to December, each calendar year. Owing to the concentration of most of the tournaments of Nodwin Gaming during one half of each calendar year, its results of operations and cash flows in the first half of the calendar year maybe adversely impacted, which may in turn have a negative impact on the results of operations, cash flows financial position of our Company.

19. Nodwin Gaming derives a significant portion of its revenue from a few customers, most of whom do not have long term contractual arrangements with it.

Nodwin Gaming is dependent on a limited number of customers for a significant portion of our revenues. Further, Nodwin Gaming does not have long-term contractual arrangements with most of its significant customers and conducts business with them on the basis of annual agreement or purchase orders that are placed from time to time.

The loss of one or more of the significant customers or a reduction in the amount of business Nodwin Gaming obtains from them could have an adverse effect on its business, results of operations, financial condition and cash flows. The reliance of Nodwin Gaming on a select group of customers may also constrain its ability to negotiate arrangements, which may have an impact on our profit margins and financial performance, and thereby an adverse impact on the cash flows and results of operations of our Company. We cannot assure you that Nodwin Gaming will be able to maintain historic levels of business from our significant customers, or that it will be able to significantly reduce customer concentration in the future.

20. We may not be able to maintain or increase the size of our customer base or the level of engagement of our customer.

We believe that the size and engagement level of our customer base has been critical to our success. Our business and financial performance will continue to be impacted by our ability to add, retain and engage active customers. There can be no assurance that our mobile games will continue to sustain their current level of popularity on account of one or more of the following reasons:

- our inability to maintain the quality of our existing content and offerings;
- our inability to aggregate and distribute innovative, new and competitive content;
- our failure to adapt to changes in customer preferences, market trends or advancements in technology;
- technical or other problems which may prevent us from delivering our content or services in a timely and reliable manner or otherwise affect the customer experience;
- customer concerns relating to privacy, safety, security and other factors;
- our new mobile games causing our customers to shift from our existing mobile games without growing the overall size of our customer base; or
- our failure to maintain the brand image of our platforms or our reputation.

There can be no assurance that our efforts to avoid or address any of the reasons listed above will be successful. Further, such efforts could require us to incur substantial expenditure to modify or adapt our content and mobile games offerings. If we fail to retain or continue growing our customer base, or if our customers reduce their engagement with our platforms, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

21. Our business may be adversely affected due to breaches of security measures.

We collect and store customer data as we conduct our business on mobile handsets. We rely on proprietary encryption and authentication technology to provide the security and authentication necessary to effect secure transmission of confidential customer information, such as customer names and passwords. Our security controls over customer data may not prevent the improper disclosure of confidential information. A security breach that leads to disclosure of customer information (including mobile numbers or other personal information) could harm our reputation and we may face liability under applicable laws. If our reputation is adversely affected, we may lose customers because of the perception that we cannot adequately protect customer information. We may be required to invest significant time and resources including financial resources to prevent such security breaches or to mitigate problems caused by such breaches.

Further, our business may be harmed by concerns over playing games on mobile phones. Malware could subscribe to the paid services without the consumer’s consent resulting in fraudulent charges to consumers. Such concerns over the security and privacy may affect the internet industry generally, and our mobile games in particular. There can be no assurance that we will be able to develop security measures that will prevent such security breaches, or have any degree of control over security breaches targeting specific types of mobile devices. Failure to prevent security breaches or address consumers’ concerns over such issues may have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

22. Cheating programs or guides could affect the player experience and may lead players to stop purchasing virtual items.

Unrelated third parties may develop "cheating" programs or guides that enable players to advance in our games, which could reduce the demand for virtual items, which upon purchase, enable players to progress in the game. In addition, unrelated third parties could attempt to scam our gamers with fake offers for virtual items. In addition, vulnerabilities in the design of our applications and of the platforms upon which they run could be discovered after their release, which may result in lost revenue opportunities. This may lead to lost revenue from paying gamers or increased cost of developing technological measures to respond to these, either of which could harm our business.

23. We may fail to anticipate or successfully implement new technologies and it could render our mobile games uncompetitive, and materially and adversely affect our business, results of operations and cash flows.

There is rapid technology change in the mobile games industry, which requires us to anticipate well in advance, the technologies we should develop and implement to make our mobile games competitive in the market. For instance, during the last few years, virtual reality and augmented reality have emerged as new games platforms which have experienced significant popularity and growth. In order to ensure that our games are at par with the latest technological developments, we may be required to invest financial resources in research and development. However, there is no assurance that we will be able to commit financial resources towards research and development in the future. As a result, we may not be able to counter or keep up with improvements in technologies in an efficient and cost-effective manner, or at all. Further, we may encounter difficulties in incorporating technological development our mobile games and as a result may be unable to monetize the development results. New technologies could render the technologies and mobile games that we are aggregating and developing commercially unviable. Further, our mobile games may contain errors or flaws that may become apparent only after the updated applications are accessed by mobile users. If such programming errors or flaws are not resolved in a timely manner, we may lose some of our consumers and the reputation of our mobile games may get impacted. Any or all of the above factors could cause a decline in our revenues and materially and adversely affect our business, results of operations and cash flows.

24. The distribution of our games may not generate adequate revenues to recover associated costs. This could impact our growth plans and may adversely impact our profitability.

Currently, we distribute our games through our Subscription Business in partnership with telecom operators and our freemium games in partnership with app stores. In our Subscription Business, our content is offered as a bundled offering by our telecom partners, and subscribers of our telecom partners pay for our subscription offering through their wallets maintained with such telecom partners. In the event that the telecom partners stop providing such wallet services, our Subscription Business may be adversely impacted thereby affecting our results of operations and cash flows. In app purchases in our freemium games are made through use of credit cards by gamers on the app stores. In the event that the popularity of credit cards for online transactions does not increase, there may not be adequate growth in our in app purchases and our results of operations and cash flows maybe adversely impacted.

We acquire games for our Subscription Business and intellectual property for our Freemium Business based on our management estimates driven by our data analytics capabilities. However, the actual performance of such content acquired by us may vary from estimates for factors which may be beyond our control. For certain of our games we may not be able to generate adequate or expected revenues to recover the costs associated with such contents. Further, we cannot give any assurance that all future contents would generate sufficient revenues to recover their cost involved. The aforementioned risks could adversely impact our profitability which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

25. Intensified competition may result in escalation of the cost of acquisition of games for our Subscription Business and intellectual property for our freemium games, which may restrict our ability to access such content at favourable terms or at all. Any escalation in content acquisition cost as a result of such competition could result in us losing out on opportunities to acquire content, or, could impact the profitability of the content so acquired, which would adversely affect our growth and profitability.

Our Company faces competition from both new as well as existing players in the gaming industry, including game developers and publishers. Further, our recently acquired esports business is dependent on licensing popular multi-gamer games, for generating interest amount hardcore gamers. In the event that a new esports game is developed for which we are unable to procure the licensing rights, or if such license is acquired at unfavorable terms, the results of our esports business maybe adversely affected.

There can be no assurance that the costs of such content acquisition will not continue to increase in the future, making it more difficult for us to access content cost-effectively. Further, the prices of commercially compelling content could rise disproportionately. This could reduce our ability to sustain profit margins, which could have a material adverse effect on our business prospects, financial condition, cash flows and results of operations. Further, in the event that our Company is required to pass the increase in content cost to the gamers, to maintain profitability, the demand for our subscription services or in app revenues may be adversely affected, which in turn would adversely impact our results of operations and cash flows.

26. Our business operations maybe impacted by increase in competition with other forms of online entertainment.

Mobile gaming forms a segment of the overall online entertainment market, and our network of games competes with other forms of online entertainment such as online subscription services for films and television shows, online video and music content and online content of magazines and journals. We cannot assure that we will be able to efficiently compete with other forms of online entertainment to maintain or improve our market shares in online entertainment. Our inability to effectively and successfully compete with other forms of online entertainment may adversely impact our cash flows, results of operations and profitability.

27. We may not be successful in effectively acquiring customers and promoting or developing our games and our brands.

Customer acquisition in our Subscription Business is primarily driven by our arrangements with global and local advertisement networks and strategic partnerships with telecom operators. Subscribers access our subscription portal by clicking on our advertisement banners, and are directed to the payment gateways of our telecom partners. The success of our Subscription Business depends in part on our ability to acquire and retain subscribers. Our inability to collaborate with advertisement networks which enable us to successfully acquire customers would adversely impact our results of operations, cash flows and operating profit.

Our Freemium Business is operated in collaboration with leading app stores, such as Google Play Store and App Store, which provides us access to a large number of gamers. Customer acquisition and popularity of our freemium games is driven by the organic pull of the licensed intellectual property which is incorporated in our freemium games. Our inability to maintain our arrangements with leading app stores, or our inability to license popular intellectual property would adversely impact our results of operations and cash flows.

Our esports business is marketed through presence on social media portals, such as Facebook and Twitter. Our inability to maintain our popularity on such portals or any negative publicity may adversely impact our brand value and customer perception, thereby adversely impacting our results of operations and cash flows.

There can be no assurance that we will be able to effectively promote or develop our games and brands and our business, results of operation and cash flows may be materially and adversely affected. Many factors, some of which are beyond our control, are important to maintaining and enhancing our brands, including maintaining or improving customer satisfaction and increasing brand awareness through brand building initiatives. In particular, if any of the offerings which we launch from time to time do not meet standards for quality and performance or customers' subjective expectations, our brand reputation and customer retention may be impacted. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our mobile games, or the quality of our mobile games declines, our business, financial condition and cash flows, results of operations may be adversely affected.

28. Our strategy of acquiring complementary businesses, assets and technologies may result in operating difficulties and other adverse consequences.

As part of our business strategy, we intend to continue to selectively acquire and invest in, businesses, assets and technologies that complement our existing business, including game developers, game publishers, advertisement networks, offline gaming companies and real money gaming companies present anywhere in the world. We have also recently acquired two companies to enable us to further expand our cricket mobile offerings in our business and add the esports business to our network of games. For further details see, "*Our Business*" on page 134. Acquisitions and investments typically involve uncertainties and risks, including:

- accurately evaluating potential acquisition targets and identifying acquisition targets with operations complementary to our existing operations;

- potential ongoing financial obligations and unforeseen or hidden liabilities;

- retaining key employees and maintaining the key business relationships with consumers of the businesses we acquire;

- failure to achieve the intended objectives, benefits or revenue enhancement;

- the costs of integrating an acquired business with our existing business;

- the possibility that, before the acquisition or investment, we will not discover important facts during due diligence that could have a material adverse impact on the value of the businesses we acquire or invest in; and

- diversion of resources and management attention.

Our failure to address these or other risks successfully may have a material adverse effect on our financial condition, results of operations and cash flows. In addition, any such acquisition or investment may require a significant amount of capital investment, which would decrease the amount of cash available for working capital or capital expenditures. If we borrow funds to finance acquisitions, such debt instruments may contain restrictive covenants that could, among other things, restrict us from distributing dividends. In addition, our acquisition led strategy may adversely impact our return on capital employed in future.

Further, we may be unable to successfully integrate our recent acquisitions with our business which may negatively impact our financial position and may also divert the time and attention of our management team from our core operations to integration of the recently acquired businesses. Further, the esports business is a new segment in online entertainment in India, and we cannot assure you that the esports will grow as per projected estimates and generate returns for our Company. In the event that the esports business is unsuccessful in India, our results of operations, cash flows and financial position maybe adversely affected.

29. Any fluctuations in foreign exchange rates may have an impact on our profits generated from emerging markets.

We transact business in various currencies other than the Indian rupee and have significant international sales and expenses denominated in currencies other than the U.S. dollar, which subjects us to currency exchange risks. As of Financial Year 2017, 59.32% of our revenues were derived from international sales. Further, 46.15% of our overall expenditure as of Financial Year 2017 was in foreign currency. A substantial portion of our international sales and expenses are denominated in local currencies such as Nigerian Naira and Kenyan Shilling and emerging market currencies such as Indonesian Rupiah, Bangladesh Taka and Sri Lankan Rupee, which could fluctuate against the Indian rupee. Since we have significant international sales, any fluctuations in the foreign currency exchange rates may have an asymmetric and disproportional impact on our profits, results of operations and cash flows. Presently, we have not entered into any hedging arrangements to account for any adverse changes to the foreign currency exchange rate, and there can be no assurance that in the absence of such arrangements, any changes in the foreign exchange rates in the future will not have an impact on our business condition and profitability.

30. The growth of the free-to-play games segment, or the introduction of competing free-to-play games, may adversely impact the growth of our subscription as well as monetisation of Freemium Business.

We are dependent on our ability to customize, enhance and monetize free-to-play games in our Freemium Business, which exposes us to the risks of the free-to-play business. In the event that we are unable to continue to offer freemium games that encourage users to make in-app purchases or fail to offer monetization features that appeal to users, our Freemium Business may be negatively impacted. Further, on account of the relatively low entry barriers to developing mobile or online free-to-play games, we expect new competitors to enter the market and existing competitors to allocate more resources to developing and marketing competing games and applications. Our licensing arrangements in relation to our freemium games are non-exclusive, and there can be no assurance that our competitors or other third party developers may not develop similar mobile games. Any mobile games which are similar to our mobile games, and are customised and marketed in a similar manner, may have an impact on our business condition, results of operations and cash flows. As a result, we may not be able to expand our Freemium Business in a successful manner, or as anticipated by us.

Risks relating to our Company

31. A significant amount of the revenue of our Company is contributed through our Subsidiaries. Therefore our ability to pay dividends on the Equity Shares depend on our ability to obtain cash dividends and/or repatriate cash payments from our Subsidiaries.

A significant amount of the revenue of our Company is contributed through our Subsidiaries, a majority of which are incorporated in countries other than India. For the Financial Year 2017, our key Subsidiaries, Nazara Technologies FZ LLC, Nzmobile Kenya Limited, and Nazara Pte Ltd contributed 18.14%, 16.39% and 9.40%, respectively of the revenue of our Company.

The ability of our Subsidiaries to generate returns and pay dividends depends on the success of their business operations, financial condition and applicable laws in the jurisdictions where they are incorporated. Further, the ability of our Company to receive cash dividend and/or cash payments are also dependent on, *inter alia*, Indian and foreign taxation laws and foreign exchange laws. In addition, our Subsidiaries maybe restricted from giving us dividends by contracts, including financing arrangements and charter provisions.

We may not be able to monetize our investments in the Subsidiaries and may not derive fair value from our investments. Therefore, eventually we may not be able to derive any investment income from the Subsidiaries. Further, we cannot assure you that our Subsidiaries will generate sufficient profits and cash flows, or otherwise will be able to pay dividends or other cash payments to our Company. The inability of one or more of these entities to generate profits, pay dividends and/or cash payments could have a material adverse impact on our cash flows and results of operations.

32. There have been certain instances of non-compliances with respect to certain regulatory filings for corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties for any such non-compliance and our business, financial condition and reputation may be adversely affected.

There have been certain instance of lapses such as delays, non-filing and factual errors in our corporate records, in relation to certain corporate actions taken by our Company in the past. Further, certain corporate records of our Company are not traceable. This may subject us to regulatory actions and/or penalties which may adversely affect our business, financial condition and reputation. For instance, there have been the following instances of delays and non-compliances in relation to regulatory filings:

- In relation to allotments made by the Company on September 5, 2000 and May 11, 2007, Form 2's filed with the RoC are not traceable. Our Company has filed the relevant Form 2 i.e, Form PAS-3, under the Companies Act, 2013, on December 22, 2017, with a delay of 6,316 and 3,877 days, respectively, and our Managing Director, Vikash Mittersain has filed a compounding application dated December 29, 2017 for the said delay with the Registrar of Companies. For details see "*Outstanding Litigation and Material Developments*" on page 429;

- While our Company has received the certificate of incorporation for change of name from Nazara.com Private Limited to Nazara Technologies Private Limited, the Form 23 that was filed with respect to the change in the MoA to reflect the new name of the Company is not traceable;

- While our Company has received the certificate of incorporation for change of name from Nazara.com Private Limited to Nazara Technologies Private Limited, the forms filed before the RoC with respect to the change of name from Nazara.Com Private Limited to Nazara Technologies Private Limited including Form 1A are not traceable;

- In relation to allotments made by the Company on September 5, 2000 and July 6, 2005, Form FC – GPRs are not traceable, and therefore there can be no assurance that such forms were filed within the prescribed timelines, in the prescribed formats or at all;

- The Form 2's filed with RoC in relation to allotment of Equity Shares on April 10, 2000, July 6, 2005 and September 28, 2005 had erroneously recorded that all Equity Shares were issued at par whereas the Equity Shares were issued at a premium.

There can be no assurance that deficiencies in our internal controls will not result in the application of any penalties or arise again, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

33. We depend on the skills and efforts of our management team and other key personnel, and our business may be adversely affected if we lose their services.

We depend heavily upon the services of our management team and key personnel. The mobile games industry is a niche industry and requires a high degree of specialization and experience from the management team to understand and internalize user preferences and global trends and developments in the mobile games space. Our Promoters, Vikash Mittersain and Nitish Mittersain, have approximately 15 years of experience, respectively, in the mobile entertainment/ gaming industry. Our CEO, Manish Agarwal, has approximately 18 years of experience in various fields including the gaming space and marketing, and has been associated with our Company since 2015. If one or more of our key personnel are unable or unwilling to continue in their present positions, we may not be able to replace them easily or at all, and our business, financial condition, cash flows and results of operations may be materially and adversely affected. As the competition for management and key personnel is intense and the number of qualified candidates is limited, we may not be able to retain the services of our key personnel, or attract executives and key personnel with the necessary experience and expertise in the future. We may need to increase compensation and other benefits in order to attract and retain personnel in the future, which may affect our costs and profitability. If any of our executives or other key personnel joins a competitor, we may lose users, valuable know-how and key personnel. Each of our Key Management Person has entered into an employment agreement with us that contains confidentiality provisions. If any disputes arise between any of our executives or key personnel and us, there can be no assurance of the extent to which any of these agreements may be enforced.

34. There have been certain instances of statutory lapses in the companies recently acquired by our Company. Further, intellectual property created by Next Wave and Nodwin Gaming has not been registered.

We have recently acquired majority shareholding in Next Wave and Nodwin Gaming. For details, see "*History and Certain Corporate Matters*" on page 156. There have been certain instances of lapses in the past in compliance with the Companies Act by Next Wave, including late filing of form CHG 4 with the Registrar of Companies, Chennai for modification of charge in relation to certain term loans availed by Next Wave. Further, a copy of form 2 filed with the Registrar of Companies, Chennai for allotment of 1,630 equity shares of Next Wave is untraceable. Certain instances of non-compliances by Nodwin Gaming include, appointment of a director without obtaining shareholders approval, reduction in number of shareholders below the statutory prescribed limit, lapse in signing annual returns, non-implementation of a risk management policy, non-compliance with corporate requirements while accepting a loan from a director, failure to file forms for beneficial shareholding for equity shares held by a trust and failure to obtain requisite corporate authorisations for related party transactions. While we have sought relevant representations and warranties, and corresponding indemnities from the founders of Next Wave and Nodwin Gaming in this regard, we cannot assure you that any loss arising from such lapses in future will not materially affect our Company.

Further, while Next Wave has filed applications for registration of its intellectual property under applicable intellectual property laws of India, it has not received any registration as on date. The operations of Next Wave have augmented our cricket mobile games, and any infringement of the intellectual property rights of Next Wave may adversely affect our reputation and may lead to time consuming and costly litigation to enforce our intellectual property rights. Further, Nodwin Gaming does not have any registered intellectual property and has not filed any applications for registration of its intellectual property. The infringing third parties may claim rights on the said intellectual property rights, which may adversely impact our ability to use the intellectual property, resulting in a disruption of our business operations. Any such events may result in an adverse impact on our results of operations and cash flows.

35. Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price.

During the last 12 months, we have issued Equity Shares at a price that may be lower than the Offer Price, as set forth below. The Offer Price should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. For further details, regarding such allotments, see "*Capital Structure*" on page 74.

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of Consideration	Reason for allotment	Allottees
December 22, 2017	3,263	10*	6,833.75*	Other than cash	Swap of shares of Next Wave Mutlimedia Private Limited with the Equity Shares of our Company	3,263 Equity Shares of our Company were allotted to Plutus Investment Advisory Services Private Limited
January 4, 2018	19,925,088	4	-	NA	Bonus issue in the ratio of four bonus equity shares for every one Equity Share held by the Shareholders	All shareholders of our Company as on the record date
January 8, 2018	827,387	4	604.32	Cash	Preferential allotment	74,400 Equity Shares were allotted to Amit D Thacker, 82,750 Equity Shares were allotted to Mehul M Shah, 49,650 Equity Shares were allotted to Nisarg Vakharia, 66,200 Equity Shares were allotted to Kiran Vyapar Limited, 82,750 Equity Shares were allotted to Samyaktva Construction LLP, 82,750 Equity Shares were allotted to Radhika Sharma, 4,150 Equity Shares were allotted to Akshara Motors P Ltd, 49,650 Equity Shares were allotted to Mentor Capital Ltd, 16,550 Equity Shares were allotted to Diam Organic Chemicals Industries P Ltd, 16,550 Equity Shares were allotted to Speed Power P. Limited, 8,300 Equity Shares were allotted to Bahram Navroz Vakil, 8,300 Equity Shares were allotted to Cyrus Nallaseth, 1,98,487 Equity Shares were allotted to Suresh Bhatia (HUF) and 86,900 Equity Shares were allotted to Meena Ashwin Kothari
January 10, 2018	485,018	4	547.00	Cash	Preferential allotment	485,018 Equity Shares were allotted to Turtle Entertainment GmBH
January 10, 2018	753,854	4	547.00	Other than cash	Swap of shares of Nodwin Gaming Private Limited with the Equity Shares of our Company	376,927 Equity Shares were allotted to Good Game Investment Trust and 376,927 Equity Shares were allotted to Jetsynthesys Private Limited

36. We engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.

We generate a significant amount of our revenues from customers in countries subject to international sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or equivalent sanctions regimes administered by Her Majesty's Treasury, the European Union, the United Nations or other relevant sanctions authorities (collectively, "International Sanctions"). In addition, we have limited information about and control over the identity of customers that use our gaming products or gaming subscription services, and there can be no assurance that our past or future customers have not included or will not include persons or entities targeted by, or were not or will not be located in any country that is the subject of International Sanctions.

For example, in Fiscal 2015, 2016 and 2017 and in the six months ended September 30, 2017, customers based in Iran and South Sudan contributed [0]%, [0]%, [2]% and [13]%, respectively, of our revenues from sale of gaming subscription services.

There can be no assurance that our business will not be impacted by such International Sanctions in the future, particularly if there are changes to, or more stringent application of, the International Sanctions, or if we make changes to our operations or introduce new products or services with particular appeal to customers subject to or based in countries subject to such International Sanctions. In addition, as a result of our business activities or a change in the scope or application of International Sanctions, our counterparties, including our vendors and suppliers, or our other customers, that are required to comply with such International Sanctions, may seek to terminate or modify our contractual arrangements to impose additional conditions that may be adverse to our operations or business prospects, or may be precluded from entering into commercial transactions with us.

Investors in the Equity Shares could incur reputational or other risks as a result of our business dealings with customers in or with persons that are the subject of International Sanctions. In addition, because many sanctions programs are evolving, new requirements or restrictions could come into effect which might increase regulatory scrutiny of our business or result in some of our business activities being deemed to have violated sanctions, or being sanctionable.

Future changes in International Sanctions may also require us to discontinue existing operations, or prevent us from doing business, in jurisdictions subject to such International Sanctions, which could have a material adverse effect on our financial condition and results of operations, including as a result of disputes arising from the termination of our existing contractual arrangements.

37. Our Group Entity has incurred losses in the last three Financial Years.

Our Group Entity, Mastermind Sports Limited has incurred losses in Financial Year 2015 of £0.24 million and £0.03 million in Financial Year 2017. For details, see "*Our Group Entity*" on page 186.

38. Westbridge, a significant shareholder of our Company and certain Key Management Personnel of our Company may transfer their shareholding in our Company post listing of Equity Shares pursuant to the Offer.

Westbridge, a significant shareholder of our Company holds 22.69% of the shareholding of our Company as on the date of this Draft Red Herring Prospectus. Westbridge, which has been an investor shareholder in our Company since calendar year 2005, may exit our Company by selling upto its entire shareholding in our Company post filing of this Draft Red Herring Prospectus, and/or post listing of Equity Shares on the Stock Exchanges pursuant to the Offer.

Our Company has instituted the ESOP 2016, pursuant to which certain of our Key Management Personnel have been granted ESOPs which vested on January 2, 2018. Certain of our Key Management Personnel, including our Chief Executive Officer may sell the Equity Shares acquired by them pursuant to exercise of the ESOPs or held as on the date of this Draft Red Herring Prospectus, prior to filing of the Red Herring Prospectus or post completion of the Offer.

We cannot assure you that such sale by Westbridge or our Key Management Personnel will not have any negative impact on the trading price of the Equity Shares. In the event that such sale of Equity Shares by Westbridge or our Key Management Personnel results in a fall in the trading price of the Equity Shares, the value of your investment in our Company may be adversely impacted.

39. We may be required to receive or renew certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations

We may be required to obtain certain approvals, licenses, registrations and permissions for operating our business, some of which may expire and for which we would have to make an application for obtaining the approval or its renewal. Further, one of our Subsidiaries Nodwin Gaming, is yet to obtain a registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. For details, see "*Government and other Approvals*" on page 432. Further, the approvals that we obtain may stipulate certain conditions requiring our compliance. If we fail to obtain any of these approvals or licences, or renewals thereof, in a timely manner, or at all, our business may be adversely affected.

40. While currently there are no outstanding legal proceedings involving our Company, Subsidiaries, Group Entity and Directors, we cannot assure you that no such litigation will be initiated by or against our Company, Subsidiaries and Directors in future.

Currently there are no outstanding legal proceedings involving our Company, Subsidiaries, Group Entity and Directors. However, we cannot assure you that no such litigation will be initiated by or against our Company, Subsidiaries, Group Entity and Directors in the future. Such proceedings could divert the time and attention of our management, and consume our financial resources for their defence or prosecution. Further, any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition, cash flows and results of operations.

41. This Draft Red Herring Prospectus contains information from an industry report prepared by Frost & Sullivan, the accuracy, adequacy or completeness of which is not guaranteed.

This Draft Red Herring Prospectus in the sections titled "*Summary of Industry*", "*Summary of Business*", "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 48, 52, 17, 105, 134 and 399, respectively, includes information that is derived from an industry report titled "Industry Insights for Online and Mobile Gaming in India" prepared by Frost & Sullivan, which was commissioned by our Company. Neither we, nor any of the BRLMs, our Directors, our Promoters, nor any other person connected with the Offer has/have verified the information in the report. The market research process for the Frost & Sullivan Report has been undertaken through secondary / desktop research which involves analysing the status of the market by industry subject matter experts, and collaboration on Gaming Industry insights from Newzoo, an independent provider of market research and intelligence on global gaming and esports market. Forecasts, estimates, predictions, and other forward-looking statements contained in the Frost & Sullivan Report and this Draft Red Herring Prospectus are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

The report also highlights certain industry and market data, which may be subject to assumptions. Methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that the assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the reports are not a recommendation to invest or disinvest in the Equity Shares. Prospective investors are advised not to unduly rely on the reports or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

42. We may not be able to maintain payment of dividends as done historically.

For the Financial Year 2016, our Company had declared and paid dividend of ₹100.00 per Equity Share while for the Financial Year 2018, our Company had declared and paid dividend of ₹151.00 per Equity Share. Our Company does not have a dividend policy and further, there can be no assurance that we will pay any dividends in the future and, if we do, as to the level of such future dividends. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. The declaration, payment and amount of any future dividends is subject to the discretion of the Board, and will depend upon various factors, *inter alia*, our earnings, financial position, capital expenditures and availability of profits, restrictive covenants in our financing arrangements and other prevailing regulatory conditions from time to time. Any of these factors may thus restrict our ability to pay dividends in the future.

43. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

Our Company's operations may be subject to risks such as fire, accidents and natural disasters. Whilst we believe that we maintain adequate insurance coverage amounts for our business and operations, our insurance policies do not cover all risks and are subject to exclusions and deductibles. If any or all of our equipment is damaged in whole or in part, or if there is a loss of life of our employees, our operations may get interrupted, totally or partially, for a temporary period. There can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption or the costs of repairing or replacing the damaged equipment. Our inability to procure and/or maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. For more details on the insurance policies availed by us, please see "*Our Business - Insurance*" on page 151.

Further, one of our Subsidiaries Nodwin Gaming, is involved in the business of organising events, including the latter stages of esports tournaments, some of which take place in open arenas. Such events are susceptible to damage caused by any natural calamities or accidents such as fire, etc, which may result in damage to the property of Nodwin Gaming and loss of life. Nodwin Gaming has not obtained insurance for such occurrences, and any such mishap at an event may result in heavy loss to Nodwin Gaming, which may have a material adverse impact on the business operations, reputation and financial position of Nodwin Gaming, thereby impacting the results of operations, cash flows and financial position of our Company.

44. Our Promoters and some of our Directors hold Equity Shares and are therefore interested in our Company's performance in addition to their normal remuneration or benefits and reimbursement of expenses incurred.

Our Promoters, Vikash Mittersain, Nitish Mittersain and Mitter Infotech LLP, hold 250 Equity Shares, 1,475,335 Equity Shares and 5,955,125 Equity Shares, respectively. Further, our Promoters and Directors, Vikash Mittersain and Nitish Mittersain are Executive Directors of our Company and are entitled to receive remuneration from the Company. In addition, our Promoters are entitled to receive certain perquisites, including free furnished accommodation or housing rent allowance in lieu of our Company provided accommodation for an amount not exceeding ₹6.50 million, personal accident and mediclaim insurance, club fees and re-imbursement of charges for upkeep and maintenance of accommodation and cars owned by the Promoters, and used for official purposes. For further details, see "*Capital Structure*", "*Our Management*" and "*Our Promoter and Promoter Group*" and on pages 74, 168 and 181 of this Draft Red Herring Prospectus, respectively.

45. Our Promoters and Promoter Group and certain of our shareholders will hold a significant part of the shareholding of our Company after completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.

Following the completion of the Offer, our Promoters and Promoter Group will continue to hold approximately [●]% of our post-Offer Equity Share capital. Further, our shareholders Rakesh Jhunjhunwala and Utpal Sheth, and IIFL Special Opportunities Fund, IIFL Special Opportunities Fund – Series 2, IIFL Special Opportunities Fund – Series 3, IIFL Special Opportunities Fund – Series 4 and IIFL Special Opportunities Fund – Series 5,will continue to hold approximately [●]% and [●]% of our post-Offer Equity Share capital As a result, they will have the ability to influence matters requiring shareholders approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, such as issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that our Promoters, or such other shareholders will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

46. In furtherance of the acquisition of our Subsidiary, Nodwin Gaming, our Company has executed certain agreements with the founders of Nodwin Gaming and Turtle Entertainment GmbH ("Turtle Entertainment"), pursuant to which Turtle Entertainment has certain right in our Company.

Our Company has executed a subscription and rights agreement dated January 2, 2018 with Turtle Entertainment, which operates the ESL, pursuant to which Turtle Entertainment was issued 1.75% of the Equity Share capital of our Company. Further, our Company executed an investment agreement dated January 2, 2018 with, *inter alia,* Akshat Rathee, Gautam Virk, Good Game Investment Trust and Jetsynthesis Private Limited of Nodwin Gaming (collectively, the "**Selling Shareholders**"), pursuant to which our Company acquired 54.99% of the shareholding of Nodwin Gaming. For details of the said agreements, see "*History and Certain Corporate Matters*" on page 156.

As per the terms of the agreement, in the event that post filing of this Draft Red Herring Prospectus with SEBI, if our Company proposes to issue any Equity Shares, prior to completion of the Offer, Turtle Entertainment and the Selling Shareholders shall have the right to offer 0.25% and 0.75% of their respective shareholding in our Company to such potential investor, simultaneously with the proposed issuance by our Company.

47. We have entered into, and will continue to enter into, related party transactions which may not always enable us to achieve the most favourable terms.

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. While we believe that all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, there can be no assurance that we could not have achieved more favorable terms had such arrangements not been entered into with related parties. Further, we cannot assure you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, the transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that our Directors and executive officers will be able to address these conflicts of interests or others in an impartial manner. For further details regarding our related party transactions, see "*Related Party Transactions*" on page 188.

48. Our business operations are being conducted on leased premises. Our inability to seek renewal or extension of such leases may materially affect our business operations.

Our business operations are being conducted on premises leased from third parties, and maybe encumbered, and we may continue to enter into such transactions in future, For instance our registered office is operated from leased premises. While the term of our lease deed is for a period of three years, we cannot assure you that we will continue to be able to renew the lease at favourable terms or at all. Further, the landlord of our registered office has encumbered the premises. Accordingly, in the event of, *inter alia*, a breach of covenant of his loan arrangement by him, any invocation of the encumbrance of the property or any inability on the part of our landlord to have the property released from encumbrance may adversely impact our leasehold rights on the property, and we maybe required to relocate our operations to a different location. Any such event may adversely impact our operations and cash flows and may divert management attention from our business operations.

Given that our business operations conducted on premises leased from third parties, any adverse impact on, or deficiency in, the title, ownership rights or development rights of the owners from whose premises we operate, breach of the contractual terms of any lease or leave and license agreements, or any inability to renew such agreements on acceptable terms or at all may materially affect our business operations.

49. We may require additional equity or debt in the future in order to continue to grow our business, which may not be available on favorable terms or at all.

Our strategy to grow our business and maintain our market share may require us to raise additional funds for our working capital or long term business plans. We cannot assure you that such funds will be available on favorable terms or at all. Additional debt financing may increase our financing costs. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to raise additional funds on favorable terms or at all as and when required, our business, financial condition, results of operations, cash flows and prospects could be adversely affected.

50. We may not be able to maintain our past revenue growth rates.

Our previous revenue growth rates should not be considered indicative of our future performance. For instance, our revenue from subscription/ download of mobile games and other contents decreased by 10.58% from ₹2,082.10 million for Financial Year 2016 to ₹1,861.75 million for Financial Year 2017, primarily owing to demonetization and introduction of aggressive pricing by a new telecom operators in India in second half of Financial Year 2017. Demonetization impacted the ability of our consumers to recharge their wallets held with our telecom partners, thereby impacting our revenue from subscription/ download of mobile games and other contents. The adverse of impact of demonetization was further exacerbated by the "free" offerings of the new telecom operator to its subscribers in India which impacted the subscriber base of our existing telecom partners through whom we offer our subscription services, thereby adversely impacting the rate of acquisition of new users and rate of renewal of our subscription services by subscribers of existing telecom partners and renewal of user base. Any such external factors, or any inability of our Company to revive our annual revenue growth rates may adversely impact investors' perceptions of our business and the market price of our Equity Shares could decline. For a discussion of movements in gross bookings and revenue, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 399.

51. We may not maintain profitability in the future.

Although we were profitable in the past, we expect to make investments in growing our business and undertaking acquisitions of other synergistic companies, which could reduce our profitability compared to past periods. In addition, as a public company, we will incur significant accounting, legal and other expenses that we did not incur as a private company. As a result of these increased expenditures, our profitability could decline in future periods. In future periods, our revenue could decline or grow more slowly than we expect. We also may incur significant losses in the future for a number of reasons, including due to the other risks described in this DRHP, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors. Accordingly, we may not be able to maintain profitability, and we may incur losses in the future.

52. Becoming a public company will increase our compliance costs and require the expansion and enhancement of a variety of financial and management control systems and infrastructure and the hiring of significant additional qualified personnel.

Prior to this offering, we have not been subject to the compliance requirements applicable to a listed company in India. We are working with our legal, independent accounting and financial advisors to identify those areas in which changes should be made to our financial and management control systems to manage our growth and our obligations as a public company. We have made, and will continue to make, changes in these and other areas. However, the expenses that will be required in order to adequately prepare for being a public company could be material. Compliance with the various reporting and other requirements applicable to public companies will also require considerable time and attention of management and will also require us to successfully hire and integrate a significant number of additional qualified personnel into our existing finance, legal, human resources and operations departments.

EXTERNAL RISK FACTORS

Risks in relation to India

53. 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 laws, or the promulgation of new laws, rules and regulations applicable to us and our business. Please see "*Regulations and Policies*" on page 152.

The regulatory and policy environment in which we operate is evolving and subject to change. There can be no assurance that the Government of India 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, conditions, costs and expenditures 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, results of operations and cash flows. 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 and cash flows. Any changes to such laws, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations, cash flows and prospects:

On November 8, 2016, the Reserve Bank of India, or RBI, and the Ministry of Finance of the GoI withdrew the legal tender status of ₹500 and ₹1,000 currency notes pursuant to notification dated November 8, 2016. The short-term impact of these developments has been, among other things, a decrease in liquidity of cash in India. There is uncertainty on the long-term impact of this action. The RBI has also established, and continues to refine, a process for holders of affected banknotes to tender such notes for equivalent value credited into the holders' bank accounts. The short-term and long-term effects of demonetization on the Indian economy, India's capital markets and our business are uncertain and we cannot accurately predict its effect on our business, results of operations, cash flows, financial condition and prospects.

The General Anti Avoidance Rules ("**GAAR**") have recently been notified by way of an amendment to the Income Tax Act, 1961, and are proposed to come into effect from April 1, 2017. While the intent of this legislation is to prevent business arrangements set up with the intent to avoid tax incidence under the Income Tax Act, 1961, certain exemptions have been notified, viz., (i) arrangements where the tax benefit to all parties under an arrangement is less than ₹30.00 million, (ii) where Foreign Institutional Investors ("**FIIs**") have not taken benefit of a double tax avoidance tax treaty under Section 90 or 90A of the Income Tax Act, 1961 and have invested in listed or unlisted securities with SEBI approval, (iii) where a non-resident has made an investment, either direct or indirect, by way of an offshore derivative instrument in an FII. Further, investments made up to March 31, 2017 shall not be subject to GAAR provided that GAAR may apply to any business arrangement pursuant to which tax benefit is obtained on or after April 1, 2017, irrespective of the date on which such arrangement was entered into.

We have not determined the impact of these recent and proposed laws and regulations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

54. Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on our business, results of operations, cash flows and financial condition.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business. In fiscal 2011, Indian government agencies initiated proceedings against certain financial institutions, alleging bribery in the loans and investment approval process, which impacted market sentiment. Similar developments in the future could negatively impact confidence in the financial sector and could have a material adverse effect on our business, results of operations, cash flows and financial condition.

55. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.

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

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

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

56. Our business is substantially affected by prevailing economic, political and other prevailing conditions in emerging markets.

We are incorporated in India, and our operations are located in India and other emerging markets across the world. As a result, we are highly dependent on prevailing economic conditions in India and the other emerging markets and our results of operations and cash flows are significantly affected by factors influencing the economy in these countries. Factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

- any increase in interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- prevailing income conditions among consumers and corporates;
- volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;
- changes in tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in the relevant country's principal export markets;
- any downgrading of debt rating by a domestic or international rating agency;
- instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or the emerging markets.

For instance, in November 2016, the Government of India demonetised ₹ 1,000 and ₹ 500 denomination currency notes with effect from November 9, 2016 and launched the revised ₹ 500 denomination currency note and introduced the new ₹ 2,000 currency note pursuant to the Ministry of Finance's notification no. S.O. 3407 (E) dated November 8, 2016 and other circulars and clarifications issued thereafter by the Government of India and the RBI. The impact of the demonetisation on India's economic growth, credit demand, credit quality, liquidity and interest rates is uncertain. However, the said change in law had an adverse impact on our financial results. The medium-term and long-term effects of demonetisation on our business are uncertain and we cannot accurately predict the effect of the demonetisation on our business, results of operations, cash flows, financial condition and prospects.

Further, owing to a currency devaluation in Nigeria in Financial Year 2017 and in the six month ended September 30, 2017, there was a negative impact on the margin between revenues generated and the costs incurred. Accordingly, we decided to reduce the marketing spends in Nigeria to optimise our margins. We cannot assure you that we will be able to offset any such changes in economic conditions in future, which may adversely affect our results of operations, cash flows and financial position.

Further, any slowdown or perceived slowdown in the Indian economy or the economy of any emerging market, or in specific sectors of such economies, could adversely impact our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

57. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business, results of operations and cash flows.

Any change in tax laws including upward revision to the currently applicable normal corporate tax rate of 34.61% along with applicable surcharge and cess, our tax burden will increase. Other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, may no longer be available to us.

Similarly, in relation to the applicable law on indirect taxation, the Government of India has notified a comprehensive national GST regime that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017.

We cannot predict whether any tax laws or regulations impacting our products will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, cash flows and results of operations.

58. Public companies in India, including us, are required to prepare financial statements under Ind AS. The transition to Ind AS and ICDS in India is very recent and we may be negatively affected by such transition.

Our Company prepares its annual and interim financial statements under Indian GAAP. Our Company is required to prepare annual and interim financial statements under Indian Accounting Standards ("**Ind AS**") from Financial Year, 2018 as required under Section 133 of the Companies Act 2013 read with Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016. The Ind AS is different in many aspects from Indian GAAP under which our financial statements are currently prepared and presented. For instance, financial instruments being classified as equity or financial liabilities based on the substance of the contractual arrangement rather than legal form, accounting policies related to determination of control for consolidation, accounting of acquisitions/business combinations, recording of minority interest, accounting for leases and revenue sharing arrangements, accounting of deferred taxes, use of fair value for recording assets and liabilities, classification of financial assets and liabilities, disclosure impact in connection with financial instruments, segment reporting, related party disclosures, interim financial reporting, in terms of Ind AS are different from the accounting policies for these items under Indian GAAP.

Similarly, the Ministry of Finance, Government of India, has issued a notification dated July 6, 2016, stating that ICDS shall be applicable with effect from April 1, 2016, and is applicable fiscal 2017 onward. Therefore, ICDS will have a direct impact on computation of taxable income of our Company fiscal 2017 onwards. ICDS differs on several aspects from accounting standards including the Indian GAAP and Ind AS. As a result, our financial statements for the period commencing from April 1, 2016 may not be comparable to our historical financial statements.

Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations, cash flows or financial condition. Our management is devoting and will continue to need to devote time and other resources for the successful and timely implementation of Ind AS. A failure to successfully transition into the Ind AS regime may have an adverse effect on the trading price of the Equity Shares and/or may lead to regulatory action and other legal consequences against our Company. Moreover, our transition to Ind AS reporting may be hampered by increasing competition and increased costs for the relatively small number of Ind AS-experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. There is not yet a significant body of established practice from which to draw references/judgments regarding the implementation and application of Ind AS. Any of these factors relating to the use of Ind AS may adversely affect our financial condition, results of operations and cash flows. For further details in relation to the impact of Ind AS on the preparation and presentation of our financial statements, see "*Summary of Certain Significant Differences between Indian GAAP and Ind AS*" on page 420.

59. Our Special Purpose Consolidated Financial Statements and Special Purpose Unconsolidated Financial Statements included in this Draft Red Herring Prospectus are subject to change and investors should read the Ind AS related disclosure in this context.

We have included our Special Purpose Consolidated Financial Statements, Special Purpose Unconsolidated Financial Statements, and a summary of the significant accounting policies and other explanatory information, in this Draft Red Herring Prospectus. We will prepare our annual Ind AS financial statements as at and for the year ending March 31, 2018 and until then the numbers included in the Ind AS Financial Statements are preliminary and may change if (a) there are any new Ind AS standards issued through March 31, 2018, (b) there are any amendments or modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances included in the Ind AS Financial Statements or (c) if we make any changes in the elections or exemptions selected on adoption of Ind AS. Further our Statutory Auditors have included an emphasis of matter in their report in relation to the Special Purpose Consolidated Financial Statements, Special Purpose Unconsolidated Financial Statements since we have not included comparative financial information for September 30, 2016, which could provide a fair comparative presentation of our financial condition and performance. For further details, see "*Financial Statements*" on page 190.

60. Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.

Our Company prepares its annual and interim financial statements under Indian GAAP. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements, which are restated as per SEBI ICDR Regulations included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

61. It may not be possible for investors outside India to enforce any judgment obtained outside India against our Company or our management or any of our associates or affiliates in India, except by way of a suit in India.

Our Company is incorporated as a public limited company under the laws of India and all of our directors and executive officers reside in India. Further, certain of our assets, and the assets of our executive officers and directors, may be located in India. As a result, it may be difficult to effect service of process outside India upon us and our executive officers and directors or to enforce judgments obtained in courts outside India against us or our executive officers and directors, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

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

62. Our Proforma Financial Statements have not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions.

Our Proforma Financial Statements are illustrative in nature and have not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been prepared in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be limited. In addition, the rules and regulations related to the preparation of pro forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in our notes to the Proforma Financial Statements. For details, see "*Proforma Financial Statements*" on page 388.

63. Any adverse change in India's sovereign credit rating by an international rating agency could adversely affect our business, results of operations and cash flows.

In November 2016, Standard & Poor's, an international rating agency, reiterated its negative outlook on India's credit rating. It identified India's high fiscal deficit and heavy debt burden as the most significant constraints on its rating, and recommended the implementation of reforms and containment of deficits. Standard & Poor's affirmed its outlook on India's sovereign debt rating to "stable", while reaffirming its "BBB-" rating. In May 2017, Fitch, another international rating agency, affirmed India's sovereign outlook to "stable" and affirmed its rating as "BBB-". While in November 2017 Moody's Investors Service ("**Moody**") upgraded the Sovereign Credit Rating of India to Baa2 from Baa3, upgraded the Government of India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive, going forward, the sovereign ratings outlook will remain dependent on whether the government is able to transition the economy into a high-growth environment, as well as exercise adequate fiscal restraint. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our business.

64. Natural calamities could have a negative effect on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the Indian economy. Further prolonged spells of below normal rainfall or other natural calamities in the future could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

Risks in relation to the Offer

65. Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of 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 Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and trading 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 the 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 and liquidity for the Equity Shares may be subject to significant fluctuations in response to, among other factors:

- volatility in the Indian and other global securities markets;
- problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges;
- the performance and volatility of the Indian and global economy;
- financial instability in emerging markets that may lead to loss of investor confidence;
- risks relating to our business and industry, including those discussed in this Draft Red Herring Prospectus;
- strategic actions by us or our competitors;
- investor perception of the investment opportunity associated with our Equity Shares and our future performance;
- future sales of our Equity Shares;

- variations in our quarterly results of operations or cash flows;

- differences between our actual financial and operating results and those expected by investors and analysts;

- our future expansion plans;

- perceptions about our future performance or the performance of the online mobile games and mobile games industry generally;

- changes in the estimates of our performance or recommendations by financial analysts;

- significant developments in India's economic liberalisation and deregulation policies; and

- significant developments in India's fiscal and environmental regulations.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly as a result of market volatility. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to block the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise at any stage after the submission of their Bids.

67. You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after the Equity Shares in this Offer have been Allotted and submission of all other relevant documents authorising the issuing of the Equity Shares. There could be failure or delays in listing the Equity Shares on the Stock Exchanges. Further, pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading. Investors' "demat" accounts with Depository Participants are expected to be credited within three Working Days of the date on which the Basis of Allotment is finalized with the Designated Stock Exchange. Thereafter, upon receipt of listing and trading approval from the Stock Exchanges, trading in the Equity Shares is expected to commence within six Working Days from Bid/ Offer Closing Date.

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

Any future issuance of Equity Shares may dilute your shareholdings, and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. Any future equity issuances by us, may result in the dilution of your shareholdings in our Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Offer, including by our Promoters or 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. Our Promoters hold an aggregate of 27.55% of our outstanding Equity Shares as of the date of this Draft Red Herring Prospectus. After the completion of the Offer, our Promoters will continue to hold a significant portion of our outstanding Equity Shares. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

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

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

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

71. Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares or the disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

72. Third-party industry and statistical data in this Draft Red Herring Prospectus may be incomplete or unreliable.

We have not independently verified data obtained from official and industry publications and other third party sources referred to in this Draft Red Herring Prospectus and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate are subject to the caveat that the third-party and statistical data upon which such discussions are based may be incomplete or unreliable. Please see the section entitled "*Industry Overview*" on page 105.

73. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

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

74. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

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

Under the Income-Tax Act, 1961, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India except any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

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

77. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

Prominent Notes:

1. Our Company was originally incorporated as Nazara.com Private Limited on December 8, 1999 at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Nazara Technologies Private Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on July 4, 2003. Thereafter, our Company was converted into a public limited company and the name of our Company was changed to Nazara Technologies Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on December 13, 2017. For details of change in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 156.

2. This is an initial public offer of up to 5,543,052 Equity Shares for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹[●] million through an offer for sale comprising of an offer of up to 5,182,753 Equity Shares by Westbridge and up to 360,299 Equity Shares by Mitter Infotech LLP. The Offer would constitute [●]% of our post-Offer paid-up Equity Share capital.

3. As at March 31, 2017 and September 30, 2017, our Company's net worth as per our Restated Consolidated Financial Statements was ₹2,164.20 million and ₹2,117.13 million, respectively, and as at March 31, 2017 and September 30, 2017, our Company's net worth was ₹853.59 million and ₹870.54 million as per our Restated Unconsolidated Financial Statements, respectively.

4. As of Financial Year 2017 and September 30, 2017, the net asset value per Equity Share was ₹1,087.95 and ₹1,064.29, respectively, and the net asset value per Equity Share after giving the impact of bonus and sub-division of equity shares[1] was ₹87.04 and ₹85.14, respectively, as per our Restated Consolidated Financial Statements and as of Financial Year 2017 and September 30, 2017, the net asset value per Equity Share was 429.10 and 437.62 respectively, and the net asset value per Equity Share after giving the impact of bonus and sub-division of equity shares[1] was ₹34.33 and ₹35.01, respectively, as per our Restated Unconsolidated Financial Statements.

5. The average cost of acquisition of Equity Shares by our Promoter, Vikash Mittersain is ₹0.80 per Equity Share, by our Promoter Nitish Mittersain is negligible and by our Promoter and one of our Selling Shareholders, Mitter Infotech LLP is ₹0.80 per Equity Share. For further details, see "*Capital Structure*" from page 74.

6. The average cost of acquisition of Equity Shares by one of the Selling Shareholders, Westbridge is ₹6.65 per Equity Share. For further details, see "*Capital Structure*" from page 74.

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

8. Except as disclosed in the section "*Our Group Entity*" and "*Related Party Transactions*" on pages 186 and 188, respectively, our Group Company does not have business interests or other interests in our Company.

9. For details of related party transactions entered into by our Company with its Group Company, and other related parties during the last financial year and the six months ended September 30, 2017, the nature of transactions and the cumulative value of transactions, see "*Related Party Transactions*" on page 188.

10. For any complaints, information or clarifications pertaining to the Offer, investors may contact the BRLMs who have submitted the due diligence certificate to SEBI.

[1] *On December 28, 2017, the shareholders of our Company approved the sub-division of each fully paid up equity share having face value of ₹10 each into 2.5 fully paid up Equity Shares having face value of ₹4 each. Accordingly, the outstanding 1,989,246 equity shares having face value of ₹10 each, aggregating to ₹19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 Equity Shares having face value of ₹4 each aggregating to ₹19,892,460. Further, the shareholders also approved the issuance of bonus shares in the ratio of 4:1 (four bonus Equity Shares for every one Equity Share held). Consequently, the number of Equity Shares has increased on 4,973,115 Equity Shares to 24,865,575 Equity Shares.*

The net asset value per Equity Share has been calculated after giving effect to the sub-division of equity shares and issue of bonus Equity Shares, mentioned above.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

*Unless stated otherwise, the information in this section is derived from the report titled Industry Insights for Online and Mobile Gaming in India by Frost & Sullivan dated January 20, 2018 ("**Frost & Sullivan Report**"). The information has not been independently verified by us, the BRLMs, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. The data may have been re-classified by us for the purposes of presentation.*

The market research process for the Frost & Sullivan Report has been undertaken through secondary / desktop research which involves analysing the status of the market by industry subject matter experts, and collaboration on Gaming Industry insights from Newzoo, an independent provider of market research and intelligence on global gaming and esports market. Quantitative market information was sourced via secondary research from trusted portals however the information is subject to fluctuations due to possible changes in the business and market climate. Frost & Sullivan's estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Forecasts, estimates, predictions, and other forward-looking statements contained in the Frost & Sullivan Report and this section are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

Frost & Sullivan has prepared the Frost & Sullivan Report in an independent and objective manner, and it has taken adequate care to ensure its accuracy and completeness. Frost & Sullivan believes that this study presents a true and fair view of the online and mobile gaming industry in India and other regional economies within the limitations of, among others, secondary statistics research, and it does not purport to be exhaustive. The Frost & Sullivan Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise.

Accordingly, investors should not place undue reliance on, or base their investment decision, on this information.

Macroeconomic Outlook

Global economic performance picked up in 2017 after a five year period of relative muted growth and the current momentum is expected to continue into 2018. With strengthening economic activity, the global economy is estimated to have grown by 3.6% in 2017, in terms of GDP growth, driven by policy stimulus in emerging economies, solid employment gains, lower inflation rate, growth in investment and an upsurge in international trade.

Among all large economies, India is poised to deliver one of the highest growth on a sustainable basis, at CAGR of 9.46% from 2016-2021, driven by strong manufacturing led industrial expansion and consumption demands from private sector. The country's GDP is estimated to cross USD 3,000 Billion (₹200 trillion) by 2020 and in the event of accelerated manufacturing and investment, it could potentially grow to USD 3,600 billion (₹240 trillion).

Mobile Gaming Industry in India and Emerging Markets

Evolution of Gaming

The digital gaming market worldwide has seen a paradigm shift in distribution, adoption as well as user behaviour. In the late 1990s and 2000s, basic computer gaming evolved to a wide universe of serious followers who indulged in expensive CD/DVD-ROMs, cartridges, handheld devices, and gaming consoles such as the Xbox, Wii and PlayStations, despite the limited shelf-life of each game. But smartphones and internet connectivity changed that. Since 2009, there has been a gradual shift towards mobile gaming. The availability of thousands of professional quality games with varying levels of difficulty on app stores, social media, and even pre-loaded on mobile devices and tablets popularized gaming among millions of users worldwide making it a dominant form of entertainment. While leisure games increased multifold in usage, virtual professional gaming became more serious internationally than ever before.

India skipped a complete generation of gamers over the last two decades. Low PC penetration and prohibitive prices of gaming devices never allowed the 'boxed' gaming market to take off significantly in the country. On the contrary, the mobile gaming market has rapidly accelerated over the last few years. With the proliferation of Internet and commercialization of data, online gaming has become a reality across the Indian demography. The availability of international games side by side localized versions and emerging content has popularized gaming as a widely used application in the country.

Global and Regional Gaming Market Potential

The global games market generated revenue of $104.8 billion in 2016, up by 12.6% from 2015. Revenues will have potentially increased to $116.0 billion in 2017 and will continue to increase to $151.7 billion in 2021. Growth is expected to be driven from South-East Asia, Middle East and India as these regions have an advantage of optimistic economic outlook, favourable demographics and rising growth in smartphone penetration and internet.

The Indian gaming market is still relatively small, and contributed an estimated US$338.4 million in total revenue in 2017. Even by the standards of other large developing markets, the market share of mobile games is very large due to the lack of PC and console gaming legacy. With support from sustained local development, improved digital payment infrastructure and increasing affinity towards subscriptions the market is forecast to grow very strongly, reaching US$1.1 billion in 2021, almost entirely driven by growth in mobile gaming revenue.

South East Asia is one of the highest growth regions in the world in terms of gaming revenue and number of gamers, driven by increasing internet penetration rate, rising incomes and easy availability of budget smartphones. Overall gaming revenue in the region is forecast to grow from US$1.3 billion in 2016 to US$5.5 billion in 2021. The Middle East and Africa is also a high growth region in terms of gaming revenue and gamers, equally driven by increasing internet penetration rates, availability of budget smartphones, and rising incomes. Overall mobile gaming revenue in the region is forecast to grow from US$1.6 billion in 2016 to US$6.6 billion in 2021.

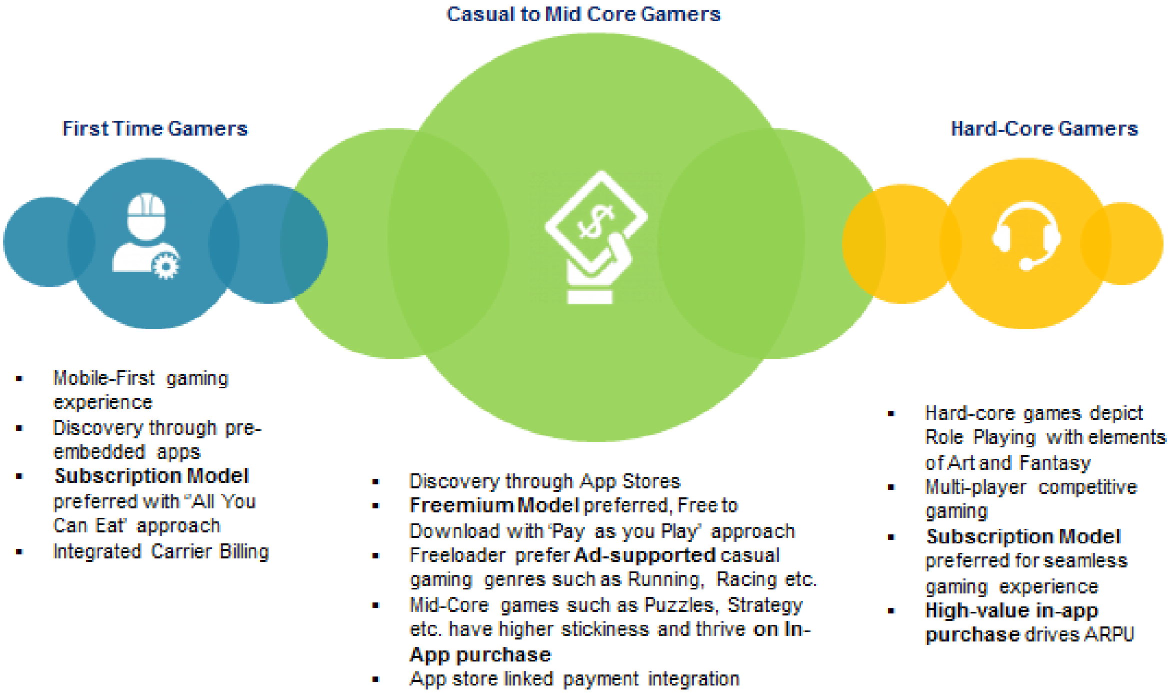
Mobile Gaming Business Models

The online gaming industry uses several monetization strategies to drive revenue. The ones prevalent in India are as follows:

- Freemium – Game can be downloaded for free but user may have to watch ads or pay for full access
- Subscription – One-time payment of monthly or annual fee to gain unlimited access for the duration
- Paid/Premium – Game can be accessed/downloaded only upon payment
- In-app Purchases – Pay to purchase game specific products or currency
- Incentive based advertisement – Conditional access to features in the game by watching ads or clearing a level etc.
- In-app advertisement – Banner advertisements and video advertisement during the game.

While subscription business models typically caters to the most evolved gamers and first time mobile gamers, freemium is for all those users who are in between. The freemium model has the largest bases of consumers while subscription has the best ARPU.

The global gaming market business models can be illustrated as per the picture below:



There are also several successful initiatives to offer games through subscription services to first time mobile gamers and first time internet users. Our Company has a widely successful subscription model called the 'Games Club', which offers gaming subscriptions services in over 61 countries in India, South East Asia, Middle East and Africa to first time mobile gamers with over 1,000 games catalogue with simple game-play and easy to use interfaces thus offering wide variety of games for gamers to choose at sachet pricing supported by payment through direct carrier billing.

Freemium games have garnered most attention from the users as they are initially available for free to discover and play, however based on user's expertise and competitive rankings these allows users to micro-spend on the platform through in-app purchases to access advanced levels or boost in-game capabilities. Freemium games with their mass-market appeal has amongst the highest stickiness however to thrive the monetization potential requires constant innovation and adaptation to sustain user interest. Freemium business model are primarily driven through in-app purchases, however in-app purchases monetization approach is still very nascent in India and other emerging markets. The growth of in-app purchases is highly dependent on consumer propensity to pay in order to progress in the game and given that consumers in India and other emerging markets are reluctant to pay for items within a game once they have got a game for free, freemium business will take some time to scale in India and other emerging markets. Although, the improvements in underlying enabling factors such as better internet infrastructure, ease of payment options and real time multiplayer gaming on mobile will help in app purchase revenues to grow in coming years.

Hard core gamers are also growing rapidly. To increase affordability of heavy and more immersive/complex games various gaming companies and intermediaries are adopting subscription based approach. Garena, an online game distributor, which has recently listed on New York Stock Exchange (NYSE) is an interesting case point. Garena's Quarterly Active Users (QAU) which are a key metric to measure active user base and user engagement increased from 31 million in Q4 2014 to 64.2 million in Q2 2017, while the revenues increased from USD$ 155 million in 2014 to US$D 328 million in 2016. Immersive hard-core games which are traditionally heavy with art, fantasy and action elements, and are typically played in multiplayer formats tend to have higher longevity, engagement and revenue potential as compared to single-player casual games. Most of Garena's revenues historically have come from immersive games which drive high levels of daily usage, transaction volumes and monetization opportunities. In June 2017, Garena reported an average DAU of 12.9 million gamers spending an average of 2.3 hours on the platform.

With indistinguishable demographic and macroeconomic thematic drivers India is also expected to follow a similar growth trajectory in increasing adoption of immersive gaming experiences. Given their partnerships with global and local publishers companies like our Company, and our Subsidiary Nodwin Gaming and Youzu are uniquely positioned to leverage this opportunity, given their global partnerships.

Esports Industry Overview

Sports has always been insulated from mega-trends disruptions and helped drive consistent growth for the entertainment sector across all platforms including Free to Air Television, Pay TV Services, On-Demand video, Internet live streaming, and Social Media. An interesting growing paradigm of this business is esports. Esports goes beyond the realm of regular digital gaming into professional competition of virtual games drawing the attention of over 300 million people globally.

The esports ecosystem consists of game publishers, hardware manufacturers, gamers, media companies (broadcast on linear TV), online streaming platforms (Twitch, YouTube, etc.), advertisers, events sponsors and event organizers. esports companies play a critical role in connecting the various stakeholders to exploit the monetisation potential in the online gaming market. Globally, ESL and Major League Gaming are the largest esports companies.

The esports market is growing at a fast pace as it becomes more and more popular around the world. The global esports audience totaled 322 million in 2016, up 86 million since 2015. This number is likely have grown to almost 386 million in 2017 and will continue to increase rapidly, at a CAGR of 14.0%, reaching 665 million in 2021. The Indian esports audience has an estimated 2 million enthusiasts and 2 million occasional viewers, but is expected to grow more than fivefold by 2021.

Esports Revenue

Esports business models are slightly different from that of digital gaming and more similar to that of professional sports leagues. Three primary contributors are sponsorships for small to large sports events, media distribution rights (TV and digital), and in-app purchases by gamers for virtual merchandise.

Global esports revenue is forecast to reach $1.68 billion in 2021, more than triple the total revenue in 2016. Sponsorship overtook advertising as the biggest revenue generator within the esports market in 2016 and will remain the biggest revenue generator for esports into 2021. Media rights will become the second-most important revenue generator. As esports events are becoming bigger and attracting more revenue from the other channels, organizing events will become a profitable business on its own.

Competitive and Industry Landscape in India

The Indian gaming ecosystem comprises mostly start-ups involved in various services in the value chain, such as developing, publishing, software services, advertising, marketing, payment systems etc. With most of the companies in the entire value chain being start-ups, the industry struggled to take off in the early 90s as investments were low.

However, with majority of the Indian population increasingly consuming their entertainment content online or from their smartphones, there is a spike in interest for mobile gaming, especially among the younger demography. Consequently, the ecosystem had a spurt of gaming start-ups with teams as small as 3-10 members. Investors such as Sequoia Capital, IDG Capital, Lightspeed, Blume Ventures, Kalaari Capital and Westbridge Capital among others also responded to this trend by showing more interest in this segment, thus, providing the necessary impetus to take the industry forward.

With the growth of the number of developers and number of games being published on app stores, need for local publishers has increased as developers face two big challenge namely getting their game discovered on the app store and getting game design mentorship to improve the player retention in their game. Majority of the developers in India lack resources to fund paid user acquisition and also given the nascent stage of the ecosystem gaining access to right skill sets is also a challenge, which necessitates a need for publishers and developers to co-exist in the local ecosystem. Trend of more local publishers increasing in emerging markets will get further accentuated as consolidation of playing users happen with few developers / publishers.

SUMMARY OF OUR BUSINESS

Overview

We are one of the leading mobile games companies headquartered in Mumbai, which is engaged in acquisition of, value addition to and distribution, of mobile games across emerging markets such as India, Middle East, Africa, South East Asia and Latin America. Our operations comprise of our Subscription Business, Freemium Business and esports business.

Our subscription services were accessed by 130.43 million monthly visitors from 61 countries across emerging markets, and over 4.08 million paying users subscribed to our subscription services, and downloaded over 37.62 million games, in September 2017. As a part of our in-house Freemium Business, we had 44.49 million downloads until September, 2017 in calendar year 2017 and 19.34 million downloads in calendar year 2016. Our recently acquired Subsidiary, Next Wave had 64.30 million downloads in calendar year 2017, until September 2017 and 42.02 million downloads in calendar year 2016. Our Company's in-house monthly active users (MAUs) in September 2017, were 8.66 million as compared to 2.79 million MAUs in September 2016, across our network of games on the Google Play Store and App Store. Next Wave's MAUs in September 2017 were 11.02 million as compared to 5.98 million MAUs in September 2016, across its World Cricket Championship franchise. Further, our recently acquired Subsidiary, Nodwin Gaming is a pioneer in esports in India with established relationships with global gaming publishers and platforms including market leaders such as ESL, the biggest esports organizer in the world and Valve Corporation. *(Source: Frost & Sullivan Report*)

Our Subscription Business is focussed on mass mobile internet users in the emerging markets, comprising largely of first time mobile gamers. In light of the low propensity of gamers to pay for online content in many of our markets, our Company has tailored its product offerings to deliver maximum value for gamers at affordable price points. The "sachet pricing" strategy in our Subscription Business allows gamers to access our entire catalogue of over 1,000 android games, upon signing up for a daily, weekly or monthly subscription. Billing for our Subscription Business is channelled through telecom operators (carrier billing), which has eased the payment process for gamers and collection of revenue by us. As on September 30, 2017, we were offering our Subscription Business services through 113 telecom operators in 61 countries, including but not limited to Airtel, Vodafone and Idea in India; and Etisalat and Ooredo in the Middle East.

We believe that our Subscription Business has a lean operating cost model and a highly optimised consumer acquisition strategy, which has enabled us to consistently generate returns from low Average Revenue Paying User (ARPU) telecom subscribers, across emerging markets. For Financial Year 2017, and in the six month ended September 30, 2017, as per our Restated Consolidated Financial Statements, revenue from subscription/ download of games/other contents was ₹1,861.75 million and ₹807.70 million, respectively.

As part of our in-house Freemium Business, we believe that our ability to understand local gamer behaviour in designing games and innovatively incorporating local, licensed, intellectual property to drive the growth of our network of games is one of our key strengths. Our localised gamer insights are reflected in the popularity of some of our mobile games on the Google Play Store, such as, 'World Cricket Championship 2', 'Chhota Bheem Race', and 'Motu Patlu Game'. Our games have consistently been part of the top three games on the top free charts on the Google Play Store ahead of certain globally established names such as Candy Crush, Subway Surfer and Temple Run (*Source: Frost & Sullivan Report*). In nine of the first 10 months of calendar year 2017, nine of our Company's in-house games have been ranked among the top three games by downloads on the top free charts on the Google Play Store. For Financial Year 2017, and in the six month ended September 30, 2017, As per our Restated Consolidated Financial Statements our in house, Freemium Business had revenue from advertising services of ₹39.83 million and ₹31.23 million, respectively. Further, our recently acquired Subsidiary, Next Wave registered a total income of ₹87.11 million and ₹49.90 million in Financial Year 2017 and in the six month ended September 30, 2017, respectively, on a consolidated basis.

We believe that Nodwin Gaming is one of the leading enablers in the Indian esports market with a first mover advantage. In addition to hosting and managing IP based gaming events such as, the ESL India Premiership and Dew Arena by ESL, Nodwin Gaming also partners with other brands to create multiple gaming events intellectual properties in India, such as Mountain Dew Arena, Indian Gaming Show and Asus ROG Masters. Further, Nodwin Gaming contributed 53.37% or over ₹10.00 million of the cumulative Indian prize pool for esports, in calendar year 2017. *(Source: Frost & Sullivan Report*) For Financial Year 2017, and in the six month ended September 30, 2017, Nodwin Gaming had a total income of ₹90.41 million and ₹104.78 million, respectively, on a consolidated basis.

The Indian games market with an estimated US$0.7 billion in total revenue in Financial Year 2017, is dominated by mobile gaming and is forecast to grow very strongly, reaching US$3.5 billion in 2021, almost entirely driven by growth in mobile gaming revenue. Further, the rapidly increasing smartphone penetration will boost the number of mobile gamers, driving growth in the overall number of gamers. In terms of download volume of mobile games from Google Play and Apple's AppStore, India is already one of the leading countries in the world in Financial Year 2017. A strong revenue growth will therefore almost certainly follow in the coming years. (*Source: Frost & Sullivan Report*)

With the background of the expected growth in the mobile games market, we believe that we are well poised to exploit the large opportunity in gaming across our Subscription Business, Freemium Business and esports businesses, in emerging markets by leveraging our established presence across 61 countries, as on September 30, 2017, localised gamer insights and proven monetisation abilities. Further, to provide an impetus to our operations, our Company has made investments in synergistic game development companies, whereby our Company provides financial assistance, through investments to indigenous game developers and small game studios to bring their game ideas into reality.

Our growth is driven by the efforts of Vikash Mittersain and Nitish Mittersain, our Promoters, who have over 15 years of experience in the mobile entertainment/ gaming industry, our CEO Manish Agarwal who has been associated with our Company since 2015 and has approximately 18 years of experience in various fields including the gaming space and marketing, and our experienced team of young professionals who play an active role in the business operations of our Company.

Our revenue from operations for Financial Years 2015, 2016 and 2017, and in the six month ended September 30, 2017, was ₹1,529.75 million, ₹2,111.63 million, ₹1,901.58 million, and ₹838.93 million, respectively, and our restated profit for Financial Years 2015, 2016 and 2017 and in the six month ended September 30, 2017, was ₹590.96 million, ₹645.21 million, ₹597.20 million and ₹198.45, respectively. The decline in our restated profit for the six month ended September 30, 2017, reflects the impact of one time employee benefit expenses for implementation of the ESOP 2016, and payment of tax on dividend income from our Subsidiaries in Dubai and Singapore into India. Our Company has consistently remained debt free, and as of Financial Years 2015, 2016 and 2017 and the six month ended September 30, 2017, as per our Restated Consolidated Financial Statements, our Company had cash and bank balances and current investments of ₹866.22 million, ₹1,291.58 million, ₹1,794.62 million and ₹1,596.75 million. Our Company has recorded 37.24% ROCE and 27.59% ROE, in Financial Year 2017, signifying a stellar performance in terms of profitability. (*Source: Frost & Sullivan Report*)

Our Strengths

Sustained profitability and rapid growth of our operations

Over the years, our Company has developed a successful Subscription Business model varying by country to manage complexities emerging from different competitive landscapes, policies of different telecom operators and multiple advertising networks. We approach subscriber acquisition with a strict focus on return on investment, whereby we aim to acquire subscribers efficiently, by leveraging our in-house data analytics abilities, and targeting and acquiring relatively high ARPU subscribers among subscription users, which has resulted in a CAGR of 36.13% of our revenue from our subscription/ download of games/other contents, between Financial Year ended 2013 to Financial Year ended 2017. For the six month ended September 30, 2017 we had 4.08 million paying users, with an ARPU of ₹57.96, while, revenue from subscription/ download of games/other contents based on our Restated Consolidated Financial Statements for Financial Year 2017 was ₹1,861.75 million and for the six month ended September 30, 2017 was ₹807.70 million.

We have leveraged our technology platform, credibility with advertising networks and relationships with telecom operators to become a mobile games company with significant global presence, by expanding our presence in Financial Years 2015, 2016 and 2017 and the six month ended September 30, 2017 across 30, 40, 57 and 61 countries, respectively. Our revenue from operations, as per our Restated Consolidated Financial Statements for Financial Years 2013, 2014, 2015, 2016 and 2017, and for the six month ended September 30, 2017 was ₹542.14 million, ₹873.58 million, ₹1,529.75 million, ₹2,111.63 million, ₹1,901.58 million, and ₹838.93 million respectively, and our net cash flows from operating activities was ₹142.71 million, ₹220.42 million, ₹519.74 million, ₹591.38 million, ₹567.93 million and ₹83.47 million, respectively. Our restated profit as per our Restated Consolidated Financial Statements, for the Financial Years 2013, 2014, 2015, 2016 and 2017 and in the six month ended September 30, 2017, was ₹131.95 million, ₹289.45 million, ₹590.96 million, ₹645.21 million, ₹597.20 million and ₹198.45 million, respectively.

Localised gamer insights in emerging markets leading to proven monetisation abilities

The mass mobile internet user segment in India is characterised by low ARPU, predominance of prepaid phone connections and small talktime balance. Further, the mobile gaming industry in emerging markets is characterised by limited credit card penetration. *(Source: Frost & Sullivan Report*). In addition, based on our experience in the emerging markets, we have observed that the mass mobile internet user segment in the emerging markets is characterised by, *inter alia*, high churn, high uninstallation of apps and low lifetime consumer value. We believe, that given the small talktime balance of prepaid phone users, they are averse to paying per game download and prefer downloading a bouquet offering of games which gives them a comfort of liking a few amongst the many offered.

Based on the above consumer insights, our Subscription Business is focussed on offering easy to play games with low file size to the mass mobile internet users. Further, to address the low propensity to pay for online content and small balance in prepaid phone connections of consumers, our subscription services are offered through sachet pricing, with daily, weekly and monthly subscriptions. To ensure ease in subscription payments, billing for subscription services is undertaken in partnership with our network of telecom operators (carrier billing), which has simplified the payment process for subscribers. Post payment through carrier billing, the subscribers get access to our catalogue of over 1,000 games capable of being played on an android platform, resulting in higher customer satisfaction. Capitalising on such consumer insights, for the six month ended September 30, 2017, we had 4.08 million paying subscribers across India, Middle East, Africa, South East Asia and Latin America respectively, for our Subscription Business with an ARPU of ₹57.96, while revenue from subscription/ download of games/other contents, based on our Restated Consolidated Financial Statements for Financial Year 2017 was ₹1,861.75 million and for the six month ended September 30, 2017 was ₹807.70 million.

Based on our experience in our Freemium Business, we believe that casual gamers on Google Play Store or App Store prefer playing games made with relatable game mechanics, art styles and characters. Accordingly, our freemium game offerings are focussed on incorporating local, popular, licensed brands and intellectual property in our mobile game offerings through our partnerships with developers with proven track record. Given the low propensity to pay of customers in emerging markets, we believe that consumers from emerging markets are not yet fully comfortable with the concept of in-app purchases as compared to their peers in developed markets. In order to ensure returns, our freemium game offerings include alternative monetisation techniques such as brand integration and reward videos, through which players receive rewards after watching a video which helps them progress in the game. Freemium revenue models that combine in-app purchases and incentive based advertisements are expected to ensure profitability (*Source: Frost & Sullivan Report*). As a result, our games have consistently been part of the top three games on the top free charts on the Google Play Store ahead of certain globally established names such as Candy Crush, Subway Surfer and Temple Run (*Source: Frost & Sullivan Report*). Further, in nine of the first 10 month of calendar year 2017, nine of our in-house, freemium games have been ranked among the top three games by downloads on the top free charts on the Google Play Store. For Financial Year 2017, and in the six month ended September 30, 2017, our in-house, Freemium Business had a revenue from advertising services of ₹39.83 million and ₹31.23 million, respectively, as per our Restated Consolidated Financial Statements. Further, our recently acquired Subsidiary, Next Wave registered total income of ₹87.11 million and ₹49.90 million in Financial Year 2017 and in the six month ended September 30, 2017, respectively, on a consolidated basis.

Given that India is expected to have 730 million internet users by Financial Year 2020, with 60% internet penetration and with the number of gamers in India set to increase at a 21.3% CAGR, to 401.80 million by Financial Year 2021 *(Source: Frost & Sullivan Report*), we believe that our consumer insights in emerging markets, will enable us to better service the mass mobile internet users with a focus on first time gamers and continue the growth of our Subscription Business.

Scalable and asset light model across business offerings

The foundation of our Subscription Business is that it is asset light and does not require substantial capital expenditure for the acquisition of, value addition to and the distribution of, mobile games in emerging markets. Typically, developing content and intellectual property results in substantial capital expenditure (and time), in addition to further expenditure in building a distribution network. However, such game development remains dependent on the success of the content created in-house and commercial acceptance of such content.

For our Subscription Business, we focus on acquiring content from game aggregators without special localisation, which can either be co-developed or modified for value addition such that the game can attract relatively high ARPU gamers and deliver maximum value for gamers at affordable price points. For instance, our catalogue consists of over 1,000 android games which are subscribed daily, weekly or monthly. We have not, to date, made significant investment in hardware such as servers, and data centres or disaster recovery centres, but have instead outsourced these non-core operations to third party providers and rely on cost effective alternatives like cloud infrastructure for providing our mobile game offerings to our consumers, thereby ensuring that our Company is not dependent on any one operating system or technology platform and continues to stay agile and nimble to ever changing content, technology, internet infrastructure and device preferences in the mobile gaming industry. Our Company has ensured low content cost by sourcing games with simple game mechanics, with limited or no text, and generic characters which do not need to be localised, through content aggregators for the Subscription Business.

For distribution and payments in the Subscription Business we rely on partnerships with over 113 telecom operators in 61 countries, as on September 30, 2017. We believe that telecom operators are keen to establish partnerships with our Company, since our Company is able to source games through its content aggregators on a non-exclusive basis, and since any gamer exclusivity does not restrict the categories of players who can play our games. Accordingly our Company has a faster turnaround time in launching our Subscription Business in new markets and geographies.

Further, our experience in the Subscription Business has provided us with the relevant gamer insights to capitalise on our existing operations in emerging markets and scale up our operations with high speed and at low cost. Our ability to generate revenue from our Subscription Business ensures that telecom operators through whom billing in our Subscription Business is undertaken, are forthcoming to develop partnerships with our Company, thereby giving us the ability to set up new partnerships with telecom operators in new geographies and scale our operations with ease.

In the Freemium Business, similarly, our Company is focussed on providing mobile game offerings to similar segments of the population, by incorporating popular licensed brands and intellectual property in our mobile game offerings through our partnerships with developers. As a part of our freemium mobile games business, we offer mobile games with simple graphics focussed on children under the age of 11 years incorporating brands, such as Chhota Bheem, Motupatlu, Shikari Shambhu, Suppandi and Mighty Raju and cricket mobile game offerings, such as RCB Star Cricket, to provide localised content by customising our mobile game offerings in partnership with developers. Our freemium mobile game offerings featuring local brands and intellectual property can easily be replicated in other geographies by replacing the central character with popular brands of the new geography. We continuously check the entertainment market for any key brands or intellectual property that is popular and successful, and syndicate such brands and intellectual property in our mobile games offerings and further co-develop games, based on our market analysis and research. We believe that our ability to efficiently replicate the success of our freemium games in new geographies, gives us the ability to increase our reach and capitalise on our position in the Freemium Business.

In the Freemium Business, operating as game publisher allows our Company to collaborate with multiple developers simultaneously to have a large portfolio of games, which is critical in the Freemium Business as we believe that profitability is correlated to the number of MAUs. This approach, we believe de-risks our operations as opposed to other gaming companies, which have high capex costs of in-house development of mobile games.

This has also enabled our Company in rapidly adapting and making relevant changes in offerings on mobile game subscription services.

Diversified business across geographies, telecom operators, gamers and gaming content

Our Company operates its Subscription Business through its partnership with over 113 telecom operators in 61 countries, as on September 30, 2017. Our Company has long standing relationships with various telecom operators, including but not limited to Airtel, Vodafone and Idea in India and Etisalat and Ooredo in the Middle East for direct carrier billings for subscriptions. Our Company has made a strategic decision to offer a catalogue of over 1,000 android games on its subscription service through aggregation from different content aggregators across the globe.

This diversification ensures that, at no point, the revenues are significantly dependent on any particular game or any particular game developer or any particular content aggregator. We have leveraged our network across the gaming ecosystem of game aggregators, and telecom operators to monetize our mobile game offerings thus creating value for the partners and for stakeholders over a decade of existence of our Subscription Business model, and continue to create value. Further, the wide range of our relationships with intermediaries has also limited our exposure to a risk of concentration, and enables us to further diversify and expand our partnerships in the mobile game ecosystem. We believe that our ability to diversify into new mobile game offerings and geographies, with limited exposure to the risk of dependence on any intermediary is a key strength in our business operations.

Experienced and dedicated management team

Our management team is led by our Promoters, Vikash Mittersain, and Nitish Mittersain, who have approximately 15 years of experience in the mobile entertainment and gaming industry, and bring to our Company their vision and leadership, which we believe has been instrumental in our success. We have an experienced and dedicated team of Key Management Personnel, with significant experience in all aspects of our business operations, who we believe have enabled us to successfully develop successful and sustainable business models for our network of games.

Our CEO, Manish Agarwal, has been associated with our Company since 2015 and has approximately 18 years of experience in various fields including the gaming space and marketing. He was associated with Reliance Games, in the capacity of chief executive officer of Zapak Mobile Games Private Limited and chief operating officer of Zapak Digital Entertainment Limited. Further, he was also associated with Rediff.com India Limited, in the role of vice president marketing. His association with our Company has been instrumental in creating our Freemium Business while expanding the outreach of our Subscription Business. Many of our Key Management Personnel have been associated with us since incorporation. Further, our Key Management Personnel have been associated with companies like Rediff.com, Yahoo India Private Limited, I2I Telesource Private Limited and Telesoft Neutek Private Limited, among others. For details see "*Our Management – Key Management Personnel*" on page 178. Further, the founders of our recently acquired Subsidiaries, Next Wave and Nodwin Gaming, viz., P.R. Rajendran and P.R. Jayashree, and Akshat Rathee and Gautam Virk, respectively, shall continue to undertake the day to day management of the respective Subsidiaries. We believe that our stable, senior management team has helped us in successfully implementing our development and operating strategies over the years. Owing to the understanding of the industry trends, demands and market changes of our senior management team, we have been able to adapt and diversify our operating capabilities and take advantage of market opportunities over the period.

Our Strategies

Continue organic growth of our Subscription Business

We intend to continue to be present and expand our presence in the emerging markets, including in new countries by capitalising on our first mover advantage in the emerging markets, and leverage our low cost, asset light model and network of partnerships across the gaming ecosystem to ensure scalability and growth of our Subscription Business operations. Further, we intend to expand our partnerships with telecom operators in our existing geographies, such as launch additional services with existing operators and increasing revenue from existing operators through addition of more advertisement networks.

We also intend to further increase our catalogue of games provided through our Subscription Business, by aggregating games based on gamer preferences identified by us, including by providing games based on vernacular languages and other localised offerings. Further, to fulfil our quest of introducing new and popular games, our Company provides financial assistance through investments, to support indigenous game developers and small game studios to bring their game ideas into reality. We also aim to increase the gamut of services provided by us to our gamers in the emerging markets and increase our investment and focus on our back end infrastructure to provide better quality services.

Increased focus on scaling operations in the Freemium Business

Keeping in mind the increasing smartphone user base and improvement in infrastructure and internet services, we intend to expand our Freemium Business in emerging markets and provide easy to play games, with customised intellectual property, using our depth of experience in the mobile games market in such geographies. We intend to drive scale in our advertisement revenues from freemium mobile games aimed at younger audiences and casual gamers, by licensing popular intellectual property such as Oggy and the Cockroaches, and adapting the successful games of our Company to drive our MAUs and scale globally. We also intend to deepen our presence in existing geographies by offering mobile games in vernacular languages and capturing the unlimited internet access to over 100 million subscribers triggered by the launch of a new telecom service provider in India *(Source: Frost & Sullivan Report*). We expect that the increase in internet penetration will support our effort in reaching the next segment of mobile gamers through our Freemium Business, by scaling up our existing mobile game offerings and customising them for local languages and tastes. In addition, we intend to build in-app purchase revenues by creating online and offline competitions between players in popular offline games such as quiz, cricket, chess, soccer and carom.

Pursue strategic acquisitions and partnerships

Amongst all Indian gaming developers, our Company commands the greatest mindshare in the mobile cricket segment. *(Source: Frost & Sullivan Report*). In addition, we recently acquired a mobile gaming company, which has further augmented our cricket mobile game offerings. We have also acquired Nodwin Gaming which has added esports to our network of games. Further, over the last three Financial Years our Company has invested in synergistic companies, such as Hashcube Inc., Mastermind Sports Limited, Moonglabs Technologies Private Limited and HalaPlay Technologies Private Limited which develop popular games, to support our game offerings. In line with such acquisitions, we intend to create a network of synergistic companies within our existing corporate structure, and continuously find companies which have shown positive results in esports in emerging markets and offline gaming in emerging technologies like virtual reality and augmented reality, companies who have been successful in relation to in-app purchases and have a strong portfolio of games and other synergistic companies in allied areas such as advertisement monetisation and real money gaming platforms.

Develop intellectual property of our network of games

Our Company intends to create new intellectual property by leveraging our mobile games and our existing network of games across our Subscription Business, Freemium Business and esports businesses. In the Freemium Business, our Company is focussed on providing mobile game offerings to different homogenous segments, by incorporating popular licensed brands and intellectual property in our mobile game offerings through our partnerships with developers. We intend to continue to seek popular brands and intellectual property to incorporate in our freemium games. Post our recent acquisition, we have introduced esports, to our network of games. The Indian esports audience is still very small, with an estimated two million enthusiasts and two million occasional viewers, but is expected to grow more than fivefold by 2021 *(Source: Frost & Sullivan Report*). In the recent past, leagues such as ESL India Premiership League have successfully organised tournaments in India. Given the expected opportunity around esports and our strategic move to invest in a popular esports tournament in India, we intend to further develop the esports business acquired by our Company, by strategically developing partnerships with media houses, hosting and managing intellectual property based gaming events such as, the ESL India Premiership and Dew Arena by ESL, and partnering with other brands to create multiple gaming event intellectual properties in India.

SUMMARY OF FINANCIAL INFORMATION

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

The Restated Financial Statements have been prepared in accordance with the Companies Act, Indian GAAP and restated in accordance with the SEBI ICDR Regulations and presented under the "Financial Statements" on page 190. The summary financial information presented below should be read in conjunction with the Restated Financial Statements, the notes thereto, as provided in "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 190 and 399, respectively.

RESTATED CONSOLIDATED FINANCIAL INFORMATION OF ASSETS AND LIABILITIES

(₹ in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity and liabilities						
Shareholders' funds						
Share capital	19.89	19.89	19.89	19.89	20.34	20.34
Reserves and surplus	2,097.24	2,144.31	1,564.87	1,073.60	652.79	361.81
	2,117.13	**2,164.20**	**1,584.76**	**1,093.49**	**673.13**	**382.15**
Non-current liabilities						
Long-term provisions	13.69	13.05	11.68	8.49	7.07	5.03
	13.69	**13.05**	**11.68**	**8.49**	**7.07**	**5.03**
Current liabilities						
Trade payable						
Outstanding dues to micro enterprises and small enterprises	-	-	-	-	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises	307.41	240.16	261.65	247.75	92.16	90.04
Other current liabilities	85.73	158.07	136.09	72.04	14.43	8.09
Short-term provisions	59.62	7.34	4.71	3.75	2.21	1.41
	452.76	**405.57**	**402.45**	**323.54**	**108.80**	**99.54**
Total	**2,583.58**	**2,582.82**	**1,998.89**	**1,425.52**	**789.00**	**486.72**
Assets						
Non-current assets						
Fixed assets						
Property, plant and equipment	9.26	10.28	15.17	5.21	5.84	6.54
Intangible assets	5.77	8.04	4.53	5.57	5.98	8.29
Intangible assets under development	2.80	1.40	3.60	-	-	-
Non-current investments	44.59	38.05	24.00	22.65	-	-
Deferred tax assets (net)	36.44	42.46	18.28	9.94	1.97	3.86
Long term loans and advances	62.28	61.29	45.28	23.97	7.85	8.70
Other non current assets	1.73	1.68	1.57	-	51.73	114.37
	162.87	**163.20**	**112.43**	**67.34**	**73.37**	**141.76**
Current assets						
Current investments	736.90	656.31	528.15	327.83	173.85	75.00
Trade receivables	365.71	259.50	334.35	211.58	121.00	129.07
Cash and bank balances	859.85	1,138.31	763.43	538.39	284.10	93.15
Short-term loans and advances	33.78	34.32	35.21	26.57	9.11	3.65
Other current assets	424.47	331.18	225.32	253.81	127.57	44.09
	2,420.71	**2,419.62**	**1,886.46**	**1,358.18**	**715.63**	**344.96**
Total	**2,583.58**	**2,582.82**	**1,998.89**	**1,425.52**	**789.00**	**486.72**

RESTATED CONSOLIDATED FINANCIAL INFORMATION OF PROFITS AND LOSSES

(₹ in million, unless otherwise stated)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Income						
Revenue from operations	838.93	1,901.58	2,111.63	1,529.75	873.58	542.14
Other income	48.06	87.60	78.43	47.77	27.70	19.08
Total income	**886.99**	**1,989.18**	**2,190.06**	**1,577.52**	**901.28**	**561.22**
Expenses						
Purchase of content	45.06	107.32	111.05	70.56	58.76	71.47
Advertising cost	236.88	529.43	653.20	402.18	194.10	103.63
Employee benefit expenses	152.43	238.64	232.38	135.76	118.77	93.95
Other expenses	136.67	404.13	358.84	213.59	133.70	99.59
Depreciation and amortisation expense	5.95	11.58	9.50	7.95	7.99	9.08
Total expenses	**576.99**	**1,291.10**	**1,364.97**	**830.04**	**513.32**	**377.72**
Restated profit before tax	**310.00**	**698.08**	**825.09**	**747.48**	**387.96**	**183.50**
Tax expenses						
Current tax	106.66	129.90	188.21	164.47	96.61	54.13
Deferred tax charge / (credit)	4.57	(29.02)	(8.33)	(7.95)	1.90	(2.58)
Total tax expense	**111.23**	**100.88**	**179.88**	**156.52**	**98.51**	**51.55**
Restated profit for the period before share of profit/(loss) from associate	**198.77**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**
Share of (loss) from associate	**(0.32)**	-	-	-	-	-
Restated profit for the period/year	**198.45**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**

RESTATED CONSOLIDATED FINANCIAL INFORMATION OF CASH FLOWS

(₹ in million, unless otherwise stated)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash flow from operating activities						
Profit before tax, as restated	310.00	698.08	825.09	747.48	387.96	183.50
Adjustment to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	5.95	11.58	9.50	7.95	7.99	9.08
Expenses on employee stock option scheme	47.53	22.85	-	-	-	-
(Gain)/loss on write off of fixed assets	-	(0.13)	0.37	-	-	0.47
Bad debts	3.51	12.76	6.86	7.81	3.49	6.18
Provision for doubtful debts	7.74	39.36	27.60	16.17	10.79	3.58
Investment Written Off	-	6.70	-	-	-	-
Unrealised foreign exchange loss	17.43	103.09	34.38	1.75	0.91	0.14
Provision for doubtful debts written back	-	-	-	(1.07)	(3.79)	-
Liabilities written back / provision no longer required	(23.56)	(7.20)	(12.38)	(12.86)	-	(2.07)
Net gain on sale of current investments	(5.77)	(26.13)	(16.97)	(4.35)	(1.59)	-
Interest income	(18.43)	(51.79)	(40.99)	(24.71)	(20.67)	(17.00)
Dividend income	-	(0.37)	(3.51)	(3.49)	(0.78)	-
Operating profit before working capital changes	**344.40**	**808.80**	**829.95**	**734.68**	**384.31**	**183.88**
Movements in working capital :						
Increase / (decrease) in trade payables	89.04	(8.41)	23.03	166.23	3.64	42.26
Increase in long-term provisions	0.61	1.43	3.02	1.33	1.96	1.47
Increase / (decrease) in short term provisions	0.20	2.00	(0.35)	0.15	0.34	(0.13)
Increase / (decrease) in other current liabilities	(41.18)	21.92	27.55	27.56	6.73	(29.25)
(Increase) / decrease in trade receivables	(120.17)	5.41	(133.58)	(114.19)	(3.20)	(67.80)
(Increase) / decrease in loans and advances	(0.54)	0.58	(15.69)	(15.17)	(7.46)	41.08
(Increase) / decrease in other current assets	(99.94)	(116.46)	19.22	(126.56)	(72.22)	21.53
Cash generated from operations	172.42	715.27	753.15	674.03	314.10	193.04
Direct taxes paid (net of refunds)	(88.95)	(147.34)	(161.77)	(154.29)	(93.68)	(50.33)
Net cash flow from operating activities (A)	**83.47**	**567.93**	**591.38**	**519.74**	**220.42**	**142.71**
Cash flows from investing activities						
Purchase of fixed assets, including intangible assets under development	(4.07)	(8.13)	(22.38)	(6.85)	(4.81)	(7.01)
Proceeds from disposal of property, plant and equipment	-	0.23	0.05	-	-	-
Purchase of current investments	(361.50)	(505.07)	(927.85)	(506.48)	(260.48)	(65.00)
Proceeds from redemption/maturity of current investments	368.47	403.02	744.52	356.85	163.22	-
Purchase of non current investments	(87.54)	(21.77)	-	(22.15)	-	-
Investment in bank deposits (having original maturity of more than three months)	(306.12)	(1,454.14)	(71.38)	(138.20)	(198.09)	(206.59)
Redemption/maturity of bank deposits (having original maturity of more than three months)	506.98	997.34	175.50	202.67	129.45	214.24
Interest received	21.96	43.62	33.53	26.99	11.71	11.56
Dividends received from current investments	-	0.37	3.51	3.49	0.78	-
Net cash flow from/ (used in) investing activities (B)	**138.18**	**(544.53)**	**(64.50)**	**(83.68)**	**(158.22)**	**(52.80)**
Cash flows from financing activities						
Buyback of shares	-	-	-	(133.93)	-	(79.68)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Dividend paid on equity shares	(300.38)	-	(198.92)	-	-	-
Tax on equity shares dividend	-	-	(0.29)	-	-	-
Tax on buyback of shares	-	-	(3.91)	(26.46)	-	-
Net cash flow used in financing activities (C)	**(300.38)**	**-**	**(203.12)**	**(160.39)**	**-**	**(79.68)**
Net increase in cash and cash equivalents (A + B + C)	**(78.77)**	**23.40**	**323.76**	**275.67**	**62.20**	**10.23**
Effect of exchange differences on cash & cash equivalents held in foreign currency	0.04	(69.38)	7.70	(6.01)	(0.30)	0.50
Cash and cash equivalents at the beginning of the period/year	648.37	694.35	362.89	93.23	31.33	20.60
Cash and cash equivalents at the end of the period/year	**569.64**	**648.37**	**694.35**	**362.89**	**93.23**	**31.33**
Components of cash and cash equivalents						
Cash in hand	0.25	0.01	0.10	0.05	0.02	0.00*
Balances with bank	569.39	603.07	314.06	195.39	93.21	31.33
Deposit with original maturity of less than 3 months	-	45.29	380.19	167.45	-	-
Total cash and cash equivalents	**569.64**	**648.37**	**694.35**	**362.89**	**93.23**	**31.33**

RESTATED UNCONSOLIDATED FINANCIAL INFORMATION OF ASSETS AND LIABILITIES

(₹ in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity and liabilities						
Shareholders' funds						
Share capital	19.89	19.89	19.89	19.89	20.34	20.34
Reserves and surplus	850.65	833.70	732.74	610.83	528.17	336.80
	870.54	**853.59**	**752.63**	**630.72**	**548.51**	**357.14**
Non-current liabilities						
Long-term provisions	10.45	10.09	8.79	5.63	5.27	4.24
	10.45	**10.09**	**8.79**	**5.63**	**5.27**	**4.24**
Current liabilities						
Trade payable						
Outstanding dues to micro enterprises and small enterprises	-	-	-	-	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises	119.00	97.44	166.37	176.98	63.47	75.44
Other current liabilities	34.18	38.50	58.89	37.64	10.93	6.89
Short-term provisions	54.18	3.71	1.71	1.83	1.68	1.34
	207.36	**139.65**	**226.97**	**216.45**	**76.08**	**83.67**
Total	**1,088.34**	**1,003.33**	**988.39**	**852.80**	**629.86**	**445.05**
Assets						
Non-current assets						
Fixed assets						
Property, plant and equipment	8.13	8.75	14.86	4.32	4.27	5.12
Intangible assets	5.79	8.06	4.54	5.54	5.89	8.13
Intangible assets under development	2.80	1.40	3.60	-	-	-
Non-current investments	0.79	0.69	0.69	0.69	0.69	0.64
Deferred tax assets	32.66	19.42	14.36	10.04	1.97	3.86
Long term loans and advances	31.13	33.67	19.31	10.70	6.21	8.26
Other non current assets	1.73	1.68	1.57	-	51.73	114.37
	83.03	**73.67**	**58.93**	**31.29**	**70.76**	**140.38**
Current assets						
Current investments	655.14	656.33	528.16	327.83	173.85	75.00
Trade receivables	135.44	116.16	183.88	145.20	91.16	93.83
Cash and bank balances	20.63	79.58	102.44	219.61	202.00	88.87
Short-term loans and advances	43.69	31.23	26.23	21.19	5.16	2.88
Other current assets	150.41	46.35	88.75	107.68	86.93	44.09
	1,005.31	**929.65**	**929.46**	**821.51**	**559.11**	**304.68**
Total	**1,088.34**	**1,003.32**	**988.39**	**852.80**	**629.86**	**445.05**

RESTATED UNCONSOLIDATED FINANCIAL INFORMATION OF PROFITS AND LOSSES

(₹ in million, unless otherwise stated)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Income						
Revenue from operations	321.36	773.62	1,169.56	896.06	619.24	445.29
Other income	310.72	36.15	241.48	34.91	27.74	19.90
Total income	**632.08**	**809.77**	**1,411.04**	**930.97**	**646.98**	**465.19**
Expenses						
Purchase of content	30.03	54.19	41.91	11.76	12.72	46.61
Advertising cost	69.43	236.38	510.11	308.07	169.36	101.48
Employee benefit expenses	126.56	199.23	197.67	99.17	78.66	67.62
Other expenses	69.68	194.74	213.95	132.24	89.80	81.38
Depreciation and amortisation expense	5.56	10.78	9.09	6.94	7.08	8.67
Total expenses	**301.26**	**695.32**	**972.73**	**558.18**	**357.62**	**305.76**
Restated profit before tax	**330.82**	**114.46**	**438.31**	**372.79**	**289.36**	**159.43**
Tax expenses						
Current tax	74.26	41.41	121.52	134.37	96.10	54.06
Deferred tax charge / (credit)	(13.24)	(5.06)	(4.33)	(8.06)	1.89	(2.58)
Total tax expense	**61.02**	**36.35**	**117.19**	**126.31**	**97.99**	**51.48**
Restated profit for the period / year	**269.80**	**78.11**	**321.12**	**246.48**	**191.37**	**107.95**

RESTATED UNCONSOLIDATED FINANCIAL INFORMATION OF CASH FLOWS

(₹ in million, unless otherwise stated)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash flow from operating activities						
Profit before tax, as restated	330.82	114.46	438.31	372.79	289.36	159.43
Adjustment to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	5.56	10.78	9.10	6.94	7.08	8.67
Expenses on employee stock option scheme	36.06	17.33	-	-	-	-
(Gain) / loss on write off of fixed assets	-	0.00*	0.00*	-	-	0.47
Bad debts	-	-	0.86	0.58	0.55	4.04
Provision for doubtful debts	7.74	31.35	-	0.16	1.18	3.58
Provision for doubtful debts written back	-	-	(0.26)	(1.08)	(3.79)	-
Liabilities written back / provision no longer required	-	(3.05)	(11.64)	(1.28)	-	(2.07)
Unrealised foreign exchange loss	(0.05)	0.18	0.06	0.73	0.72	0.12
Net gain on sale of current investments	(5.77)	(26.13)	(16.97)	(4.35)	(1.59)	-
Gain on liquidation of subsidiary	-	(0.62)	-	-	-	-
Interest income	(2.15)	(4.24)	(8.31)	(23.67)	(20.73)	(17.83)
Dividend income	(302.52)	(0.37)	(201.03)	(3.49)	(0.78)	-
Operating profit before working capital changes	69.69	139.69	210.12	347.33	272.00	156.41
Movements in working capital :						
Increase / (decrease) in trade payables	21.32	(64.90)	0.62	113.94	(8.36)	34.12
Increase in long-term provisions	0.37	1.29	3.16	0.37	1.02	0.90
Increase / (decrease) in short term provisions	0.20	2.00	(0.12)	0.15	0.34	(0.13)
Increase / (decrease) in other current liabilities	(4.32)	(20.39)	25.14	22.81	4.04	(17.14)
(Increase) / decrease in trade receivables	(26.51)	37.94	(39.73)	(53.57)	0.42	(41.34)
(Increase) / decrease in loans and advances	(0.08)	(1.53)	(13.43)	(15.11)	(3.16)	41.38
(Increase) / decrease in other non current assets	-	-	0.00*		-	-
(Increase) / decrease in other current assets	(103.26)	42.11	19.36	(23.80)	(32.53)	21.53
Cash generated from operations	(42.59)	136.21	205.12	392.12	233.77	195.73
Direct taxes paid (net of refunds)	(22.40)	(53.68)	(122.05)	(137.42)	(92.28)	(50.33)
Net cash flow from operating activities (A)	**(64.99)**	**82.53**	**83.07**	**254.70**	**141.49**	**145.40**
Cash flows from investing activities						
Purchase of fixed assets, including intangible assets under development	(4.07)	(5.96)	(22.28)	(6.65)	(3.99)	(5.88)
Acquisition of shares in subsidiary	(0.10)	-	-		-	-
Proceeds from disposal of property, plant and equipment	-	0.00*	0.05		-	-
Purchase of current investments	(361.50)	(505.07)	(927.85)	(506.48)	(260.49)	(65.00)
Proceeds from redemption/maturity of current investments	368.47	403.02	744.52	356.85	163.22	-
Purchase of non-current investments		-	-		(0.05)	-
Proceeds from liquidation of subsidiary	-	0.63	-		-	-
Investment in bank deposits (having original maturity of more than three months)	-	(1.65)	(1.50)	(138.20)	(198.09)	(206.59)
Redemption / maturity of bank deposits (having original maturity of more than three months)	1.50	-	175.50	202.67	129.45	214.24
Interest received	1.32	2.45	7.82	26.99	11.76	12.39
Dividend received from subsidiary company	302.52	-	197.52		-	-
Dividends received from current investments	-	0.37	3.51	3.49	0.78	-
Net cash flow from / (used in) investing activities (B)	**308.14**	**(106.21)**	**177.29**	**(61.33)**	**(157.41)**	**(50.84)**
Cash flows from financing activities						
Buyback of shares	-	-	-	(133.93)	-	(79.68)
Dividend paid on equity shares	(300.38)	-	(198.92)	-	-	-

Particulars	For the six month ended	For the year ended				
	September 30, 2017	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Tax on equity dividend paid	-	-	(0.29)	-	-	-
Tax on buyback of shares	-	-	(3.91)	(26.46)	-	-
Net cash flow used in financing activities (C)	**(300.38)**	**-**	**(203.12)**	**(160.39)**	**-**	**(79.68)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(57.23)**	**(23.69)**	**57.24**	**32.98**	**(15.92)**	**14.88**
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.22)	(0.67)	1.09	-	-	-
Cash and cash equivalents at the beginning of the period / year	78.08	102.44	44.11	11.13	27.05	12.17
Cash and cash equivalents at the end of the period / year	**20.63**	**78.08**	**102.44**	**44.11**	**11.13**	**27.05**
Components of cash and cash equivalents						
Cash in hand	0.25	-	-	-	-	-
Balances with bank	20.38	78.08	77.44	44.11	11.13	27.05
Deposit with original maturity of less than 3 months	-	-	25.00	-	-	-
Total cash and cash equivalents	**20.63**	**78.08**	**102.44**	**44.11**	**11.13**	**27.05**

THE OFFER

The following table summarises the Offer details:

Offer of Equity Shares[(1)(2)]	Up to 5,543,052 Equity Shares aggregating up to ₹[●] million
of which	
A) QIB portion[(3)(4)]	Atleast [●] Equity Shares
of which:	
(i) Anchor Investor Portion	Not more [●] Equity Shares
of which:	
Available for allocation to Mutual Funds only	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which:	
Available for allocation to Mutual Funds only (5% of the QIB Portion excluding the Anchor Investor Portion)	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion[(4)]	Not more than [●] Equity Shares
C) Retail Portion[(4)]	Not more than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	26,972,619 Equity Shares
Equity Shares outstanding after the Offer	26,972,619 Equity Shares

The Offer is being made pursuant to Rule 19(2)(b) of SCRR read with Regulation 41 of the SEBI ICDR Regulaitons. Allocation to all categories, except the Anchor Investor Portion and the Retail Portion shall be made on a proportionate basis. For further details, see "*Offer Procedure - Basis of Allotment*" on page 489. The allocation to each Retail individual Bidder shall not be less than minimum Bid Lot, subject to availability of shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. Further, for details, including in relation to grounds of rejection of Bids and the details of the terms of the Offer, see "*Offer Procedure*" and "*Terms of the Offer*", respectively, on pages 456 and 448, respectively.

(1) The Offer was approved by our Board and our Shareholders pursuant to the resolutions passed at their meeting held on January 17, 2018 and January 24, 2018, respectively.

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

Selling Shareholder	*Number of Equity Shares offered in the Offer for Sale*	*Date of consent/authorisation/resolution*
WestBridge Ventures II Investment Holdings	5,182,753	January 5, 2018
Mitter Infotech LLP	360,299	January 16, 2018

The Equity Shares being offered by each Selling Shareholder have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of SEBI ICDR Regulations and are eligible for being offered for sale in the Offer.

(3) Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Any unsubscribed portion in the Mutual Fund Portion will be added to the QIB Portion (excluding Anchor Investor Portion) and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 456. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations

(4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange

GENERAL INFORMATION

Our Company was originally incorporated as Nazara.Com Private Limited on December 8, 1999 at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Nazara Technologies Private Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on July 4, 2003. Thereafter, our Company was converted into a public limited company and the name of our Company was changed to Nazara Technologies Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on December 13, 2017.

Registered and Corporate Office
51-57, Maker Chambers 3
Nariman Point Mumbai, Mumbai City
Maharashtra 400 021

Registration number: 122970
Corporate identification number: U72900MH1999PLC122970

Address of the RoC

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

Registrar of Companies
100, Everest,
Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

The Board of our Company as on the date of filing of this Draft Red Herring Prospectus comprises the following:

Name	Designation	DIN	Address
Vikash Mittersain	Chairman and Managing Director	00156740	24, Vijay Villa, 79, Worli Sea Face, Mumbai 400 025, Maharashtra, India
Nitish Mittersain	Joint Managing Director	02347434	24, Vijay Villa, 79, Worli Sea Face, Mumbai 400 025, Maharashtra, India
Kuldeep Jain	Non-Executive Director	02683041	Flat No-13/A, 13th Floor, The Peregrine, 400, Veer Savarkar Marg, Opposite Siddhivinayak Mandir, Prabhadevi, Mumbai 400 025, Maharashtra, India
Sasha Mirchandani	Non-Executive, Independent Director	01179921	D-131, Tahnee Heights Petit Hall, Napean Sea Road, Mumbai 400 006, Maharashtra, India
Shobha Jagtiani	Non-Executive, Independent Director	00027558	L-1, Palm Springs, 12th Floor, Cuffe Parade, Colaba, Mumbai 400 005, Maharashtra, India
Probir Roy	Non-Executive, Independent Director	00111961	10B, Krishnamai Building, Pockhanwala Road, Worli Seaface, Mumbai 400 030, Maharashtra, India

For further details of our Directors, see "*Our Management*" on page 168.

Company Secretary and Compliance Officer

Chief Financial Officer

Rakesh Shah
Nazara Technologies Limited
51-57, Maker Chambers 3
Nariman Point, Mumbai 400 021
Maharashtra, India
Tel: +91 22 4033 0800
Fax: +91 22 2281 0606
E-mail: rakesh.shah@nazara.com

Company Secretary and Compliance Officer

Vinav Agarwal
Nazara Technologies Limited
51-57, Maker Chambers 3
Nariman Point, Mumbai 400 021
Maharashtra, India
Tel: +91 22 4033 0800
Fax: +91 22 2281 0606
E-mail: cs@nazara.com

Investor Grievances

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

All grievances other than those of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of ASBA Form and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

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

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

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

Book Running Lead Managers	
ICICI Securities Limited ICICI Center, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: (91 22) 2288 2460 Fax: (91 22) 2282 6580 E-mail: nazara.ipo@icicisecurities.com Investor Grievance E-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Payal Kulkarni / Shekher Asnani / Suyash Jain SEBI Registration No.: INM000011179	**Edelweiss Financial Services Limited** 14th Floor, Edelweiss House Off C.S.T. Road, Kalina Mumbai 400 098 Maharashtra, India Tel: +91 22 4009 4400 Fax: +91 22 4086 3610 E-mail: nazara.ipo@edelweissfin.com Investor grievance e-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Siddharth Shah / Yash Modi SEBI Registration No.: INM0000010650

Syndicate Members
[●]

Indian Legal Counsel to our Company and Westbridge
Cyril Amarchand Mangaldas 201, Midford House, Midford Garden Off MG Road Bengaluru 560 001 Karnataka, India Tel: +91 80 2558 4870 Fax: +91 80 2558 4266

Indian Legal Counsel to the BRLMs
AZB & Partners
A-8, Sector 4
Noida 201 301
Uttar Pradesh, India
Tel: +91 120 4179999
Fax: +91 120 417 9900

Auditors to our Company
S.R. Batliboi & Associates LLP
Chartered Accountants
14th floor, The Ruby
29 Senapati Bapat Marg
Dadar, Mumbai 400 028
Maharashtra, India
E-mail : SRBA@in.ey.com
Tel : +91 22-61920000
Fax : +91 22-61921000
Firm Registration No : 101049W/E300004

Registrar to the Offer
Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West) Mumbai 400 083
Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6060
E-mail: nazara.ipo@linkintime.co.in
Investor grievance email: nazara.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No. INR000004058

Bankers to the Offer/ Escrow Collection Banks
[●]

Refund Bank
[●]

Banker to our Company

Standard Chartered Bank
90 M.G. Road,
Mumbai 400 001
Maharashtra, India
Tel: +91 84 5494 7595
Fax: +91 22 6115 7006/ 6115 7007
E-mail: Ankur.Agarwal@sc.com/ Aparna.Soni@sc.com
Contact Person: Ankur Agarwal

State Bank of India
Capital Market Branch
Videocon Heritage, Ground Floor
Charnjit Rai Marg, Fort
Mumbai 400 001
Tel: +91 22 2209 4932
Fax: +91 22 2209 4921/22
E-mail: nib.11777@sbi.co.in
Contact Person: Indra Kant Chaurasia

Designated Intermediaries

Self Certified Syndicate Banks/ Broker Centres

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries, as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

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

RTAs

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

Collecting Depository Participants

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

Experts

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

a) Our Company has received written consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 and as “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination report dated January 17, 2018 on our Restated Financial Statements and their report dated January 25, 2018 on the Statement of Tax Benefits included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under U.S. Securities Act.

Monitoring Agency

Since the Offer is an offer for sale by the Selling Shareholders, in terms of Regulation 16(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency.

Appraising Entity

Since the Offer is an offer for sale by the Selling Shareholders, our Company shall not receive any proceeds from the Offer. Consequently, our Company does not have to appoint any appraising agency.

Inter-se allocation of Responsibilities

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

Sr. No.	Activities	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, size of Offer, allocation between primary and secondary, etc.	I-Sec, Edelweiss	I-Sec
2.	Due diligence of the Company’s operations/ management/ business plans/ legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of RHP, Prospectus and RoC filing of the same, follow up and coordination till final approval from all regulatory authorities	I-Sec, Edelweiss	I-Sec
3.	Drafting and approval of statutory advertisement and application forms	I-Sec, Edelweiss	I-Sec
4.	Drafting and approval of other publicity material including non-statutory advertisement, corporate advertisement, brochure, etc.	I-Sec, Edelweiss	Edelweiss

Sr. No.	Activities	Responsibility	Coordinator
5.	Appointment of all other intermediaries (e.g. Registrar(s), Printer(s), Monitoring Agency and Banker(s) to the Offer, Advertising agency etc.) including coordinating all agreements to be entered with such parties	I-Sec, Edelweiss	I-Sec
6.	International Institutional Marketing strategy; allocation of investors for meetings and finalizing international road show and investor meeting schedules and	I-Sec, Edelweiss	Edelweiss
7.	Preparation of road show presentation and FAQs	I-Sec, Edelweiss	Edelweiss
8.	Domestic Institutional Marketing (including banks/ mutual funds); allocation of investors for meetings and finalizing road show schedules	I-Sec, Edelweiss	I-Sec
9.	Non-Institutional & Retail Marketing of the Offer, which will cover, inter alia, • Formulating marketing strategies, preparation of publicity budget • Finalizing Media and PR strategy • Finalizing centres for holding conferences for brokers etc. • Finalizing collection centres; and • Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material	I-Sec, Edelweiss	Edelweiss
10.	Managing the book and finalization of pricing in consultation with the Company	I-Sec, Edelweiss	I-Sec
11.	Coordination with Stock-Exchanges for book building software, bidding terminals etc.	I-Sec, Edelweiss	Edelweiss
12.	Post-Offer activities, managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue, management of escrow accounts, finalization of the basis of allotment based on technical rejections, Basis Advertisement, listing of instruments, demat credit and refunds/ unblocking of funds, payment of the applicable STT, coordination with SEBI and Stock Exchanges for refund of 1% security deposit and coordination with various agencies connected with the post-Offer activity such as registrars to the Offer, bankers to the Offer, SCSBs, including responsibility for execution of underwriting arrangements, as applicable and media compliance report	I-Sec, Edelweiss	Edelweiss

Credit Rating

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

Trustees

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

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and advertised in all editions of the English national newspaper [●], all editions of the Hindi national newspaper, [●] and the [●] edition of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra where the Registered Office of our Company is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLMs after the Bid/Offer Closing Date.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can

revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to the Anchor Investors will be on a discretionary basis.

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

For further details on the method and procedure for Bidding, see "*Offer Procedure*" on page 456.

Illustration of the Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure – Part B – Basis of Allocation - Illustration of the Book Building and Price Discovery Process*" on page 488.

Underwriting Agreement

After the determination of the Offer Price, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

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

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

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

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

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment 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 the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The underwriting arrangement mentioned above shall not apply to subscription by the Bidders in the Offer, except for Bids procured by the Syndicate.

CAPITAL STRUCTURE

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

(In ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price
A	**AUTHORIZED SHARE CAPITAL**(1)		
	34,371,990 Equity Shares of face value of ₹4 each	137,487,960	-
	1,251,204 Preference Shares of face value ₹10 each	12,512,040	-
B	**ISSUED AND SUBSCRIBED CAPITAL**(2) **BEFORE THE OFFER**		
	26,972,619 Equity Shares of face value of ₹4 each	107,890,478(2)	-
C	**PAID-UP CAPITAL**(2) **BEFORE THE OFFER**		
	26,972,619 Equity Shares of face value of ₹4 each	107,890,476(2)	-
D	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to 5,543,052 Equity Shares of face value of ₹4 each(3)	22,172,208	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	1,191,670,356.25	-
	After the Offer	1,191,670,356.25	-
F	**ISSUED AND SUBSCRIBED CAPITAL**(2) **AFTER THE OFFER**		
	26,972,619 Equity Shares of face value of ₹4 each	107,890,478(2)	-
G	**PAID-UP CAPITAL**(2) **AFTER THE OFFER**		
	26,972,619 Equity Shares of face value of ₹4 each	107,890,476(2)	-

(1) For details in relation to the changes in the authorized share capital of our Company, see "History and Certain Corporate Matters" on page 156.

*(2) The entitlement of shareholders ("**Recipient Shareholders**") to fractional equity shares, pursuant to the sub-division of equity share of face value of ₹10 each of the Company to equity shares of face value of ₹4 each, aggregated to 7.5 equity shares of face value of ₹4 each. Accordingly, the resultant seven equity shares, which became 35 Equity Shares post the bonus issue on January 4, 2018 ("**Resultant Shares**"), was issued in physical form, in the name of Nitish Mittersain, Joint Managing Director of our Company, as a trustee/nominee for the Recipient Shareholders. The Resultant Shares were subsequently sold by Nitish Mittersain and the proceeds were paid proportionately to the Recipient Shareholders. The balance 0.5 equity shares of face value of ₹4 each was cancelled.*

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

Notes to the Capital Structure

1. Equity Share Capital History of our Company

a) The history of the equity share capital of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Cumulative number of Equity Shares	Cumulative paid-up Equity share capital (₹)
December 8, 1999	30	10	10	Cash	Subscription to MOA (1)	30	300
April 10, 2000	9,333	10	271.46	Cash	Preferential allotment (2)	9,363	93,630

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Cumulative number of Equity Shares	Cumulative paid-up Equity share capital (₹)
April 10, 2000	9,200	10	271.33	Cash	Preferential allotment(2)	18,563	185,630
April 10, 2000	12,800	10	194.90	Cash	Preferential allotment (2)	31,363	313,630
May 1, 2000	800,000	10	10(3)	Other than cash	Preferential allotment(3)	831,363	8,313,630
May 30, 2000	1,090	10	10(4)	Other than cash	Preferential allotment(4)	832,453	8,324,530
September 5, 2000	1,133	10	10	Cash	Preferential allotment(5)	833,586	8,335,860
July 6, 2005	16,672	10	133.71	Cash	Preferential allotment(6)	850,258	8,502,580
July 6, 2005	16,672	10	130.00	Cash	Preferential allotment(6)	866,930	8,669,300
September 28, 2005	10	10	75.82	Cash	Preferential allotment(7)	866,940	8,669,400
May 11, 2007	998	10	10	Cash	Preferential allotment(8)	867,938	8,679,380
Pursuant to the Board and Shareholders' resolution dated October 4, 2012 and October 18, 2012, respectively, our Company approved a buy-back of Equity Shares at a price of ₹943 per Equity Share. Pursuant to the buy-back, 84,496 Equity Shares were bought back and extinguished and consequently, the paid-up Equity Share capital of our Company reduced to 783,442 Equity Shares aggregating to ₹7,834,420. (9)							
Pursuant to the Board and Shareholders' resolution dated August 8, 2014 and September 1, 2014, respectively, our Company approved a buy-back of Equity Shares at a price of ₹2,950 per Equity Share. Pursuant to the buy-back, 45,400 Equity Shares were bought back and extinguished and consequently, the paid-up Equity Share capital of our Company reduced to 738,042 Equity Shares aggregating to ₹7,380,420. (10)							
March 30, 2016	1,251,204	10	10	Cash	Conversion of Optionally Convertible Redeemable Participating Preference Shares and Compulsorily Convertible Preference Shares(11)	1,989,246	19,892,460
December 22, 2017	3,263	10	6,833.75 (12)	Other than cash	Swap of shares of Next Wave Mutlimedia Private Limited with the Equity Shares of our Company(12)	1,992,509	19,925,090
Pursuant to a resolution of our Shareholders dated December 28, 2017, every two equity shares of face value ₹10 each was split into five equity shares of ₹ 4 each, and accordingly 1,992,509 equity shares of ₹10 each were split into 4,981,272 equity shares of ₹4 each.							
January 4, 2018	19,925,088	4	-	NA	Bonus issue in the ratio of four bonus equity shares for every one Equity Share held by the Shareholders	24,906,360	99,625,440
January 8, 2018	827,387	4	604.32	Cash	Preferential allotment(13)	25,733,747	102,934,988
January 10, 2018	485,018	4	547.00	Cash	Preferential allotment (14)	26,218,765	104,875,060
January 10,	753,854	4	547.00(15)	Other than cash	Swap of shares of	26,972,619	107,890,476

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Cumulative number of Equity Shares	Cumulative paid-up Equity share capital (₹)
2018					Nodwin Gaming Private Limited with the Equity Shares of our Company[15]		

(1) 10 equity shares each allotted to each of Vikash Mittersain, Nitish Mittersain, and Sandhya Mittersain

(2) 12,800 equity shares were allotted to Pramoda C. Shah; 9,333 Equity Shares were allotted to Emerging Investments Limited and 9,200 equity shares were allotted to IndexArb Securities Private Limited

(3) 800,000 equity shares were allotted to Mitter Infotech Private Limited pursuant to agreement dated January 25, 2000 between our Company and Mitter Infotech Private Limited, in lieu of consideration of ₹8.00 million for acquisition of 'Nazara.com' portal

(4) 1,090 equity shares were allotted to Anup Jalota pursuant to Memorandum of Understanding dated April 28, 2000 between the Company and Anup Jalota, for advisory services to the Company's portal 'RadioNazara.com'

(5) 520 equity shares were allotted to Pramoda C. Shah; 240 Equity Shares were allotted to Emerging Investments Limited and 373 equity shares were allotted to Indexarb Securities Private Limited

(6) 16,672 equity shares were allotted to each of Emerging Investments Limited and Persona Ventures Corporation respectively

(7) 10 equity shares were allotted to WestBridge Ventures II Investment Holdings

(8) 998 equity shares were allotted to Anup Jalota

(9) 5,092 equity shares were bought back from Emerging Investments Limited, 1,815 equity shares were bought back from Indexarb Securities Private Limited, 75,510 equity shares were bought back from Mitter Infotech LLP, 206 equity shares were bought back from Anup Jalota and 1,873 equity shares from Rajeev Chitrabhanu Jt Ruchika Chitrabhanu

(10) 3,144 equity shares were bought back from Emerging Investments Limited, 1,121 equity shares were bought back from Indexarb Securities Private Limited, 40001 equity shares were bought back from Mitter Infotech LLP, 128 equity shares were bought back from Mr. Anup Jalota and 1006 equity shares from Mr. Rajeev Chitrabhanu Jt Ruchika Chitrabhanu

(11) 1,251,204 equity shares were allotted to WestBridge Venture II Investment Holdings on conversion of 868,211 Optionally Convertible Redeemable Participating Preference Shares and 382,993 Compulsorily Convertible Preference Shares

(12) Swap of 1,204 equity shares of Next Wave Multimedia Private Limited held by Plutus Investment Advisory Services Private Limited with our Company for 3,263 Equity Shares of our Company at issue price of ₹6,833.75 per equity share of our Company

(13) 74,400 Equity Shares were allotted to Amit D Thacker, 82,750 Equity Shares were allotted to Mehul M Shah, 49,650 Equity Shares were allotted to Nisarg Vakharia, 66,200 Equity Shares were allotted to Kiran Vyapar Limited, 82,750 Equity Shares were allotted to Samyaktva Construction LLP, 82,750 Equity Shares were allotted to Radhika Sharma, 4,150 Equity Shares were allotted to Akshara Motors P Ltd, 49,650 Equity Shares were allotted to Mentor Capital Ltd, 16,550 Equity Shares were allotted to Diam Organic Chemicals Industries P Ltd, 16,550 Equity Shares were allotted to Speed Power P. Limited, 8,300 Equity Shares were allotted to Bahram Navroz Vakil, 8,300 Equity Shares were allotted to Cyrus Nallaseth, 1,98,487 Equity Shares were allotted to Suresh Bhatia (HUF) and 86,900 Equity Shares were allotted to Meena Ashwin Kothari

(14) 485,018 Equity Shares were allotted to Turtle Entertainment GmBH

(15) Swap of 1,981 equity shares of Nodwin Gaming Private Limited each by Good Game Investment Trust and Jetsynthesys Private Limited with our Company for 376,927 Equity Shares each of our Company at issue price of ₹547 per equity share of our Company

2. **Issue of shares at a price which may be lower than the Offer Price**

Except as disclosed below, we have not issued any shares at the price which may be lower than the Offer Price during a period of one year from the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Offer price per Equity Share (₹)	Nature of Consideration	Reason for allotment	Allottees
December 22, 2017	3,263	10*	6,833.75*	Other than cash	Swap of shares of Next Wave Mutlimedia Private Limited with the Equity Shares of our Company	3,263 Equity Shares of our Company were allotted to Plutus Investment Advisory Services Private Limited
January 4, 2018	19,925,088	4	-	NA	Bonus issue in the ratio of four bonus equity shares for every one Equity Share held by the Shareholders	All shareholders of our Company as on the record date
January 8, 2018	827,387	4	604.32	Cash	Preferential allotment	74,400 Equity Shares were allotted to Amit D Thacker, 82,750 Equity Shares were allotted to Mehul M Shah, 49,650 Equity Shares were allotted to Nisarg Vakharia, 66,200 Equity Shares were allotted to Kiran Vyapar Limited, 82,750 Equity Shares were allotted to Samyaktva Construction LLP, 82,750 Equity Shares were allotted to Radhika Sharma, 4,150 Equity Shares were allotted to Akshara Motors P Ltd, 49,650 Equity Shares were allotted to Mentor Capital Ltd, 16,550 Equity Shares were allotted to Diam Organic Chemicals Industries P Ltd, 16,550 Equity Shares were allotted to Speed Power P. Limited, 8,300 Equity Shares were allotted to Bahram Navroz Vakil, 8,300 Equity Shares were allotted to Cyrus Nallaseth, 1,98,487 Equity Shares were allotted to Suresh Bhatia (HUF) and 86,900 Equity Shares were allotted to Meena Ashwin Kothari
January 10, 2018	485,018	4	547	Cash	Preferential allotment	485,018 Equity Shares were allotted to Turtle Entertainment GmBH
January 10, 2018	753,854	4	547	Other than cash	Swap of shares of Nodwin Gaming Private Limited with the Equity Shares of our Company	376,927 Equity Shares were allotted to Good Game Investment Trust and 376,927 Equity Shares were allotted to Jetsynthesys Private Limited

* *Pursuant to a resolution of our Shareholders dated December 28, 2017, every two equity shares of face value ₹10 each was split into five equity shares of ₹ 4 each*

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

Except as set out below, we have not issued shares for consideration other than cash and no benefits have accrued to our Company on account of allotment of shares for consideration other than cash:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Allottees and Reason for Allotment
May 1, 2000	800,000	10	Allotted Equity Shares to Mitter Infotech Private Limited pursuant to agreement dated January 25, 2000 between the Company and Mitter Infotech Private Limited, as consideration for acquisition of 'Nazara.com' portal
May 30, 2000	1,090	10	Allotted Equity Shares to Anup Jalota pursuant to Memorandum of Understanding dated April 28, 2000 between the Company and Anup Jalota, for advisory services to the Company's portal 'RadioNazara.com'
December 22, 2017	3,263	10	Swap of 1,204 equity shares of Next Wave Multimedia Private Limited held by Plutus Investment Advisory Services Private Limited with our Company for 3,263 Equity Shares of our Company pursuant to the Investment Agreement dated December 12, 2017 between our Company, Next Wave Multimedia Private Limited, P. R. Rajendran, R Kalpana and P.R. Jayashree
January 10, 2018	753,854	4	Swap of 1,981 equity shares of Nodwin Gaming Private Limited each by Good Game Investment Trust and Jetsynthesys Private Limited with our Company for 376,927 Equity Shares each of our Company pursuant to the Investment Agreement dated January 2, 2018 between our Company, Nodwin Gaming Private Limited, Good Game Investment Trust, Akshat Rathee, Gautam Virk and Jetsynthesys Private Limited

4. **Preference Share Capital History of our Company**

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

Date of Allotment	Number of Preference Shares Allotted	Face Value per Preference Share (₹)	Offer Price per Preference Share (₹)	Nature of Consideration	Nature of transaction	Cumulative number of Preference Shares	Cumulative paid-up Preference share capital (₹)
September 28, 2005	868,211	10	75.82	Cash	Preferential allotment(1)	868,211	8,682,110
January 17, 2008	382,993	10	157.87	Cash	Preferential allotment(2)	1,251,204	12,512,040

(1) 868,211 Optionally Convertible Redeemable Participating Preference Shares were allotted to WestBridge Ventures II Investment Holdings.

(2) 382,993 Compulsorily Convertible Preference Shares were allotted to WestBridge Ventures II Investment Holdings.

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

As on the date of this Draft Red Herring Prospectus, our Promoters hold 7,430,710 Equity Shares, constituting 27.55 % of the issued, subscribed and paid-up Equity Share capital of our Company.

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

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

Name of the Promoter	Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/Transfer Price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Mitter Infotech LLP	May 1, 2000	Preferential allotment	800,000	Other than Cash	10	-	2.97	[●]
	December 20, 2004	Transfer of shares[1]	(24,403)	NA	10	-	(0.09)	[●]
	November 9, 2012	Buyback of shares	(75,510)	Cash	10	943	(0.28)	[●]
	July 30, 2013	Transfer of Equity Shares[2]	(101,730)	Cash	10	983	(0.38)	[●]
	October 13, 2014	Buyback of shares	(40,001)	Cash	10	2,950	(0.15)	[●]
	November 24, 2017	Transfer of Equity Shares[3]	(40973)	Cash	10	6,831.30	(0.15)	[●]
	December 8, 2017	Transfer of Equity Shares[4]	(5,122)	Cash	10	6,833.75	(0.02)	[●]
	December 11, 2017	Transfer of Equity Shares[5]	(3,073)	Cash	10	6,833.75	(0.01)	[●]
	December 11, 2017	Transfer of Equity Shares[6]	(6,146)	Cash	10	6,833.75	(0.02)	[●]
	December 11, 2017	Transfer of Equity Shares[7]	(10,975)	Cash	10	6,833.75	(0.04)	[●]
	December 12, 2017	Transfer of Equity Shares[8]	(585)	Cash	10	6,833.75	(0.00)	[●]
	December 12, 2017	Transfer of Equity Shares[9]	(12,292)	Cash	10	6,833.75	(0.05)	[●]
	December 26, 2017	Transfer of Equity Shares[10]	(2,780)	Cash	10	6,834.75	(0.01)	[●]
	Pursuant to a resolution of our Shareholders dated December 28, 2017, every two equity shares of face value ₹10 each was split into five equity shares of ₹ 4 each, and accordingly 476,410 equity shares of ₹10 each were split into 1,191,025 equity shares of ₹4 each.							
	January 4, 2018	Bonus issue	4,764,100	Other than Cash	4	-	17.66	[●]
Sub Total (A)			**5,955,125**				**22.08**	[●]
Vikash Mittersain	December 8, 1999	Initial subscription to the Memorandum of Association	10	Cash	10	10	0.00*	[●]
	May 11, 2007	Transfer of Equity Shares[11]	10	Cash	10	10	0.00*	[●]
	Pursuant to a resolution of our Shareholders dated December 28, 2017, every two equity shares of face value ₹10 each was split into five equity shares of ₹ 4 each, and accordingly 20 equity shares of ₹10 each were split into 50 equity shares of ₹4 each.							
	January 4, 2018	Bonus issue	200	Other than Cash	4	-	0.00*	[●]

Name of the Promoter	Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/Transfer Price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Sub Total (B)			**250**				**0.00***	[●]
Nitish Mittersain	December 8, 1999	Initial subscription to the Memorandum of Association	10	Cash	10	10	0.00*	[●]
	November 23, 2017	Transfer of Equity Shares(12)	107,242	NA	10	-	0.40	[●]
	December 22, 2017	Transfer of Equity Shares(13)	(1,100)	NA	10	-	(0.00*)	[●]
	December 22, 2017	Transfer of Equity Shares(14)	(1,464)	NA	10	-	(0.01)	[●]
	December 28, 2017	Transfer of Equity Shares(15)	20,519	NA	10	-	0.08	[●]
	Pursuant to a resolution of our Shareholders dated December 28, 2017, every two equity shares of face value ₹10 each was split into five equity shares of ₹ 4 each, and accordingly 125,207 equity shares of ₹10 each were split into 313,017 equity shares of ₹4 each.							
	January 4, 2018	Bonus issue	1,252,068	Other than Cash	4	-	4.64	[●]
	January 17, 2018	Transfer of Equity Shares(16)	(1,750)	NA	4	-	(0.01)	[●]
	January 17, 2018	Transfer of Equity Shares(17)	(1,750)	NA	4	-	(0.01)	[●]
	January 17, 2018	Transfer of Equity Shares(18)	(1,750)	NA	4	-	(0.01)	[●]
	January 17, 2018	Transfer of Equity Shares(19)	(1,750)	NA	4	--	(0.01)	[●]
	January 18, 2018	Transfer of Equity Shares(20)	(1,750)	NA	4	-	(0.01)	[●]
	January 18, 2018	Transfer of Equity Shares(21)	(1,750)	NA	4	-	(0.01)	[●]
	January 18, 2018	Transfer of Equity Shares(22)	(1,750)	NA	4	-	(0.01)	[●]
	January 18, 2018	Transfer of Equity Shares(23)	(17,500)	NA	4	-	(0.06)	[●]
	January 22, 2018	Transfer of Equity Shares(24)	(60,000)	NA	4	-	(0.22)	[●]
Sub Total (C)			**1,475,335**				**5.47**	[●]
Total (A)+(B)+(C)			**7,430,710**				**27.55**	[●]

**less than 0.01*

(1) 5,920 equity shares transferred from Mitter Infotech to Pramoda C. Shah, 9385 Equity Shares from Mitter Infotech to Emerging Investments Limited, 9067 equity shares transferred from Mitter Infotech to Indexarb Securities Limited and 31 equity shares transferred from Mitter Infotech to Anup Jalota

(2) 101,730 equity shares transferred from Mitter Infotech to Westbridge Ventures II Investment Holdings

(3) 40,973 equity shares transferred from Mitter Infotech to IIFL Special Opportunities Fund

(4) *5,122 equity shares transferred from Mitter Infotech to Madhu Jain*
(5) *3,073 equity shares transferred from Mitter Infotech to Amit Goela*
(6) *6,146 equity shares transferred from Mitter Infotech to Chanakya Value Creation LLP*
(7) *10,975 equity shares transferred from Mitter Infotech to Madhuri Kela*
(8) *585 equity shares transferred from Mitter Infotech to Rajiv Agarwal*
(9) *12,292 Equity Shares transferred from Mitter Infotech to Central Park Securities Holding Private Limited*
(10) *2,780 equity shares transferred from Mitter Infotech to Nipa Sheth*
(11) *10 equity shares were transferred from Sandhya Mittersain to Vikash Mittersain*
(12) *107,242 equity shares were transferred from Westbridge Ventures II Investment Holdings to Nitish Mittersain*
(13) *1,100 equity shares were transferred from Nitish Mittersain to Balkrishna Goyal*
(14) *1,464 equity shares were transferred from Nitish Mittersain to Rahul Goyal*
(15) *20,519 equity shares were transferred from Westbridge Ventures II Investment Holdings to Nitish Mittersain*
(16) *1,750 Equity Shares were transferred from Nitish Mittersain to Rajesh Jain*
(17) *1,750 Equity Shares were transferred from Nitish Mittersain to Kanta Jain*
(18) *1,750 Equity Shares were transferred from Nitish Mittersain to Meena Gupta*
(19) *1,750 Equity Shares were transferred from Nitish Mittersain to Vishal Chiripal*
(20) *1,750 Equity Shares were transferred from Nitish Mittersain to Varsha Sethi*
(21) *1,750 Equity Shares were transferred from Nitish Mittersain to Vedprakash Chiripal*
(22) *1,750 Equity Shares were transferred from Nitish Mittersain to Kavita Saragoi*
(23) *17,500 Equity Shares were transferred from Nitish Mittersain to Neerja Mittersain*
(24) *60,000 Equity Shares were transferred from Nitish Mittersain to Rajiv Chitrabhanu*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the BRLMs that the Equity Shares held by our Promoters which shall be locked-in for three years as Promoters' contribution have been financed from their individual accounts and no loans or financial assistance from any bank or financial institution has been availed by our Promoter for the acquisition of the Equity Shares. None of our Promoters have pledged any of the Equity Shares that they hold in our Company, as on the date of this Draft Red Herring Prospectus.

(b) *The details of the shareholding of our Promoters and the members of the Promoter Group as on the date of filing of this Draft Red Herring Prospectus*:

Name of the Shareholder	Total Equity Shares	Percentage (%) of Pre-Offer Capital
Promoters		
Vikash Mittersain	250	0.00*
Nitish Mittersain	1,475,335	5.47
Mitter Infotech LLP	5,955,125	22.08
Total Holding of the Promoters (A)	**7,430,710**	**27.55**
Promoter Group		
Rahul Goyal	18,300	0.07
Balakrishna Goyal	13,750	0.05
Kanta P. Jain	1,750	0.01
Rajesh Jain	1,750	0.01
Meena Gupta	1,750	0.01
Varsha Sethi	1,750	0.01
Vedprakash Chiripal	1,750	0.01
Vishal V. Chiripal	1,750	0.01
Kavita Saraogi	1,750	0.01
Neerja Mittersain	17,500	0.06
Total holding of the Promoter Group (other than Promoter) (B)	**61,800**	**0.23**
Total Holding of Promoter and Promoter Group (A+B)	**7,492,510**	**27.78**

**less than 0.01*

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

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

(ii) As on the date of this Draft Red Herring Prospectus, our Promoters hold 7,430,710 Equity Shares out of which up to 360,299 Equity Shares are being offered in the Offer and accordingly an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company is eligible for promoters' contribution.

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

Name	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of post-Offer paid-up capital** (%)	Date up to which the Equity Shares are subject to lock-in
Mitter Infotech LLP	May 1, 2000	Preferential allotment	800,000*	10*	-	5,543,051*	20	[●]
Total						**5,543,051***	**20**	**[●]**

**Subsequently, Mitter Infotech LLP had transferred its shares post May 1, 2000 and its shareholding as on December 28, 2017 was reduced to 476,410 Equity Shares. With effect from December 28, 2017, 476,410 Equity Shares of ₹10 each were split into 1,191,025 Equity Shares of ₹4 each. Further, pursuant to the bonus issue, 4,764,100 Equity Shares were allotted to Mitter Infotech LLP on January 4, 2018. Accordingly, as on the date of filing this Draft Red Herring Prospectus, Mitter Infotech LLP holds 5,955,125 Equty Shares out of which upto 360,299 Equity Shares are being offered for sale in the Offer. For details see "-History of the Equity Share Capital held by our Promoters – Build-up of our Promoters' shareholding in our Company" on page 78.*

***on fully diluted basis*

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

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

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

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

- All the Equity Shares held by our Promoters are in dematerialised form.

(d) The Equity Shares forming part of the Promoters' contribution are not subject to any pledge.

(e) *Other lock-in requirements:*

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by Mitter Infotech LLP, one of our Promoters and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company, excluding (i) the Equity Shares offered for sale by the Selling Shareholders in the Offer; and (ii) Equity Shares held by Westbridge under the FVCI route, shall be locked-in for a period of one year from the date of Allotment.

(ii) The Equity Shares which will be transferred by the Selling Shareholders in the Offer shall not be subject to lock-in.

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

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

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

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

6. **Build up of Westbridge's shareholding in our Company**

As on the date of this Draft Red Herring Prospectus, Westbridge holds 6,121,210 Equity Shares, constituting 22.69% of the issued, subscribed and paid-up Equity Share capital of our Company.

The build up of the Equity shareholding of Westbridge in our Company is as follows:

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Westbridge							
September 28, 2005	Allotment of Equity Shares	10	Cash	10	75.82	0.00*	[●]
July 30, 2013	Transfer of Equity Shares(1)	101,730	Cash	10	983	0.38	[●]
March 30, 2016	Allotment of Equity Shares	1,251,204	Cash	10	10	4.64	[●]
November 23, 2017	Transfer of Equity Shares(2)	(107,242)	NA	10	-	(0.40)	[●]
November 23, 2017	Transfer of Equity Shares(3)	(28,670)	NA	10	-	(0.11)	[●]
November 24, 2017	Transfer of Equity Shares(4)	(96,882)	Cash	10	6,831.3	(0.36)	[●]
November 24, 2017	Transfer of Equity Shares(4)	(88,810)	Cash	10	6,831.3	(0.33)	[●]
November 24, 2017	Transfer of Equity Shares(4)	(43,556)	Cash	10	6,831.3	(0.16)	[●]
November 24, 2017	Transfer of Equity Shares(4)	(112,789)	Cash	10	6,831.3	(0.42)	[●]
November 24, 2017	Transfer of Equity Shares(4)	(95,376)	Cash	10	6,831.3	(0.35)	[●]
December 8, 2017	Transfer of Equity Shares(5)	(263,545)	Cash	10	6,833.75	(0.98)	[●]
December 8, 2017	Transfer of Equity Shares(6)	(2,780)	Cash	10	6,833.75	(0.01)	[●]
December 28, 2017	Transfer of Equity Shares(7)	(20,519)	Cash	10	-	(0.01)	[●]
December 28, 2017	Transfer of Equity Shares(8)	(3,078)	Cash	10	-	(0.01)	[●]
Pursuant to a resolution of our Shareholders dated December 28, 2017, every two equity shares of face value ₹10							

Date of allotment/ transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
each was split into five equity shares of ₹ 4 each, and accordingly 489,697 equity shares of ₹10 each were split into 1,224,242 equity shares of ₹4 each.							
January 4, 2018	Bonus issue	4,896,968	NA	4	-	18.16	[●]
Total		**6,121,210**				**22.69**	**[●]**

**less than 0.01*

(1) 101,730 equity shares transferred from Mitter Infotech to Westbridge Ventures II Investment Holdings
(2) 107,242 equity shares were transferred from Westbridge Ventures II Investment Holdings to Nitish Mittersain
(3) 28,670 equity shares were transferred from Westbridge Ventures II Investment Holdings to Manish Agarwal
(4) 437,413 equity shares were transferred from Westbridge Ventures II Investment Holdings to IIFL Special Opportunities Fund
(5) 263,545 equity shares were transferred from Westbridge Ventures II Investment Holdings to Rakesh Jhunjhunwala
(6) 2,780 equity shares were transferred from Westbridge Ventures II Investment Holdings to Utpal Seth
(7) 20,519 equity shares were transferred from Westbridge Ventures II Investment Holdings to Nitish Mittersain
(8) 3,078 equity shares were transferred from Westbridge Ventures II Investment Holdings to Manish Agarwal

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

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

Name of the Selling Shareholder	No. of Equity Shares	Percentage of the pre- Offer capital (%)
WestBridge Ventures II Investment Holdings*	6,121,210*	22.69*
Mitter Infotech LLP	5,955,125	22.08
Total	**12,076,335**	**44.77**

*Westbridge may sell all or part of the Equity Shares held by it in our Company (excluding the Equity Shares offered for sale as part of the Offer) at any time prior to listing of our Company's Equity Shares.

8. **Shareholding Pattern of our Company**

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

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+ C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class: Equity	Class: N/A	Total								
(A)	Promoter & Promoter Group	13	7,492,510	0	0	7,492,510	27.78	7,492,510	-	7,492,510	27.78	-	27.78		-		-	7,492,510
(B)	Public	41	19,480,109	0	0	19,480,109	72.22	19,480,109	-	19,480,109	72.22	-	72.22		-		-	17,690,392
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
	Total	**54**	**26,972,619**	**-**	**-**	**26,972,619**	**100.00**	**26,972,619**	**-**	**26,972,619**	**100.00**	**-**	**100.00**		**-**		**-**	**25,182,902**

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

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

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	WestBridge Ventures II Investment Holdings	6,121,210	22.69
2.	Mitter Infotech LLP	5,955,125	22.08
3.	Rakesh Jhunjhunwala	3,294,310	12.21
4.	IIFL Special Opportunities Fund	1,723,185	6.39
5.	Nitish Mittersain	1,475,335	5.47
6.	IIFL Special Opportunities Fund – Series 4	1,409,860	5.23
7.	IIFL Special Opportunities Fund – Series 5	1,192,195	4.42
8.	IIFL Special Opportunities Fund – Series 2	1,110,125	4.12
9.	Emerging Investments Limited	550,810	2.04
10.	IIFL Special Opportunities Fund – Series 3	544,445	2.02
	Total	**23,376,600**	**86.67**

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

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	WestBridge Ventures II Investment Holdings	6,121,210	22.69
2.	Mitter Infotech LLP	5,955,125	22.08
3.	Rakesh Jhunjhunwala	3,294,310	12.21
4.	IIFL Special Opportunities Fund	1,723,185	6.39
5.	Nitish Mittersain	1,535,335	5.69
6.	IIFL Special Opportunities Fund – Series 4	1,409,860	5.23
7.	IIFL Special Opportunities Fund – Series 5	1,192,195	4.42
8.	IIFL Special Opportunities Fund – Series 2	1,110,125	4.12
9.	Emerging Invstments Limited	550,810	2.04
10.	IIFL Special Opportunities Fund – Series 3	544,445	2.02
	Total	**23,436,635**	**86.89**

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

Sl. No.	Name of the Shareholder	No. of equity shares	Percentage (%)
1.	Mitter Infotech LLP	558,356	75.65
2.	WestBridge Ventures II Investment Holdings	101,740*	13.79*
3.	Emerging Investments Limited	44,065	5.97
4.	Rajeev Chitrabhanu JT	16,361	2.22
5.	Indexarb Securities Private Limited	15,704	2.13
6.	Anup Jalota	1,786	0.24
7.	Vikash Mittersain	20	0.00**
8.	Nitish Mittersain	10	0.00**
	Total	**738,042**	**100.00**

**868,211 Optionally Convertible Redeemable Participating Preference Shares and 382,993 Compulsorily Convertible Preference Shares were held by WestBridge Ventures II Investment Holdings*
***less than 0.01*

10. **Details of Equity Shares held by our Directors and Key Management Personnel**

(i) Set out below are details of the Equity Shares held by our Directors and Key Management Personnel in our Company.

Sl. No.	Name	No. of Equity Shares	Pre-Offer (%)	Post-Offer (%)
1.	Vikash Mittersain	250	0.00*	[●]
2.	Nitish Mittersain	1,475,335	5.47	[●]

Sl. No.	Name	No. of Equity Shares	Pre-Offer (%)	Post-Offer (%)
3.	Manish Agarwal	396,885	1.47	[●]
	Total	**1,872,370**	**6.94**	[●]

**less than 0.01*

(ii) Other than as disclosed above, the Directors and Key Management Personnel in our Company do not hold any Equity Shares.

11. The BRLMs and their respective associates (in accordance with 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 this Draft Red Herring Prospectus. The BRLMs and their associates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

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

13. Our Company has not allotted any shares pursuant to any scheme approved under Sections 230,234 and 66 of the Companies Act, 2013.

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

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

Employee Stock Option Schemes

16. Our Company adopted the ESOP 2016, pursuant to resolutions passed by our Board and Shareholders dated November 24, 2016 and December 26, 2016, respectively. The ESOP 2016 is compliant with the SEBI ESOP Regulations and the Companies Act, 2013.

Particulars	Details			
Options granted*	**Financial Year**	**Date of grant**	**No. of options granted**	**Price per Equity Share (₹)**
	Grant I			
	six month ended September 30, 2017	-	-	-
	2016-2017	January 2, 2017	742,634	234.32
	2015-2016	-	-	-
	Total options granted		742,634	
Pricing formula	Intrinsic Value method			
Vesting period	One Year			
Options vested (excluding the options that have been exercised)*	742,634			
Options exercised	Nil			
The total number of shares arising as a result of exercise of options (including options that have been exercised)*	742,634			
Options forfeited/lapsed/cancelled	Nil			
Variation of terms of options	Not Applicable			
Money realized by exercise of options	Nil			
Total number of options in force*	742,634			
(i) Employee wise details of options granted to Directors/Senior management personnel	**Name of Company's Director**		**No. of options granted under ESOP Scheme**	
	Nil			
	Name of the Senior Management Personnel		**No. of options granted under ESOP Scheme***	
	Manish Agarwal (CEO)		256,075	

Particulars	Details	
	Savio Saldanha (CEO – Middle East & Africa)	179,250
	Rakesh Shah (CFO)	128,037
	Vamsi T (CTO)	64,025
	Chirag Shah	64,025
	Vipul Sarang	7,687
	Total	**699,099**
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil	
(iii) Identified 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	**Name of the employees**	**No. of options granted**
	Manish Agarwal (CEO)	256,075
Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard	7.92	

	Particulars	Six months period ended on September 30, 2017	March 31, 2017	March 31, 2016
Difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on the profits of our Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	Profit after tax as reported	198.45	597.20	-
	Add:- ESOP cost using the intrinsic value method	47.53	22.85	-
	Less:- ESOP cost using the fair value method	(76.94)	(37.00)	-
	Proforma profit after tax	**169.04**	**583.05**	-
	Earnings per share of the considering bonus issue and sub division of shares			
	Basic			
	As reported	7.98	24.02	-
	As per Black Scholes model	6.80	23.45	-
	Diluted			
	As reported	7.92	23.19	-
	As per Black Scholes model	6.75	22.64	-

	Weighted average exercise price of Options granted		
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock		**During the six months ended September 30, 2017**	**During the year ended March 31, 2017**
	Exercise price equals market price on the date of grant	Not Applicable	Not Applicable
	Exercise price is greater than market price on the date of grant	Not Applicable	Not Applicable
	Exercise price is less than market price on the date of grant	Not Applicable	Not Applicable
	Weighted average fair value of options granted		
		During the six	**During the year**

Particulars	Details		
		months ended September 30, 2017	ended March 31, 2017
	Exercise price equals market price on the date of grant	Not Applicable	Not Applicable
	Exercise price is greater than market price on the date of grant	Not Applicable	Not Applicable
	Exercise price is less than market price on the date of grant	Not Applicable	Not Applicable
Method and significant assumptions used to estimate the fair value of options granted during the year	The Black Scholes Valuation Model		
Method and significant assumptions used to estimate the fair value of options granted during the year			
Grant I			
Method used	Discounted Cash Flow method		
Expected volatility	The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends		
Risk free interest rate	YTM of long term government securities as at Valuation Date		
Weighted average share price	₹361.92		
Exercise price	₹234.32		
Expected life of options granted in the years	The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur.		
Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	The employees of our Company intend to sell an aggregate of up to 499,355 Equity Shares arising out of conversion of 499,355 options, within three months after the listing of Equity Shares pursuant to the Offer.		
Intention to sell Equity Shares arising out of the ESOP Scheme within three months after the listing of Equity Shares by directors, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Our Chief Executive Officer, Manish Agarwal may sell up to 256,075 Equity Shares arising out of conversion of 256,075 options, within three months after the listing of Equity Shares pursuant to the Offer.		
Impact on the profits and on the Earnings Per Share of the last three years if the issuer had followed the accounting policies specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in respect of options granted in the last three years.	As disclosed in the restated financial statements of the Company for the year ended March 31, 2017, 2016 and 2015		

**number of equity shares has been adjusted for sub-division and bonus issue*

17. No Equity Shares were allotted pursuant to the exercise of options granted under the ESOP 2016. Further, except as stated below no options were granted under ESOP 2016 in the last three years preceding the date of filing this Draft Red herring Prospectus:

Scheme	Grant	Number of Options Issued			Number of shares allotted on exercise of Options		
		Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Nazara Technologies ESOP 2016	Equity Shares	742,634*	Nil	Nil	Nil	Nil	Nil

**Originally there were 59,411 equity shares which are now adjusted for sub-division and bonus issue*

18. Our Company adopted the ESOP 2017, pursuant to resolutions passed by our Board and Shareholders dated December 11, 2017 and December 15, 2017, respectively. The ESOP 2017 is compliant with the SEBI ESOP Regulations and the Companies Act, 2013.

Particulars	Details			
Options granted*	**Financial Year**	**Date of grant**	**No. of options granted**	**Price per Equity Share (`)**
	Grant I			
	Period ended January 30, 2018	January 17, 2018	562,733	282.91
	2017-2016	-	-	-
	2015-2016	-	-	-
	Total options granted		**562,733**	
Pricing formula	Intrinsic Value method			
Vesting period	One Year			
Options vested (excluding the options that have been exercised)*	562,733			
Options exercised	Nil			
The total number of shares arising as a result of exercise of options (including options that have been exercised)*	562,733			
Options forfeited/lapsed/cancelled	Nil			
Variation of terms of options	Not Applicable			
Money realized by exercise of options	Nil			
Total number of options in force*	562,733			
(iii)Employee wise details of options granted to Directors/Senior management personnel	**Name of Company's Director**		**No. of options granted under ESOP Scheme**	
	Nil			
	Name of the Senior Management Personnel		**No. of options granted under ESOP Scheme***	
	Nil			
(iv) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	**Name of the employees**		**No. options granted under ESOP Scheme**	
	P.R. Rajendran		364,787	
	P R Jayshree		197,946	
	Total		**562,733**	
(iv) Identified 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	P.R. Rajendran – 364,787			
Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard	Not Applicable since the Nazara Technologies ESOP 2017 was established with effect from January 17, 2018			

<table>
<tr><th>Particulars</th><th colspan="2">Details</th></tr>
<tr><td>Difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on the profits of our Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)</td><td colspan="2">Not applicable</td></tr>
<tr><td rowspan="8">Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td colspan="2">Weighted average exercise price of Options granted during the period ended January 30, 2018 whose:</td></tr>
<tr><td>Exercise price equals market price on the date of grant</td><td>Not Applicable</td></tr>
<tr><td>Exercise price is greater than market price on the date of grant</td><td>Not Applicable</td></tr>
<tr><td>Exercise price is less than market price on the date of grant</td><td>Not Applicable</td></tr>
<tr><td colspan="2">Weighted average fair value of options granted during the period ended January 30, 2018 whose:</td></tr>
<tr><td>Exercise price equals market price on the date of grant</td><td>Not Applicable</td></tr>
<tr><td>Exercise price is greater than market price on the date of grant</td><td>Not Applicable</td></tr>
<tr><td>Exercise price is less than market price on the date of grant</td><td>Not Applicable</td></tr>
<tr><td>Method and significant assumptions used to estimate the fair value of options granted during the year</td><td colspan="2">The Black Scholes Valuation Model</td></tr>
<tr><td colspan="3">Method and significant assumptions used to estimate the fair value of options granted during the year</td></tr>
<tr><td>Grant I</td><td colspan="2"></td></tr>
<tr><td>Method used</td><td colspan="2">Discounted Cash Flow method</td></tr>
<tr><td>Expected volatility</td><td colspan="2">The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends</td></tr>
<tr><td>Risk free interest rate</td><td colspan="2">YTM of long term government securities as at Valuation Date</td></tr>
<tr><td>Weighted average share price</td><td colspan="2">₹546.70</td></tr>
<tr><td>Exercise price</td><td colspan="2">₹282.91</td></tr>
<tr><td>Expected life of options granted in the years</td><td colspan="2">The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur.</td></tr>
<tr><td>Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer</td><td colspan="2">Not applicable</td></tr>
<tr><td>Intention to sell Equity Shares arising out of the ESOP Scheme within three months after the listing of Equity Shares by directors, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)</td><td colspan="2">Not applicable</td></tr>
<tr><td>Impact on the profits and on the Earnings Per Share of the last three years if the issuer had followed the accounting policies specified in</td><td colspan="2">Not Applicable</td></tr>
</table>

Particulars	Details
Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in respect of options granted in the last three years.	

**number of equity shares has been adjusted for sub-division and bonus issue*

19. No Equity Shares were allotted pursuant to the exercise of options granted under the ESOP 2017. Further, except as stated below no options were granted under ESOP 2017 in the last three years preceding the date of filing this Draft Red herring Prospectus:

Scheme	**Grant**	**Number of Options Issued**			**Number of shares allotted on exercise of Options**		
		Year ended March 31, 2017	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**
Nazara Technologies ESOP 2017	Equity Shares	Nil	Nil	Nil	Nil	Nil	Nil

20. Except as stated below, none of the members of our Promoter Group, our Promoters, our Directors, directors of Promoter Group and their immediate relatives have purchased or sold any securities of our Company or the Subsidiaries during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI:

Name of the Promoter	**Date of allotment/ Transfer**	**Nature of transaction**	**No. of Equity Shares**	**Nature of consideration**	**Face value per Equity Share (₹)**	**Issue Price/Transfer Price per Equity Share (₹)**	**Percentage of the pre-Offer capital (%)**	**Percentage of the post-Offer capital (%)**
Mitter Infotech LLP	November 24, 2017	Transfer of Equity Shares(1)	(40,973)	Cash	10	6,831.30	0.15	[●]
	December 8, 2017	Transfer of Equity Shares(2)	(5,122)	Cash	10	6,833.75	0.02	[●]
	December 11, 2017	Transfer of Equity Shares(3)	(3,073)	Cash	10	6,833.75	0.01	[●]
	December 11, 2017	Transfer of Equity Shares(4)	(6,146)	Cash	10	6,833.75	0.02	[●]
	December 11, 2017	Transfer of Equity Shares(5)	(10,975)	Cash	10	6,833.75	0.04	[●]
	December 12, 2017	Transfer of Equity Shares(6)	(585)	Cash	10	6,833.75	0.00	[●]
	December 12, 2017	Transfer of Equity Shares(7)	(12,292)	Cash	10	6,833.75	0.05	[●]
	December 26, 2017	Transfer of Equity Shares(8)	(2,780)	Cash	10	6,833.75	0.01	[●]
Nitish Mittersain	November 23, 2017	Transfer of Equity Shares(9)	107,242	NA	10	-	0.40	[●]

Name of the Promoter	Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/Transfer Price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
	December 22, 2017	Transfer of Equity Shares(10)	(1,100)	NA	10	-	0.00	[●]
	December 22, 2017	Transfer of Equity Shares(11)	(1,464)	NA	10	-	0.01	[●]
	December 28, 2017	Transfer of Equity Shares(12)	20,519	NA	10	-	0.08	[●]
	January 17, 2018	Transfer of Equity Shares(13)	(1,750)	NA	4	-	0.01	[●]
	January 17, 2018	Transfer of Equity Shares(14)	(1,750)	NA	4	-	0.01	[●]
	January 17, 2018	Transfer of Equity Shares (15)	(1,750)	NA	4	-	0.01	[●]
	January 17, 2018	Transfer of Equity Shares(16)	(1,750)	NA	4	--	0.01	[●]
	January 18, 2018	Transfer of Equity Shares(17)	(1,750)	NA	4	-	0.01	[●]
	January 18, 2018	Transfer of Equity Shares (18)	(1,750)	NA	4	-	0.01	[●]
	January 18, 2018	Transfer of Equity Shares (19)	(1,750)	NA	4	-	0.01	[●]
	January 18, 2018	Transfer of Equity Shares (20)	(17,500)	NA	4	-	0.06	[●]
	January 22, 2018	Transfer of Equity Shares (21)	(60,000)	NA	4	-	0.22	[●]

(1) 40,973 equity shares transferred from Mitter Infotech to IIFL Special Opportunities Fund
(2) 5,122 equity shares transferred from Mitter Infotech to Madhu Jain
(3) 3,073 equity shares transferred from Mitter Infotech to Amit Goela
(4) 6,146 equity shares transferred from Mitter Infotech to Chanakya Value Creation LLP
(5) 10,975 equity shares transferred from Mitter Infotech to Madhuri Kela
(6) 585 equity shares transferred from Mitter Infotech to Rajiv Agarwal
(7) 12,292 equity shares transferred from Mitter Infotech to Central Park Securities Holding Private Limited
(8) 2,780 equity shares transferred from Mitter Infotech to Nipa Sheth
(9) 107,242 equity shares were transferred from Westbridge Ventures II Investment Holdings to Nitish Mittersain
(10) 1,100 equity shares were transferred from Nitish Mittersain to Balkrishna Goyal
(11) 1,464 equity shares were transferred from Nitish Mittersain to Rahul Goyal
(12) 20,519 equity shares were transferred from Westbridge Ventures II Investment Holdings to Nitish Mittersain
(13) 1,750 Equity Shares were transferred from Nitish Mittersain to Rajesh Jain
(14) 1,750 Equity Shares were transferred from Nitish Mittersain to Kanta Jain
(15) 1,750 Equity Shares were transferred from Nitish Mittersain to Meena Gupta
(16) 1,750 Equity Shares were transferred from Nitish Mittersain to Vishal Chiripal
(17) 1,750 Equity Shares were transferred from Nitish Mittersain to Varsha Sethi
(18) 1,750 Equity Shares were transferred from Nitish Mittersain to Vedprakash Chiripal
(19) 1,750 Equity Shares were transferred from Nitish Mittersain to Kavita Saragoi
(20) 17,500 Equity Shares were transferred from Nitish Mittersain to Neerja Mittersain
(21) 60,000 Equity Shares were transferred from Nitish Mittersain to Rajiv Chitrabhanu

21. As of the date of the filing of this Draft Red Herring Prospectus, the total number of our Shareholders is 54.

22. Neither our Company nor our Directors have and, neither our Company nor our Directors shall enter, into buyback arrangements, safety net and/or standby arrangements for purchase of the Equity Shares to be offered as a part of the Offer. Further, the BRLMs have not made any buy-back, safety net and/or standby arrangements for purchase of Equity Shares from any person.

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

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

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

26. Our Promoters, Group Entity and members of the Promoter Group will not submit Bids, or otherwise participate in this Offer, except to the extent of offering the Offered Shares in the Offer.

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

28. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Offer; and (b) any issuance, offer, sale or any other transfer or transaction of a kind referred to above of any Equity Shares under or in connection with the exercise of any stock options pursuant to ESOP 2016 or ESOP 2017, as disclosed in this Draft Red Herring Prospectus and as will be disclosed in the Red Herring Prospectus and the Prospectus, provided they have been approved by our Board.

29. Except for any issue of Equity Shares pursuant to exercise of employee stock options granted under ESOP 2016 or ESOP 2017, 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 this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges.

30. The Offer is being made in terms of Regulation 26(2) of the SEBI ICDR Regulations and through a Book Building Process wherein atleast 75% of the Offer shall be allocated on a proportionate basis to QIBs. Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third shall be available for allocation to domestic Mutual Funds only. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs, to participate in the Offer. For further details, see "*Offer Procedure*" on page 456.

31. Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the

Selling Shareholders, in consultation with the BRLM and the Designated Stock Exchange. Undersubscription, if any, in the QIB Category will not be allowed to be met with spill-over from any category or combination thereof.

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

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

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

35. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, our Directors, our Promoters, Group Entity and members of our Promoter Group, 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.

36. Except options granted pursuant to ESOP 2016 or ESOP 2017, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing Equity Shares on the Stock Exchanges and to carry out the sale of up to 5,543,052 Equity Shares by the Selling Shareholders. For further details, see "*The Offer*" on page 66. The listing of Equity Shares will enhance our Company's brand name and provide liquidity to the existing Shareholders. The listing will also provide a public market for Equity Shares in India. Our Company will not receive any proceeds from the Offer. All proceeds from the Offer will go to each of the Selling Shareholders, in proportion to its portion of the Offered Shares.

Offer expenses

The total Offer-related expenses are estimated to be approximately ₹[●] million. All expenses with respect to the Offer (other than listing fees which shall be payable by our Company) will be borne by the Company and the Selling Shareholders, as may be mutually agreed, in accordance with the applicable law. However, in the event the Offer is withdrawn or not completed for any reason whatsoever, all Offer related expenses will be borne by the Company. Payments, if any, made by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be (other than listing fees which shall be payable by our Company) reimbursed by the Selling Shareholders to our Company. The following table sets forth details of the break-up for the Offer expenses:

Activity	**Estimated Expense[(1)] (₹ million)**	**As a % of total estimated Offer expense[(1)]**	**As a % of total Offer size[(1)]**
Fees payable to the Book Running Lead Managers (including underwriters fees, brokerage and selling commission payable to the Members of the Syndicate[(4)])	[●]	[●]	[●]
Selling commission, processing fees, brokerage, and bidding charges for SCSBs, Registered Brokers, RTAs and CDPs[(2)(3)]	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others: (i) Listing fees; (ii) SEBI and Stock Exchanges processing fees; (iii) Book building fees payable to Stock Exchanges; (iv) Fees payable to Statutory Auditors and independent chartered accountants; (v) Fees payable to legal counsels; and (vi) Miscellaneous.	[●]	[●]	[●]
Total Offer Expenses	[●]	[●]	[●]

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

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:*

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable tax)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable tax)*

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

No additional bidding charges shall be payable by the Selling Shareholders to the SCSBs on the applications directly procured by such SCSBs.

(3) *Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, Non-Institutional Bidders, which are procured by the Members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSBs*

for blocking would be as follows:

*Portion for Retail Individual Bidders**	*₹[●] per valid application (plus applicable tax)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid application (plus applicable tax)*

* *For each valid application*

(4) *Selling commission on the portion for Retail Individual Bidders, the portion for Non-Institutional Bidders, which are procured by Syndicate Members (including their respective sub-Syndicate Members) would be as follows:*

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable tax)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable tax)*

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

Bidding Charges: ₹ [●] (plus applicable taxes) per valid application bid by the Members of the Syndicate (including their sub-syndicate Members).

Note: The brokerage/selling commission payable to the Syndicate/sub-syndicate members will be determined on the basis of the ASBA Form number/series, provided that the application is also bid by the respective Syndicate/sub-syndicate Member. For clarification, if an ASBA Bid on the application form number/series of a Syndicate/sub-syndicate member, is bid for by an SCSB, the brokerage/selling commission will be payable to the SCSB and not to the Syndicate/sub-syndicate member. The brokerage/selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The bidding charges payable to the Syndicate/sub-syndicate members will be determined on the basis of the bidding terminal ID as captured in the Bid book of the Stock Exchanges. Payment of brokerage/selling commission payable to the sub-brokers/agents of the sub-syndicate members shall be handled directly by the sub-syndicate members, and the necessary records for the same shall be maintained by the respective sub-syndicate member.

(5) *Bidding Charges payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSBs for processing, would be as follows:*

*Portion for Retail Individual Bidders**	*₹[●] per valid application (plus applicable tax)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid application (plus applicable tax)*

* *Based on valid applications.*

* *Amount of bidding charges payable to Registered Brokers, RTAs / CDPs shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment. In order to determine to which RTAs / CDPs the commission is payable, the terminal from which the bid has been uploaded will be taken into account. The bidding charges payable shall be subject to total commission payable being maximum of ₹ [●] plus applicable tax.*

The Offer expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective intermediaries by our Company in accordance with the arrangements/ agreements with the relevant intermediary.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹4 each and the Offer Price is [●] times the face value at the Floor Price and [●] times the face value at the Cap Price of the Price Band.

Investors should also refer to "*Our Business*", "*Risk Factors*" and "*Financial Statements*" on pages 134, 17 and 190, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- Sustained profitability and rapid growth of our operations;
- Localised gamer insights in emerging markets leading to proven monetisation abilities;
- Scalable and asset light model across business offerings;
- Diversified business across geographies, telecom operators, gamers and gaming content; and
- Experienced and dedicated management team

For further details, see "*Our Business - Our Strengths*" on page 135.

Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Unconsolidated Financial Statements and the Restated Consolidated Financial Statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. For details, see "*Financial Statements*" on page 190.

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

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

On a restated unconsolidated basis:

Financial Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Basic and Diluted Earnings Per Share ("EPS") adjusted for subsequent issue of bonus and subdivision of shares (Refer Note 4 below)	Diluted EPS as adjusted for subsequent issue of bonus shares and subdivision of shares (Refer Note 4 below)	Weight
March 31, 2015	322.91	116.25	25.83	9.30	1
March 31, 2016	431.11	153.29	34.49	12.26	2
March 31, 2017	39.26	37.89	3.14	3.03	3
Weighted Average	**217.15**	**89.42**	**17.37**	**7.15**	

For the period ended September 30, 2017(not annualized), Basic EPS is ₹135.63 and Diluted EPS is ₹134.49
For the period ended September 30, 2017 As adjusted for subsequent issue of bonus shares and Sub-division of Shares (Refer Note 4 below) (Not Annualized), Basic EPS is ₹10.85 and Diluted EPS is ₹10.76

Note:

1. *The earning per share calculations have been done in accordance with Accounting Standard 20 – Earning per Share as prescribed by the Companies (Accounting Standard) Rules, 2006.*
2. *The ratios have been computed as below:*

a. Basic EPS (in ₹)= Net profit after tax as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding
b. Diluted EPS (in ₹) = Net profit after tax as restated, divided by weighted average number of diluted equity shares outstanding during the year

3. Weighted average EPS is the aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x weight) for each year] / [total of weights]
4. On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of ₹ 10/- each into 2.5 fully paid up equity share having face value of ₹ 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of ₹ 10 each aggregating to ₹19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of ₹ 4 each aggregating to ₹ 19,892,460.
Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares
The basic and diluted earnings per share have been calculated after giving effect to the split and bonus, mentioned above as per requirements of AS-20.

On a restated consolidated basis:

Financial Year ended	**Basic EPS (in ₹)**	**Diluted EPS (in ₹)**	**Basic and Diluted Earnings Per Share ("EPS") adjusted for subsequent issue of bonus and subdivision of shares (Refer Note 4 below)**	**Diluted EPS as adjusted for subsequent issue of bonus shares and subdivision of shares (Refer Note 4 below)**	**Weight**
March 31, 2015	774.23	278.73	61.94	22.30	1
March 31, 2016	866.19	307.99	69.30	24.64	2
March 31, 2017	300.21	289.90	24.02	23.19	3
Weighted Average	**567.87**	**294.07**	**45.43**	**23.53**	**-**

For the period ended September 30, 2017(Not Annualized), Basic EPS is ₹99.76 and Diluted EPS is ₹98.99

For the period ended September 30, 2017 As adjusted for subsequent issue of bonus shares and Sub-division of Shares (Refer Note 4 below) (Not Annualized), Basic EPS is ₹7.98 and Diluted EPS is ₹7.92

Note:

1. *The earning per share calculations have been done in accordance with Accounting Standard 20 – Earning per Share as prescribed by the Companies (Accounting Standard) Rules, 2006.*
2. *The ratios have been computed as below:*
   a. *Basic EPS (in ₹)= Consolidated net profit after tax as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding*
   b. *Diluted EPS (in ₹) = Consolidated net profit after tax as restated, divided by weighted average number of diluted equity shares outstanding during the year*
3. *Weighted average EPS is the aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x weight) for each year] / [total of weights]*
4. *On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of ₹ 10/- each into 2.5 fully paid up equity share having face value of ₹ 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of ₹ 10 each aggregating to ₹19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of ₹ 4 each aggregating to ₹ 19,892,460.*
   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares
   The basic and diluted earnings per share have been calculated after giving effect to the split and bonus, mentioned above as per requirements of AS-20.

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

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS of ₹39.26 for FY 2017 on an unconsolidated basis	[●]	[●]
Based on basic EPS of ₹300.21 for FY 2017 on a consolidated basis	[●]	[●]
Based on diluted EPS of ₹37.98 for FY 2017 on an unconsolidated basis	[●]	[●]
Based on diluted EPS of ₹289.90 for FY 2017 on a consolidated basis	[●]	[●]

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS (As adjusted for subsequent issue of bonus shares and Sub-division of Shares)of ₹ 3.14 for FY 2017 on an unconsolidated basis	[●]	[●]
Based on basic EPS (As adjusted for subsequent issue of bonus shares and Sub-division of Shares)of ₹24.02 for FY 2017 on a consolidated basis	[●]	[●]
Based on diluted EPS (As adjusted for subsequent issue of bonus shares and Sub-division of Shares)of ₹ 3.03 for FY 2017 on an unconsolidated basis	[●]	[●]
Based on diluted EPS (As adjusted for subsequent issue of bonus shares and Sub-division of Shares)of ₹23.19 for FY 2017 on a consolidated basis	[●]	[●]

Industry Peer Group P/E ratio

There are no listed entities similar to our line of business and comparable to our scale of operations.

C. Return on Net Worth (“RoNW”)

On a restated unconsolidated basis:

Financial Year ended	RoNW (%)	Weight
March 31, 2015	39.08%	1
March 31, 2016	42.67%	2
March 31, 2017	9.15%	3
Weighted Average	**25.31%**	

For the period ended September 30, 2017(Not Annualized), RoNW is 30.99%

Notes:

RoNW = Restated profit after tax attributable to equity shareholders for the year / net worth as at the end of year. Weighted average RoNW is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. [(RONW x weight) for each year] / [total of weights]

On a restated consolidated basis

Financial Year ended	RoNW (%)	Weight
March 31, 2015	54.04%	1
March 31, 2016	40.71%	2
March 31, 2017	27.59%	3
Weighted Average	**36.37%**	

For the period ended September 30, 2017(not annualized) RoNW is 9.37%.

Notes:

RoNW = Restated Consolidated profit after tax attributable to equity shareholders for the year / net worth as at the end of year.
Weighted average RoNW is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. [(RONW x weight) for each year] / [total of weights]

D. Minimum Return on Increased Net Worth after Offer needed to maintain Pre-Offer EPS for the year ended March 31, 2017

There will be no change in the Net Worth on Unconsolidated and Consolidated Basis post the Offer as the Offer is by way of only an offer for sale by the Selling Shareholders.

E. Net Asset Value ("NAV") per Equity Share

NAV per Equity Share	(₹) NAV Standalone	(₹) NAV Consolidated
As on March 31, 2017	429.10	1,087.95
As on September 30, 2017 (not annualized)	437.62	1,064.29

NAV per Equity Share of face value of ₹4 each adjusted for subsequent issue of bonus and subdivision of shares (Refer note 3 below)

NAV per Equity Share	(₹) NAV Standalone	(₹) NAV Consolidated
As on March 31, 2017	34.33	87.04
As on September 30, 2017 (not annualized)	35.01	85.14

Note:

1. *NAV = Net Worth, as restated at the end of the period / Number of equity shares outstanding at the end of the period*
2. *There will be no change in the Net Asset Value post the Offer as the Offer is by way of only an offer for sale by the Selling Shareholders.*
3. *On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of ₹10/- each into 2.5 fully paid up equity share having face value of ₹4 each. Accordingly, the outstanding 1,989,246 equity shares having face value of ₹10 each aggregating to ₹19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of ₹4 each aggregating to ₹19,892,460.*

   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

   The net asset value per share have been calculated after giving effect to the split and bonus, mentioned above.

F. Comparison with Listed Industry Peers

There are no listed entities similar to our line of business and comparable to our scale of operations.

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

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

Investors should read the above mentioned information along with "Risk Factors", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 17, 134, 399 and 190, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in "*Risk Factors*" beginning on page 17 or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

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

January 25, 2018

To,
The Board of Directors
Nazara Technologies Limited
51-57, Makers Chamber 3, Nariman Point,
Mumbai-400 021

Dear Sirs/Madam,

Sub: Statement of possible special tax benefits available to Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited) ('Nazara' or 'Company') and its shareholders prepared in accordance with the requirement in SCHEDULE VIII – CLAUSE (VII) (K) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulations')

We hereby report that the enclosed annexure, states the possible tax benefits available to the Company and the shareholders of the Company under the Income-tax Act, 1961 ('IT Act') as amended by the Finance Act 2017, i.e. applicable for the Financial Year ('FY') 2017-18 relevant to the assessment year 2018-19 presently in force in India. These benefits are dependent on the Company and/or its shareholders fulfilling the stipulated conditions prescribed under the relevant provisions of the IT 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 or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available and do not cover any general tax benefits available to the company and to its shareholders. Further, the preparation of the enclosed statement and its contents is the responsibility of the management of the company. 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 consequence and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("the Offer") by the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

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

- The Company or its shareholders will continue to obtain the benefits as per the Statement in future;
- The conditions prescribed for availing the benefits, wherever applicable have been/ would be met with; and

The contents of the enclosed Statement 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.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

The enclosed annexure is intended solely for your information and for inclusion in the offer document in connection with the Offer in India 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**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 048966
Place of Signature: Mumbai

Annexure

STATEMENT OF TAX BENEFITS

Outlined below are the possible special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 and Income Tax Rules, 1962 (together "tax laws") presently in force in India.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

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

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special tax benefits available to the Shareholders of the Company under the tax laws.

Notes:

- This statement does not discuss any tax consequences in the country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.

- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

The above statements covers only above mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless stated otherwise, the information in this section is derived from the report titled Industry Insights for Online and Mobile Gaming in India by Frost & Sullivan dated January 20, 2018 ("**Frost & Sullivan Report**"). The information has not been independently verified by us, the BRLMs, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. The data may have been re-classified by us for the purposes of presentation.*

The market research process for the Frost & Sullivan Report has been undertaken through secondary / desktop research which involves analysing the status of the market by industry subject matter experts, and collaboration on Gaming Industry insights from Newzoo, an independent provider of market research and intelligence on global gaming and esports market. Quantitative market information was sourced via secondary research from trusted portals however the information is subject to fluctuations due to possible changes in the business and market climate. Frost & Sullivan's estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Forecasts, estimates, predictions, and other forward-looking statements contained in the Frost & Sullivan Report and this section are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

Frost & Sullivan has prepared the Frost & Sullivan Report in an independent and objective manner, and it has taken adequate care to ensure its accuracy and completeness. Frost & Sullivan believes that this study presents a true and fair view of the online and mobile gaming industry in India and other regional economies within the limitations of, among others, secondary statistics research, and it does not purport to be exhaustive. The Frost & Sullivan Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise.

Accordingly, investors should not place undue reliance on, or base their investment decision, on this information.

Macroeconomic Outlook

Global Macroeconomic Outlook

Global economic performance picked up in 2017 after a five year period of relative muted growth and the current momentum is expected to continue into 2018. With strengthening economic activity, the global economy is estimated to have grown by 3.6% in 2017, in terms of GDP growth, driven by policy stimulus in emerging economies, solid employment gains, lower inflation rate, growth in investment and an upsurge in international trade.

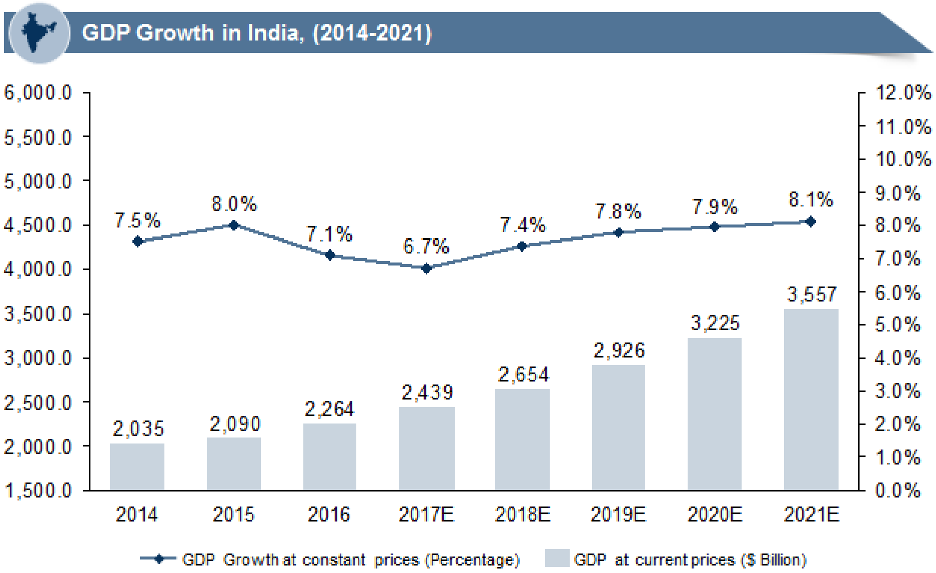
Technology and media consumption has seen phenomenal growth in the last few years, driven by increased smartphone and Internet penetration. More than ever, now companies are harnessing global talent pools to accelerate innovation and productivity, and sustain their competitive advantage. This, in turn, is driving investments in the technology sector, further boosting overall economic growth and growth in GDP.

India's Macroeconomic Outlook

India's economy has demonstrated strong momentum driven by improved fundamentals and prudent economic, fiscal and social policies, as well as strong consumer confidence in the country. Bolstered by a positive investment climate, increased Government spending, and a weak commodity cycle, India became the fastest growing large economy in 2015, with GDP growth rate at 8%. Growth moderated to marginally in 2016, largely driven by the demonetisation drive that led to withdrawal of 86% of the cash in the country. However, this slowdown is viewed as temporary and the economy is forecasted to grow at nearly 7.4% in 2018.

Among all large economies, India is poised to deliver one of the highest growth on a sustainable basis, at CAGR of 9.46% from 2016-2021, driven by strong manufacturing led industrial expansion and consumption demands from private sector. The country's GDP is estimated to cross USD 3,000 Billion (₹200 trillion) by 2020 and in the event of accelerated manufacturing and investment, it could potentially grow to USD 3,600 billion (₹240 trillion).

GDP Growth, India, 2014-2021



Note: All the figures are on financial year basis
Source: Ministry of Statistics and Programme Implementation, India

Demographic Outlook

Global demographic outlook

South East Asia is among the world's most populous regions with close to 470 million people across five countries which represents 6.2% of global population. Within the region, Indonesia and Philippines are amongst the most populous countries. Philippines' population is growing fastest at a CAGR of 2% and it is also the youngest, with a median age of nearly 24 years. In both Indonesia and Philippines the working age populations are set to grow by 30% and 70% respectively over the next three decades.

The population in Latin America, which has a median age of 28.41 year, is also expected to grow from 544.61 million in 2016 to 571.25 million in 2021, at a CAGR of 0.96%.

The Middle East too is a very young region with nearly 65% of the population below 30 years of age, although this metric varies for various individual nations.

By 2050, half of global population growth will be from Africa, where 26 African countries are estimated to at least double their current size. Nigeria will contribute majorly to this boom and is expected to be the third most populous country in the world surpassing USA. In 2017, 60% of African population was below the age of 25 as compared to 42% globally.

Population Metrics, 2016 and 2021

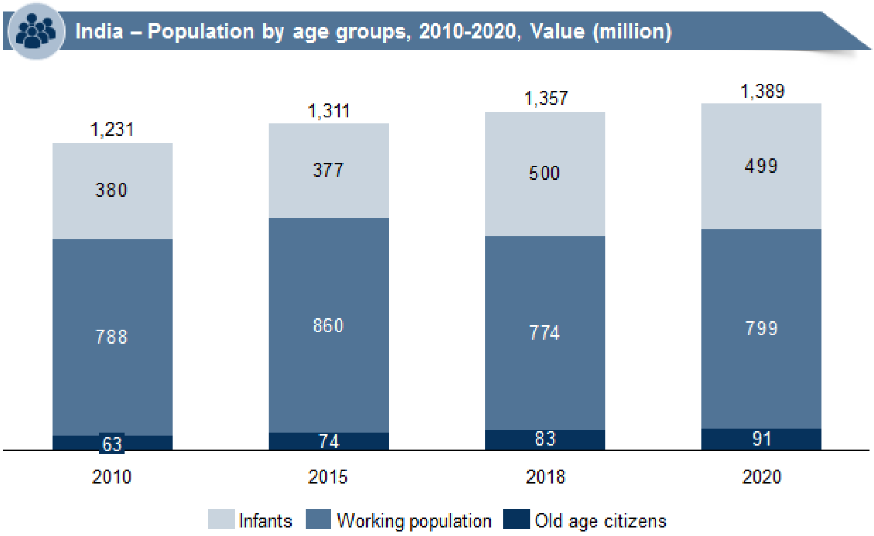
	Population	Urban Population	Population	Urban Population	Population Growth CAGR	Urban Population Growth CAGR	Median Age
	2016	2016	2021E	2021E	(2016-2021E)	(2016-2021E)	2016
	Million				Percentage	Percentage	Years
India	1299.80	430.70	1387.58	485.36	1.32	2.42	27.60
SEA	638.052	328.34	676.82	366.80	1.19	2.24	27.8

Indonesia	258.71	140.91	275.55	159.59	1.27	2.52	29.90
Malaysia	31.63	23.84	33.77	26.50	1.32	2.13	28.20
Philippines	104.18	46.14	115.03	55.43	2.00	3.73	24.32
Singapore	5.61	5.61	5.89	5.89	0.98	0.99	40.00
Thailand	68.98	35.55	69.35	39.97	0.11	2.37	37.20
Latin America	544.61	428.92	571.25	459.07	0.96	1.37	28.41
Middle East and Africa	958.84	624.59	1062.22	708.60	2.07	2.56	25.50
Egypt	90.20	38.99	101.06	44.06	2.30	2.48	24.24
Nigeria	183.64	89.24	210.31	105.79	2.75	3.46	18.30
Qatar	2.62	2.60	2.82	2.79	1.48	1.42	33.00
Saudi Arabia	31.74	26.45	35.05	29.54	2.00	2.24	27.20
Turkey	79.82	58.97	83.71	64.03	0.96	1.66	30.50
United Arab Emirates	9.86	8.46	11.42	10.25	2.98	3.91	30.30

India demographic outlook

Rising population in India is expected to have a positive impact on the Indian economy majorly due to the large numbers entering the working age group, thereby strengthening its workforce.

Population by age groups, India, 2010-2020, (Million)

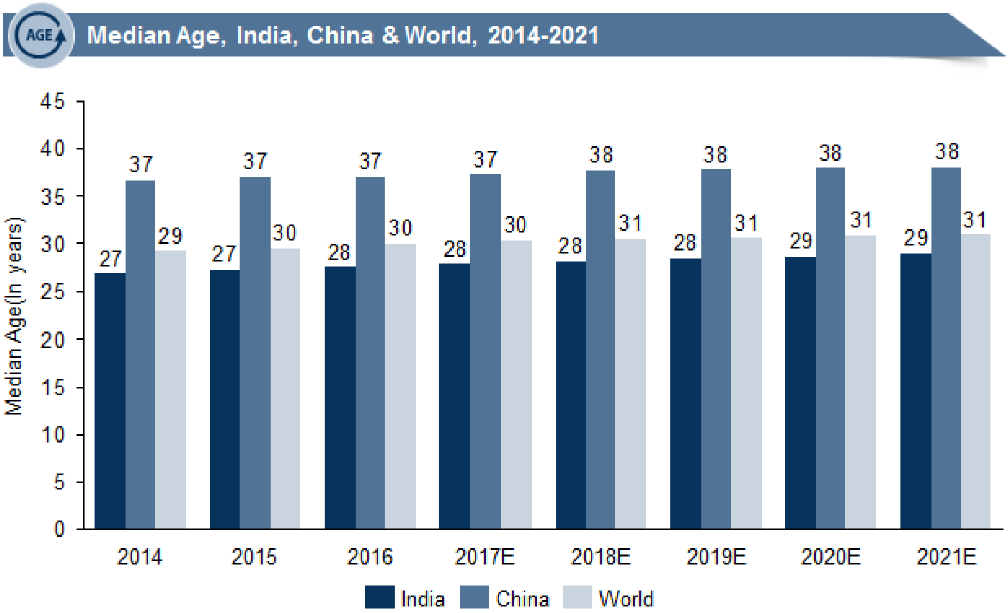


Note: Infants population includes ages below 15, working population includes 15-64 years, and old age citizens include 64+.

Source: World Bank Population Estimates and Projection

Indicative of future growth prospects, India is also set to be the youngest large economy by 2021 with a median age of 29 in comparison to China at 38 and a global median at 31 years.

Median Age, India, China and Global, 2014-2021 (Years)



Source: CIA World Factbook

Mobile industry outlook

Global mobile industry outlook

Mobile connectivity in South East Asia has grown impressively. Mobile penetration rates in South East Asia exceed the population by a third and are well ahead of the global average. Technological infrastructure expansion initiatives in the region have contributed to these high growth rates and the growth is expected to continue in the coming years as well. Thailand, Malaysia and Singapore have the highest mobile penetration rates in the region.
Digital adoption in Latin America is widespread and increasing with high mobile penetration of more than 100% in most of the large economies. Argentina, the third largest mobile market in Latin America, has more than 150% penetration. Nevertheless, more than 27% of the Argentinian population still does not use mobile internet.
Middle East and Africa are widely differing regions; the UAE's mobile penetration rate is twice its population while 20% of Nigerians still don't have a mobile connection. This region taken together is expected to post slower growth rates in the next few years because of political instability and already high penetration rates.

Mobile Penetration, 2014-2021, (%)

	Mobile Penetration (Percentage)							
	2014	2015	2016	2017E	2018E	2019E	2020E	2021E
India	74.5	78.1	84.0	85.7	90.0	93.7	97.1	100.0
SEA	118.84	118.87	123.85	130.51	135.01	139.43	145.14	149.13
Indonesia	128.8	130.1	131.0	137.0	140.5	143.9	147.1	150.3
Malaysia	148.8	150.0	141.3	146.8	147.3	147.8	148.3	148.9
Philippines	111.2	115.8	109.2	112.3	116.0	116.9	117.8	118.4
Singapore	146.9	146.5	146.9	145.6	143.0	140.6	140.6	138.8
Thailand	144.4	145.6	158.4	165.8	173.2	180.7	188.1	194.8
Latin America	110.8	108.1	108.7	111.0	109.6	108.7	108.7	109.0

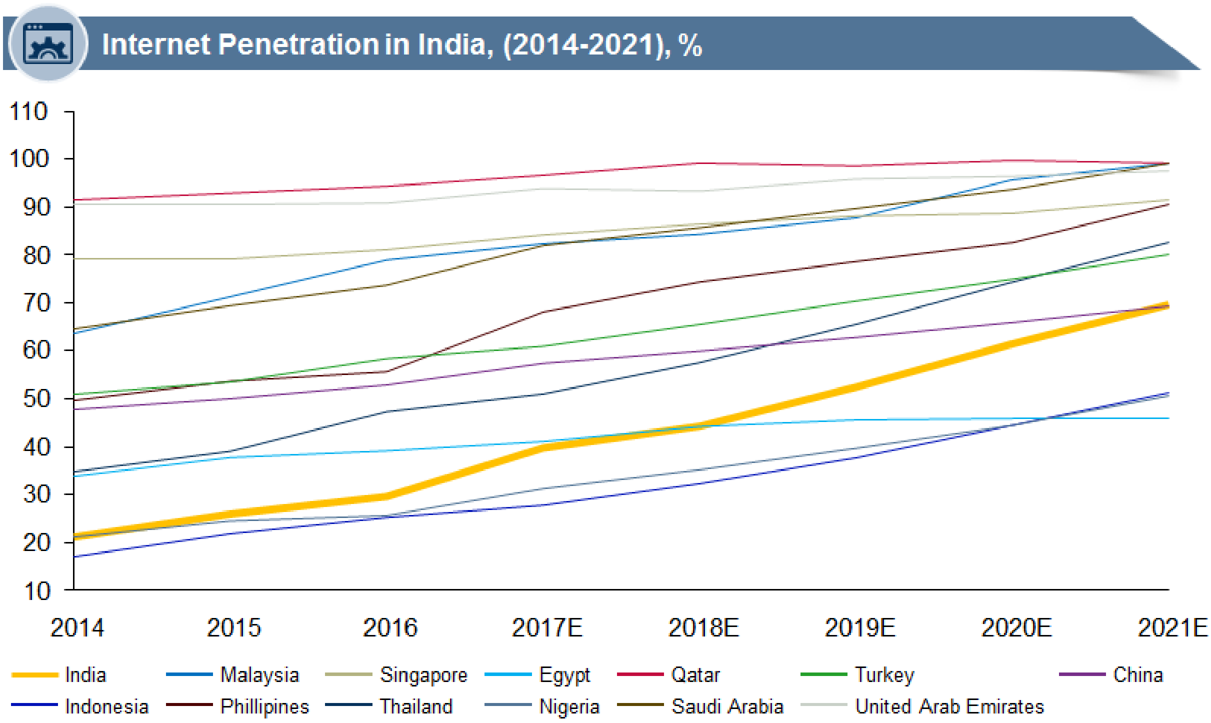
Middle East and Africa	115.5	118.4	118.4	125.2	127.6	129.8	132.7	136.5
Egypt	114.3	111.0	113.7	114.5	115.9	116.0	113.8	109.2
Nigeria	77.8	82.2	81.8	80.6	80.3	81.3	82.4	83.4
Qatar	145.8	159.1	147.1	145.8	144.5	143.1	141.8	140.5
Saudi Arabia	179.6	176.6	157.6	153.2	148.8	144.4	140.0	135.6
Turkey	94.8	96.0	96.9	98.9	100.2	101.5	102.8	104.3
United Arab Emirates	178.1	187.3	204.0	206.5	204.5	202.5	200.5	198.5
China	94.0	92.5	98.2	99.2	101.2	104.4	105.8	108.4
United States	110.2	117.6	127.2	129.2	137.2	142.5	145.6	148.6

Sources: ITU Facts and Figures 2017

India mobile industry outlook

In 2017, internet users represented 48% of global population with mobile phones being the primary mode of access, especially in emerging markets. With upgradation of cellular infrastructure, proliferation of smartphones, and the availability of several content options there has been a steady growth in consumers using the internet. Most regions in South East Asia and Latin America have a formidable reach of internet connectivity with more than half of the population now online. In Middle East and Africa, internet access is unevenly distributed with countries such as Qatar, KSA and UAE in the Middle East at almost twice the levels of internet penetration of several countries in Africa. Similar to India, growth in these regions is also being primarily driven through mobile internet.

Internet Penetration, 2014-2021 (%)



Source: ITU Facts and Figures 2017

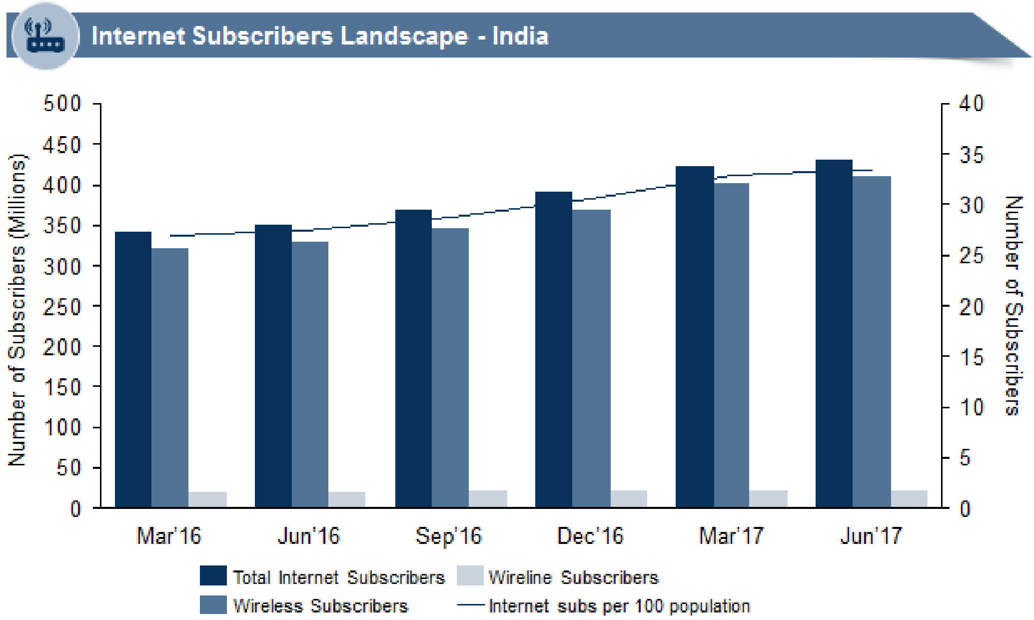
Worldwide mobile data traffic per month is expected to grow at a CAGR of 42% from 8.8 EB in 2016 to 71 EB in 2022, while data traffic per smartphone is estimated to grow at a CAGR of 33% from 2.1 GB in 2016 to 12 GB in 2022

Powered by increased smartphone subscription and demand for video intensive applications, by 2022 there will be 11 times more mobile data traffic in Central and Eastern Europe and Middle East and Africa (CEMA) region, while Asia-Pacific will remain the largest contributor of mobile traffic with China being the primary driver of this growth.

India internet and connectivity outlook

Currently, India's internet user base is the second largest after China. In urban India, the internet user base grew by 23.8% to 285.7 million annually in March 2017 while rural India's internet user base grew by 22% to 136.5 million.

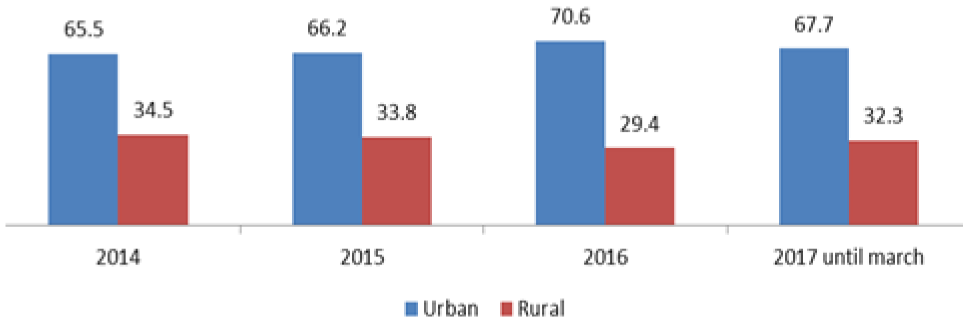
Total internet subscribers, wireless, wireline and subscriber per 100 populations, India, March 2016 – June 2017



Source: TRAI

Almost 77% of urban users and 92% of rural users consider a mobile phone as the primary device for accessing the internet. Rural India has leapfrogged to using the internet with mobile technology than computers largely because of mass availability and affordability of smartphones.

Urban and Rural Internet Penetration India, 2014 - 2017 (%)



Source: TRAI

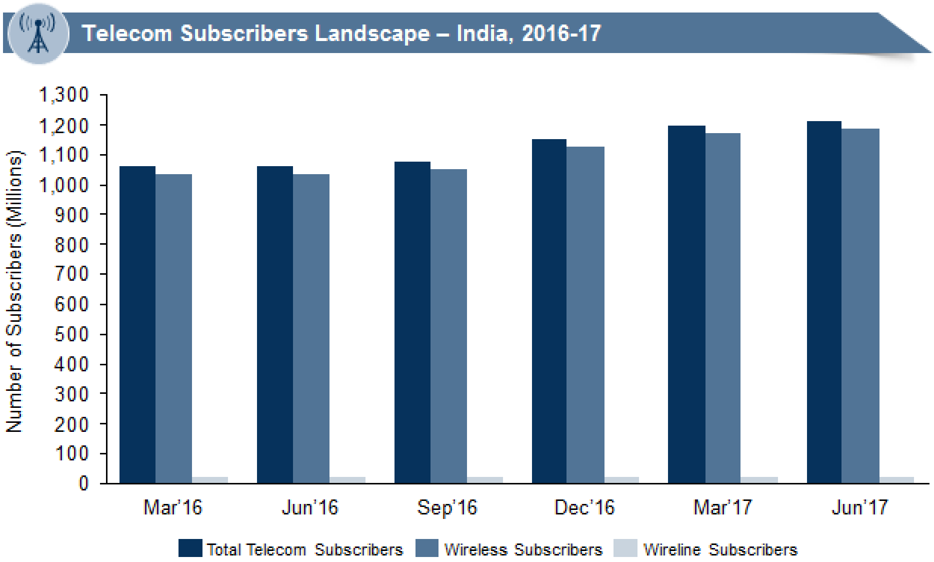
According to a report by NASSCOM, India is expected to have 730 million Internet users by FY 2020 with 60% penetration and 75% of new user growth expected to come from rural areas.

As of Financial Year 2016, 13% of the world's mobile phone subscribers resided in India. Subscriber growth is forecast to outperform the regional and global averages over the coming years as India cements its position as the world's second-largest mobile subscription market after China.

India has a subscriber base of more than a billion subscribers with an average annual addition of ~50 million subscribers. There were about 501.0 million unique subscribers as of Financial Year 16 and this number is expected to reach 750.0 million by Financial Year 2021 accounting for almost half of all the subscriber growth expected in the Asia Pacific region over this period.

This strong growth is linked to India's relatively low mobile subscriber penetration rate, which stood at 38.0% of the population at the end of Financial Year 2016. The subscriber penetration rate in India is forecast to reach 54.0% by Financial Year 2021. This is expected to increase the demand for mobile handsets and also create replacement demand in the long term.

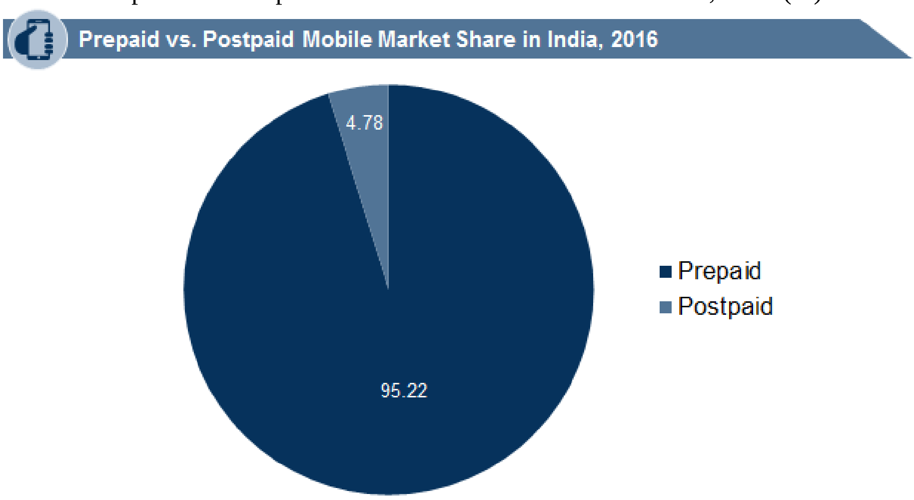
Total Mobile, wireless and wireline subscribers, India, March 2016 – June 2017 (Millions)



Source: TRAI

India has been predominantly a prepaid telecom market. Pre-paid subscription market share only decreased marginally from 95.41% in 2015 to 95.22% in 2016. One of the primary reasons for massive preference for prepaid over post-paid is due to almost non-existent barriers to switch without any commitment and risk.

Prepaid vs. Post-paid GSM Mobile Market Share in India, 2016 (%)

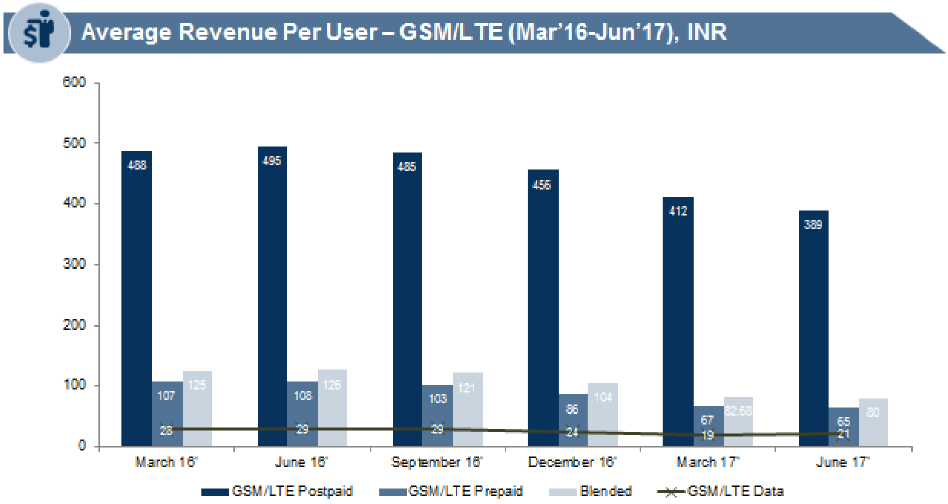


Source: TRAI

Average Revenue per User (ARPU) has declined consistently over the last few quarters as well as the average data revenue per user, primarily due to the free services offered by a welcome offer of a new entrant in India's telecom market. For post-paid segment, the revenue dropped from ₹412 in March, 2017 to ₹389 in Jun 2017, whereas blended revenue dropped from ₹83 to ₹80 in the same period. Average data revenue per user also declined from ₹29 in March, 2016 to ₹21 in June, 2017.

Owing to the launch of the new telecom operator, mobile subscriptions in India grew with the fastest quarterly net additions of nearly 43 million, in Q1 of Financial Year 2017. The launch commoditized data by bringing unlimited internet access to over 100 million subscribers in under a year. However, the concept of exposing the target audience to high quality premium services at no cost, then gradually convincing them to pay for it, has been testified by the action plan deployed by the new entrant, and the disruptive pricing of their services has triggered a price-war that has corrected market rates significantly. With 11X increase in mobile data expected by 2023, the ARPU is expected to improve backed by increased usage of data services.

Average Revenue Per User – GSM/LTE (June 2016-June 2017), ₹

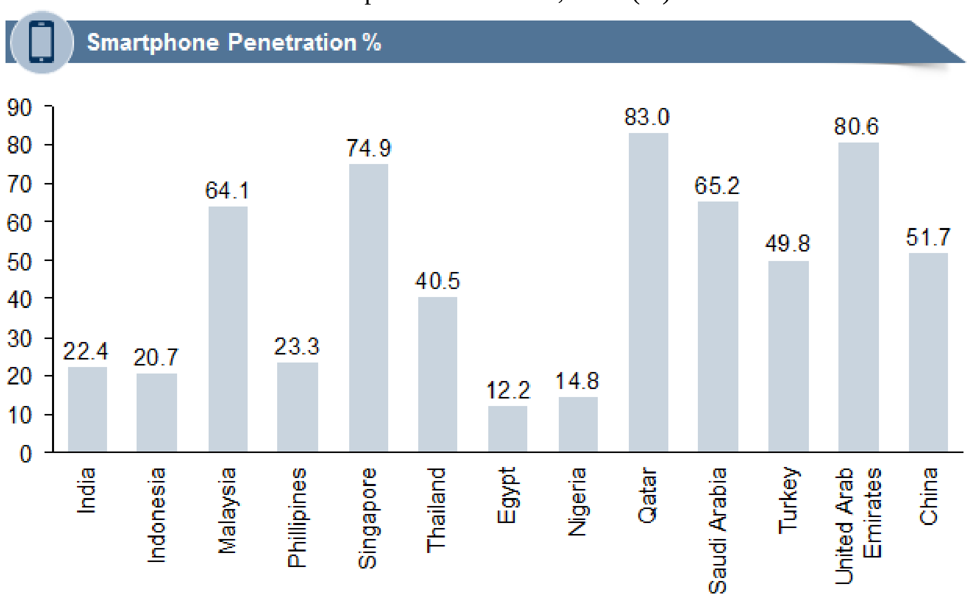


Source: TRAI

Growing popularity of smartphones

India currently has a 22% smartphone penetration rate. However, in terms of number of subscribers, India overtook the United States as the second biggest smartphone market in the world in 2017. China still remains the leader with 51% smartphone penetration.

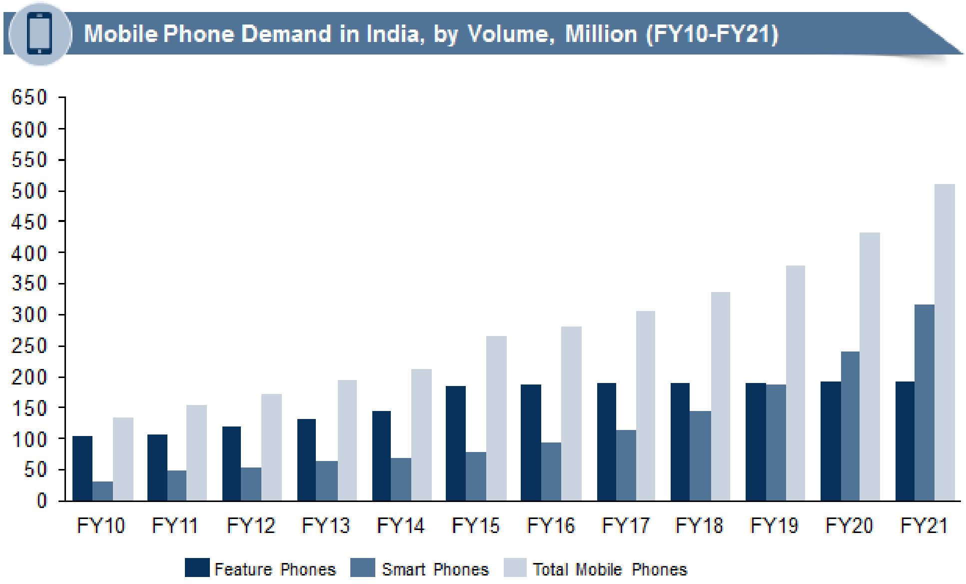
Smartphone Penetration, 2017 (%)



Source: Frost & Sullivan Analysis

The demand for feature phones and smartphones combined is expected to grow from 282.2 million units in Financial Year 2016 to 509.0 million units in Financial Year 2021. This rising domestic demand, reflected in a CAGR of 12.5% by volume and a CAGR of 20.0% by value, is due to convergence of technology, launch of affordable smartphone models, and rise in the disposable income with increased customer spending across Tier 1/2/3.

Mobile phone demand by volume, India, Financial Year 2010 – Financial Year 2021 (Millions)



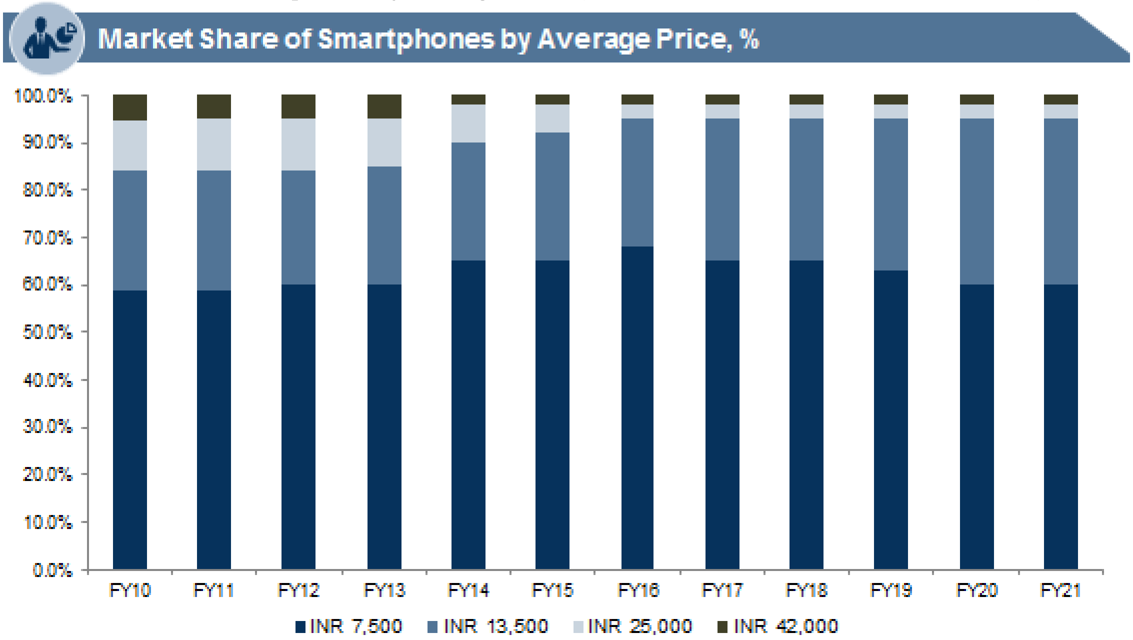
Source: Frost & Sullivan Analysis

Feature Phones vs. Smartphones Market Share

Of the total Indian mobile phone market by volume, in Financial Year 2016, feature phones had a share of 66.2%, while smartphones had a share of 33.8%. Further, significant contribution from rural and semi-urban markets has driven the sales of economically priced feature phones. However, the decline in prices of smartphones has blurred the price points of feature phones and low end smartphones, thus encouraging higher adoption. Sales for smartphones is expected to grow at a CAGR of 27.1% till Financial Year 2021 and will overtake feature phones by Financial Year 2020.

While India boasts a significantly high smartphone user base of 300 million, there is a gap between rural and urban adoption. Only 13% of rural population is smartphone users compared to 29% of urban population. However, this gap is expected to reduce with increased affordability and availability of cheaper smartphones.

Market Share of Smartphones By Average Price, (Financial Year 2010- Financial Year 2021) %



Mobile phones in less than ₹10,000 category with an average price of ₹7,500 will see its market share decline from 68% in 2016 to 60% in Financial Year 2021. The mid segment category of ₹10,000 -₹18,000, with an average price of ₹13,500 will have the strongest growth increasing from a market share of 27% in Financial Year 2016 to 35% in Financial Year 2021, while the market share of phones above ₹18,000 is forecast to remain constant.

Despite the increasing demand and consequent increase in production of smartphones, feature phones will continue to be in demand, mainly due to the huge untapped rural market. Along with lesser known brands like Mtech and Josh, smartphone world leader Samsung continues to focus on feature phones in the rural markets of India. Micromax and Intex also focus on feature phone segment.

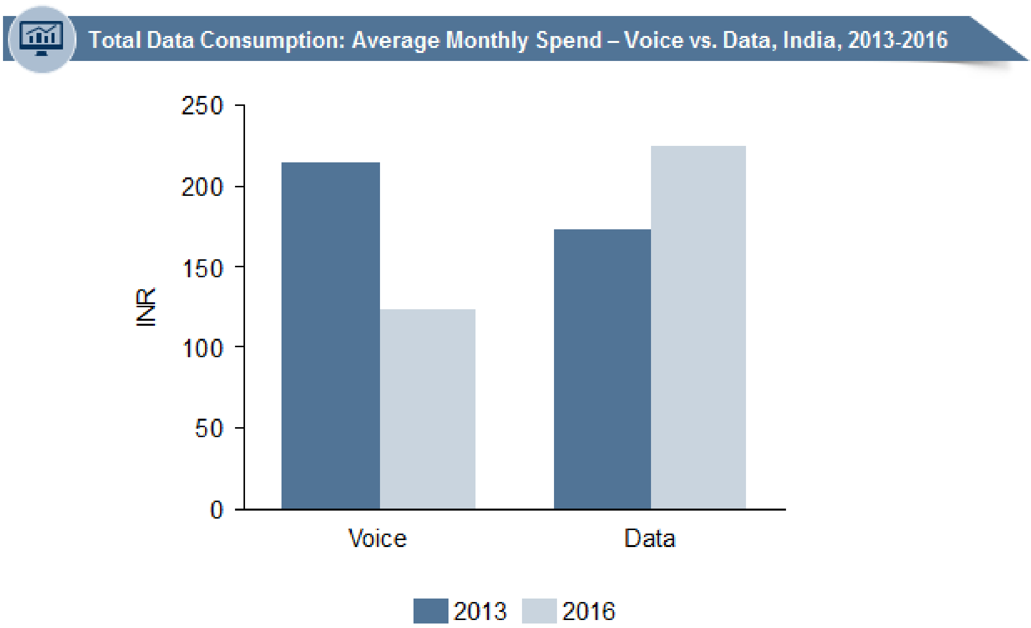
Growth in mobile data consumption

Globally, the mobile internet ecosystem has been a major contributor to GDP and a significant engine of employment creation. In India, according to GSMA in 2015, the mobile industry was responsible for 6.5% of India's GDP with an economic added value of more than $140 billion. In 2015, the Government announced launch of the 'Digital India' program which aims to provide inclusive growth in products, services, manufacturing and job opportunities by improving digital literacy and connecting rural areas with high speed Internet connectivity.

Mobiles phones represent one of the largest categories in the Consumer Electronics market. This category is enjoys rising consumer confidence, increasing penetration across rural and urban areas, and affordable access to mobile data alongside better technical features. In Q1 2017, mobile subscriptions in India grew with the fastest quarterly net additions of nearly 43m, which was primarily driven by a welcome offer by Reliance Jio. Lower data tariff plans, increased availability and improved distribution of entertainment and multimedia content have also fueled exponential uptake of data driven services consumption. As per the Ericsson Mobility Report 2017, total mobile traffic in India is expected to increase from 1EB in 2016 to 14EB by 2023 with data consumption per smartphone to increase from the current average of 3.9GB to be nearly 18GB by 2023.

Over the years there has also been a marked trend in increasing share of data revenue vis-à-vis traditional voice services. From 2013-2016, data wallet-share saw an increase of 81% as compared to a drop of nearly 19% in voice revenue.

Average Monthly Spend – Voice vs. Data, India, 2013-2016 (₹)



Source: IAMAI, Nokia Mbit Index 2017

However, in terms of mobile data consumption, 3G remains the preferred access medium which is driven by increased availability of affordable 3G devices and limited penetration of 4G network in lower tier towns and cities.

Payments and finance outlook

Global payments and finance outlook

Both South East Asia and Middle East and Africa are under-penetrated in terms of access to banking services and credit cards. Credit card penetrations being defined as cards in circulation divided by population and reflecting the possibility of multiple cards per person was only 6.7% in Indonesia and 9.5% in Philippines for 2016 compared to 196% in United States. Only Singapore stands out in South East Asia with the highest levels of financial inclusion.

Traditionally, low credit card penetration has been the biggest challenge in widespread adoption of digital Pay-per-Play services. However, increasing access to Internet, smartphone adoption and demand for digital services is giving rise to alternative payment solutions such as m-wallets, cash-on-delivery, POS billing and prepaid vouchers among others. In under penetrated Internet regions, micropayments using mobile have been extremely impactful for a range of services such as P2P transactions, health provisions and loans disbursement. M-Pesa launched by Vodafone in 2007, now has over 30 million users across 10 countries and processed over 6 billion transactions in 2016.

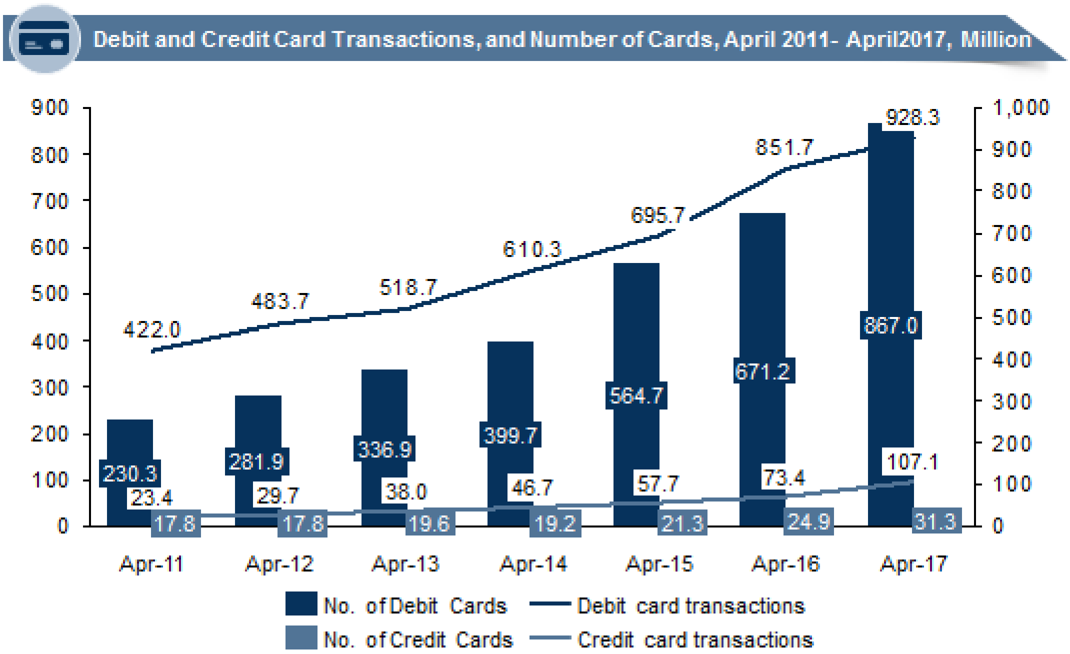
In 2016, one in 5 consumers in Asia used a digital wallet; this is a twofold increase from two years ago. A recent survey by MasterCard of 8,500 adults aged 18–64 across 14 markets showed that China, India and Singapore were the biggest adopters of digital wallet with a penetration of 45%, 36.7% and 23.3% respectively. Analysis showed that over 48% of consumers made purchases using smartphones. Emerging economies in South East Asia and Middle East and Africa with younger demographics is poised for transformation similar to meteoric financial inclusion in China.

India payments and finance outlook

India has majorly been a cash-intensive economy. Though over the years the percentage of cash value transactions have been declining steadily due to the increase in the percentage of value of non-cash payment transactions, cash still remains the major mode of payment in the country.

India has shown a steady increase in number of credit cards in circulation, but by and large, debit cards are preferred over credit cards in the country. As per the latest data in April 2017, 867 million debit cards and 31.3 million credit cards are operational in India. Debit cards CAGR growth during Calendar Year 2011 and Calendar Year 2017 has been at 24.7%, whereas credit cards had grown at a CAGR of mere 9.9% during the same period.

Growth of Debit and Credit Cards Number and Transactions, India, April 2011- April 2017 (Million)



Source: RBI

The number of overall transactions on credit cards was 107.1 million in April 2017 while that for debit cards was 928.3 million. Given a lower base, credit card transactions grew annually by 45.8% while those for debit cards grew at 9%.

Post demonetisation, India too has witnessed a meteoric rise is adoption of prepaid instruments (M-wallet, PPI card, paper voucher) as the preferred channel of payments with over 54% growth in transaction volume and 102% growth in transactions value respectively between November 2016 to August 2017.

Growth of Digital payments, India, 2017

Growth of Digital Payments in India, 2017		
Month/Year	Prepaid Payment Instruments (M-wallet, PPI card, paper vouchers)	
	Volume (Millions)	Value (Billion INR)
Nov-2016	169.3	50.7
Aug-2017	261.1	102.9
Growth Rate %	54.2	102.7

Source: RBI

Although there has been a significant pickup in m-wallets adoption, consumer mindset still remains apprehensive about safety and security of conducting high-value transactions through mobile phones. Consequently m-wallets are still typically used to handle low-value and high-frequency transactions. In September 2017, average value per transaction on m-wallets was ₹408 in comparison to ₹4,785 and ₹2,833 on credit and debit cards respectively. In order to allay safety fears and to widen financial inclusion in areas without internet connectivity, the National Payments Corporation of India also launched an innovative *99# service which is a common number across all telecom service providers to access mobile banking services for 51 banks in 12 different languages.

Mobile Gaming Industry in India and Emerging Markets

Evolution of Gaming

The digital gaming market worldwide has seen a paradigm shift in distribution, adoption as well as user behaviour. In the late 1990s and 2000s, basic computer gaming evolved to a wide universe of serious followers who indulged in expensive CD/DVD-ROMs, cartridges, handheld devices, and gaming consoles such as the Xbox, Wii and PlayStations, despite the limited shelf-life of each game. But smartphones and internet connectivity changed that. Since 2009, there has been a gradual shift towards mobile gaming. The availability of thousands of professional quality games with varying levels of difficulty on app stores, social media, and even pre-loaded on mobile devices and tablets popularized gaming among millions of users worldwide making it a dominant form of entertainment. While leisure games increased multifold in usage, virtual professional gaming became more serious internationally than ever before.

India skipped a complete generation of gamers over the last two decades. Low PC penetration and prohibitive prices of gaming devices never allowed the 'boxed' gaming market to take off significantly in the country. On the contrary, the mobile gaming market has rapidly accelerated over the last few years. With the proliferation of Internet and commercialization of data, online gaming has become a reality across the Indian demography. The availability of international games side by side localized versions and emerging content has popularized gaming as a widely used application in the country.

Global and Regional Gaming Market

Global games market revenue by segment

Research firm Newzoo defines games market revenue as all industry revenue derived from consumer spend on mobile, PC and console games. Revenue from hardware, advertising in and around games, business-to-business services, and online gambling and betting are not included, nor are taxes. As the exhibit below indicates, the global games market generated revenue of $104.8 billion in 2016, up by 12.6% from 2015. Revenues will have potentially increased to $116.0 billion in 2017 and will continue to increase to $151.7 billion in 2021. Growth is expected to be driven from South-East Asia, Middle East and India as these regions have an advantage of optimistic economic outlook, favourable demographics and rising growth in smartphone penetration and internet.

Among segments, mobile games was the largest segment in 2016, followed by PC. Mobile phones have shown the fastest growth in recent years and will continue to do so till 2021. In 2015, all three segments accounted for about one-third of the market, but the relatively strong growth of the mobile segment will lead to its market share of more than half of total game revenue in 2021.

	Global Games Market Revenues per Segment ($Bn.)							CAGR	
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2015-2017**	**2018-2021**
PC Revenues	31.5	31.9	32.3	33.1	33.8	34.6	35.4	1.3%	2.3%
Mobile Revenues	31.5	40.9	50.4	57.9	65.2	72.3	78.4	26.6%	10.6%
Console Revenues	30.1	32.1	33.3	34.4	35.5	36.6	37.9	5.0%	3.3%
Total	93.1	104.8	116.0	125.4	134.5	143.5	151.7	11.6%	6.6%

Source: Newzoo, 2017

Global number of gamers by segment

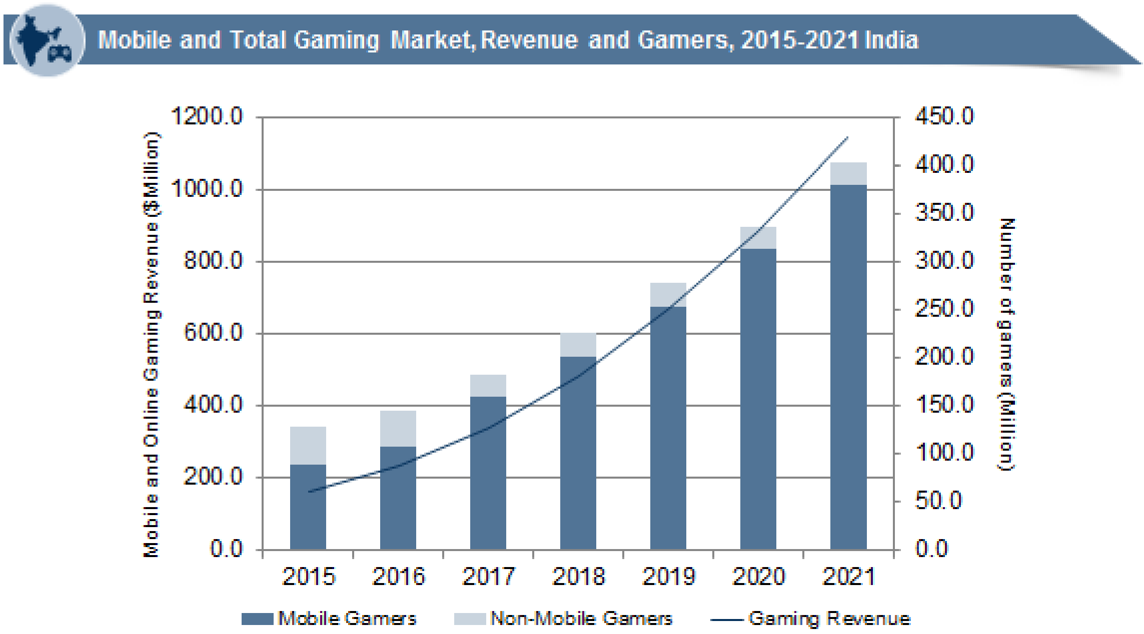
There are more than 2.2 billion gamers worldwide in 2017. With the number of gamers set to increase at a 5.2% CAGR, faster than the overall projected population growth rate, this count will reach more than 2.7 billion by 2021. Compared to PC and console games, mobile games are typically played more frequently, in shorter sessions, and can be played anywhere.

	Global Number of Gamers per Segment (M.)							CAGR	
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2015-2017**	**2018-2021**
PC Gamers	1,100.4	1,156.6	1,216.4	1,260.4	1,308.2	1,352.9	1,394.1	5.1%	3.4%
Mobile Gamers	1,779.5	1,939.6	2,061.3	2,182.5	2,302.3	2,468.6	2,615.9	7.6%	6.2%
Console Gamers	581.2	622.9	633.7	636.9	638.2	654.0	668.7	4.4%	1.6%
Total	1,967.7	2,089.9	2,221.8	2,353.8	2,484.9	2,614.2	2,741.0	6.3%	5.2%

Source: Newzoo, 2017

India Gaming Market

The Indian gaming market is still relatively small, and contributed an estimated US$338.4 million in total revenue in 2017. Even by the standards of other large developing markets, the market share of mobile games is very large due to the lack of PC and console gaming legacy. With support from sustained local development, improved digital payment infrastructure and increasing affinity towards subscriptions the market is forecast to grow very strongly, reaching US$1.1 billion in 2021, almost entirely driven by growth in mobile gaming revenue.



Source: Frost & Sullivan Analysis

The number of gamers in India is relatively small, especially in relation to the total population. However, with India becoming the second largest smartphone market after China and increased Government impetus to provide affordable access to high-speed Internet will drive the growth in the overall number of gamers.

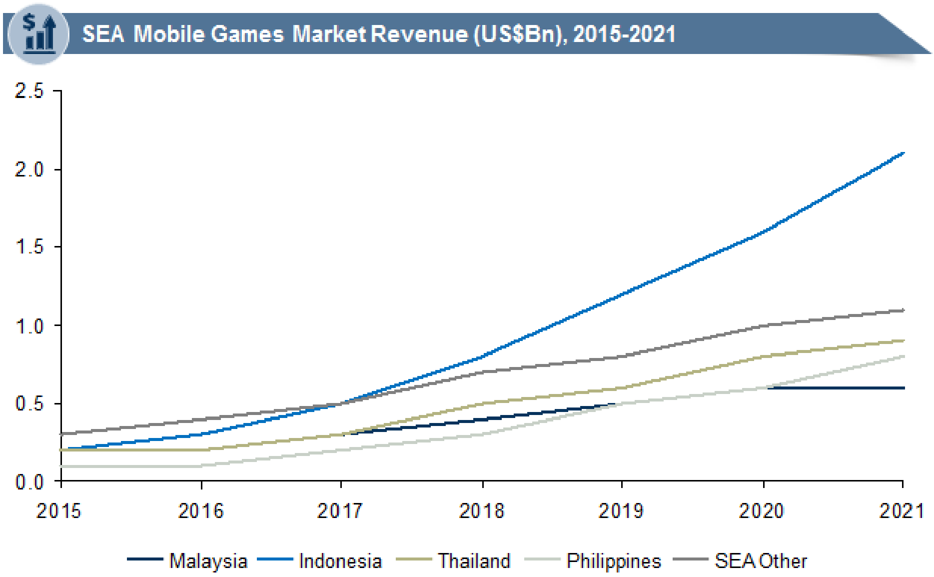
	India Number of Gamers, Total and Mobile (Million)							CAGR	
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2015-2017**	**2018-2021**
Mobile Gamers	87.5	107.9	158.2	200.1	252.5	312.4	379.6	34.4%	23.8%
Total	127.7	144.6	182.7	225.2	277.2	336.3	401.8	19.6%	21.3%

Source: Frost & Sullivan, 2017

South East Asia Gaming Market

South East Asia is one of the highest growth regions in the world in terms of gaming revenue and number of gamers, driven by increasing Internet penetration rate, rising incomes and easy availability of budget smartphones. Android is estimated to hold over two-third of market share in South East Asia. Overall gaming revenue in the region is forecast to grow from US$1.3 billion in 2016 to US$5.5 billion in 2021. Though in 2015, Indonesia, Malaysia and Thailand had a similar market size, but by far Indonesia is demonstrating the strongest growth to become the largest individual market to reach $21 billion.

Mobile Games Market Revenues, SEA, 2015 - 2021 ($Billion)



Source: Newzoo, 2017

The total number of mobile gamers was 134.7 million in 2016, however is gaining rapid adoption and is estimated to reach 203.7 million by 2021.

Total South East Asia Mobile Gamers, 2015 – 2021 (Million)

	Total SEA Mobile Gamers (M.)							CAGR	
Region	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2015-2017**	**2018-2021**
Total SEA	124.2	134.7	146.5	158.6	171.1	187.9	203.7	8.6%	8.7%

Source: Newzoo, 2017

Middle East and Africa Gaming Market

The Middle East and Africa is also a high growth region in terms of gaming revenue and gamers, equally driven by increasing internet penetration rates, availability of budget smartphones, and rising incomes. Overall mobile gaming revenue in the region is forecast to grow from US$1.6 billion in 2016 to US$6.6 billion in 2021. In terms of revenue, it has a similar size to the South East Asian region and is growing at a similar pace, but the Middle East and Africa is a far bigger region in terms of population, which leads to a higher number of gamers. The Middle East and Africa also has an edge in terms of tested and proven local payment models with mobile micro-payments and integrated carrier billings.

Mobile Games Market Revenues and Gamers, Middle East and Africa 2015 - 2021 ($Billion and Million)

	MEA Mobile Games Market Revenues ($Billion)							CAGR	
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2015-2017**	**2018-2021**
Mobile Revenues	1.0	1.6	2.3	3.2	4.2	5.3	6.6	51.1%	27.5%

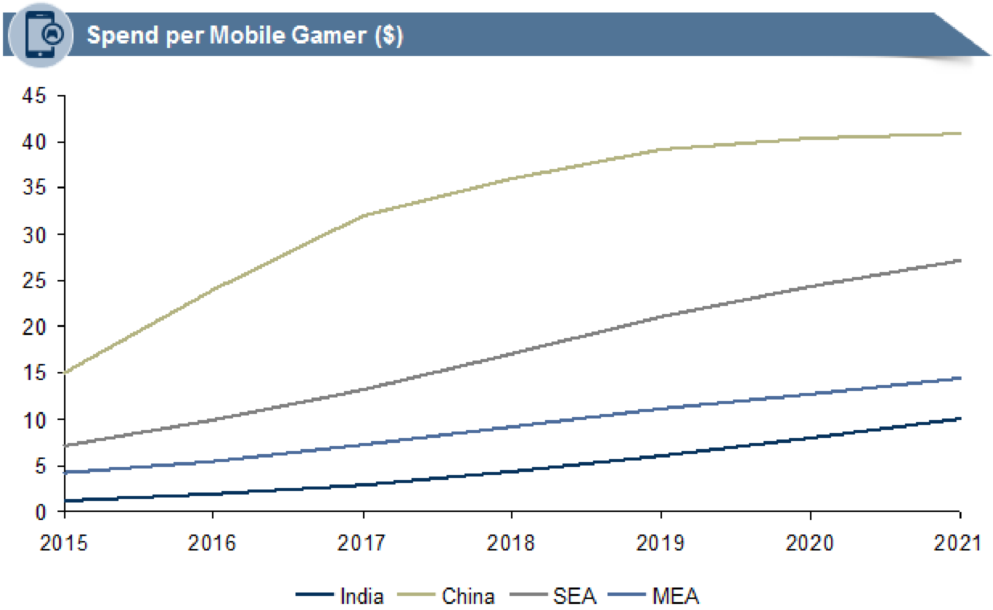
	MEA Number of Mobile Gamers (Million)							CAGR	
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2015-2017**	**2018-2021**
Mobile Gamers	240.4	289.7	317.4	346.4	376.5	417.0	454.1	14.9%	9.4%

Source: Newzoo, 2017

Spend Per Player

The average spend per player in India is relatively low compared to South East Asia and the Middle East and Africa. Spend per player in Middle East and Africa is relatively high as a result of rising penetration of premium smartphone and high spending in rich Middle Eastern countries such as the Gulf states, while spending in Africa is at a similar or lower level than India.

Spend Per Mobile Gamer, 2015 – 2021 ($)



Source: Newzoo, 2017

Evolution of Gaming in India

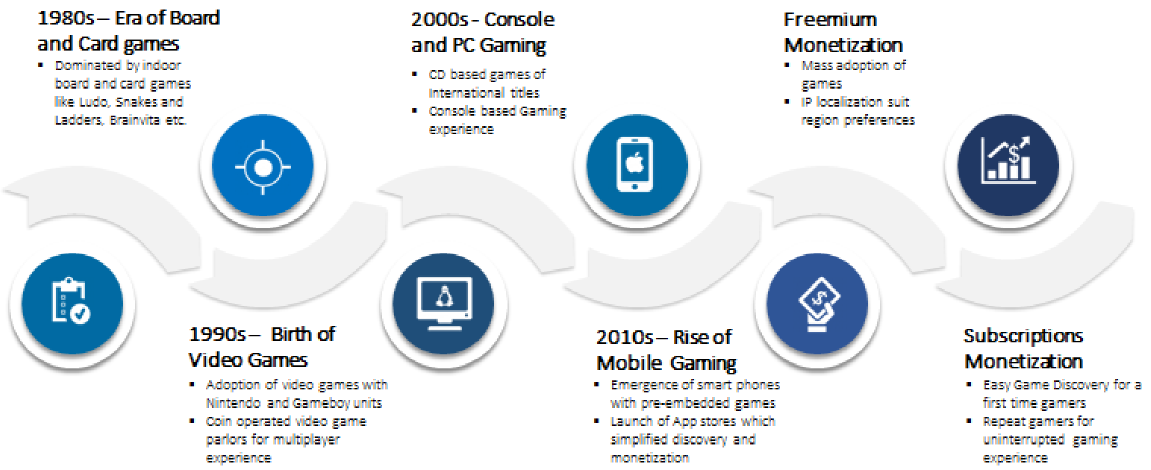
Gaming has been strongly ingrained within Indian culture and dates back to mythological age where events in game had significant impact on kingdoms and wars. While the forms and nature of gaming has greatly evolved, adoption of gaming and sports as a form of recreation and community building has always been part of our social interactions.

Pre 1990 was an era where gaming was limited to board and card games such as Ludo, Snakes and Ladders, Tambola etc., and it was primarily seen as family recreation and bonding activity. In early 1990s mainstream adoption of color television led to emergence of video games in India. Nintendo Entertainment System (NES), an entry model console thrived well in India with games like Mario, Duck Hunt, Circus etc., and became a household name. Almost during the same time, there was an unprecedented growth of coin operated video games parlors which enabled the first multiplayer competitive gaming experience.

2000s saw a shift in gaming from video game parlors to PC and high performance consoles. While PC gaming helped to provide exposure to multi-player interactive gaming, however, due to high-costs of PCs and Consoles the growth was limited within niche segments of Tier-1 cities. End of decade, casual gaming really took off with boom of social media because of the ability to play virtually with friends.

However, gaming became really accessible with advent of smartphones and accessibility of Internet data. App stores driven distribution helped publishers reach a wider audience and tailored content in-line with localized cultural nuances and preferences.

Evolution of Gaming in India



Subscription is another business model which is gaining popularity on both ends of the user spectrum. This includes at one end, the first time mobile gamers which seek comfort from “all you can play” model choices and as they are not hooked to a particular game or a genre; and at the other end of the spectrum are the hard core gamers which are looking at playing competitive online tournaments across various games and buy subscription for specific stakes or usage (example, for the coins which get consumed that are used during the matches). Garena is the leading player in this business model and this business model is supremely popular among hard core gamers in the evolved gaming markets such as Greater China region / Korea and expanding rapidly in to South East Asia. Subscription is likely to gain significant adoption in India as the number of hard core serious gamers increase alongside the number of companies players offering esports.

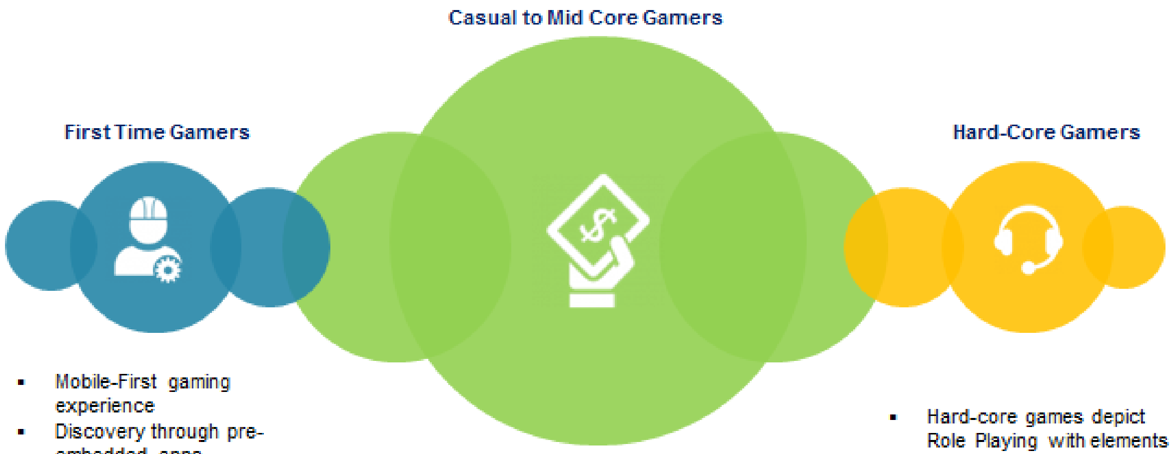
The traditional ad-supported “pay-to-play” monetization model has given way to a new “free-to-play” freemium model, which goes hand in hand with the growth of “games-as-a-service” business model. The freemium model has been the dominant monetization model for mobile games in recent years, offering players the opportunity to spend in-app or in-game to speed up progression or to purchase additional content, such as levels, cosmetics, and power-ups. PC and console publishers often offer a hybrid model, where consumers pay for a full game upfront and are given the opportunity for in-game spending through micro transactions or additional downloadable content. Modern-day game companies have adjusted their organizations accordingly and many now run games as a service, with continuous monetization and a focus on building communities and keeping them engaged. Apart from consumer spending, advertising still remains as an important source of revenue for game publishers, especially for free-to-play mobile games.
Gaming in India has changed its trajectory as well. Accessing and playing games has evolved from high upfront payments for CDs (in case of console or PC games) to an upfront game purchase and download from mobile app stores, to a more recently ‘freemium’ model where download from app stores is nearly free but several gamers need to pay as they play through in-app purchases. In the freemium model, as the gamer progresses in the game, she/he buys various virtual items within the game to unlock future levels or compete better with her/ his opponents in the game and emerge as a winner. This model has been widely successful in acceleration of mobile games adoption in China.

India’s gaming trajectory will gradually mirror that of trends in China. As individual users get hooked on to gaming as a habit and mode of entertainment, they turn from casual followers to serious participants, leading to higher adoption of subscription.

Mobile Gaming Business Models

The global gaming market business models can be illustrated as per the picture below wherein subscription business models typically caters to the most evolved gamers and first time mobile gamers, while freemium is for all those users who are in between. The freemium model has the largest bases of consumers while subscription has the best ARPU.

Global Gaming Business Models



- Mobile-First gaming experience
- Discovery through pre-embedded apps
- **Subscription Model** preferred with "All You Can Eat' approach
- Integrated Carrier Billing

- Discovery through App Stores
- **Freemium Model** preferred, Free to Download with 'Pay as you Play' approach
- Freeloader prefer **Ad-supported** casual gaming genres such as Running, Racing etc.
- Mid-Core games such as Puzzles, Strategy etc. have higher stickiness and thrive **on In-App purchase**
- App store linked payment integration

- Hard-core games depict Role Playing with elements of Art and Fantasy
- Multi-player competitive gaming
- **Subscription Model** preferred for seamless gaming experience
- **High-value in-app purchase** drives ARPU

There are also several successful initiatives to offer games through subscription services to first time mobile gamers and first time internet users. Our Company has a widely successful subscription model called the 'Games Club', which offers gaming subscriptions services in over 61 countries in India, South East Asia, Middle East and Africa to first time mobile gamers with over 1,000 games catalogue with simple game-play and easy to use interfaces thus offering wide variety of games for gamers to choose at sachet pricing supported by payment through direct carrier billing.

Freemium games have garnered most attention from the users as they are initially available for free to discover and play, however based on user's expertise and competitive rankings these allows users to micro-spend on the platform through in-app purchases to access advanced levels or boost in-game capabilities. Freemium games with their mass-market appeal has amongst the highest stickiness however to thrive the monetization potential requires constant innovation and adaptation to sustain user interest. Freemium business model are primarily driven through in-app purchases, however in-app purchases monetization approach is still very nascent in India and other emerging markets. The growth of in-app purchases is highly dependent on consumer propensity to pay in order to progress in the game and given that consumers in India and other emerging markets are reluctant to pay for items within a game once they have got a game for free, freemium business will take some time to scale in India and other emerging markets. Although, the improvements in underlying enabling factors such as better internet infrastructure, ease of payment options and real time multiplayer gaming on mobile will help in app purchase revenues to grow in coming years.

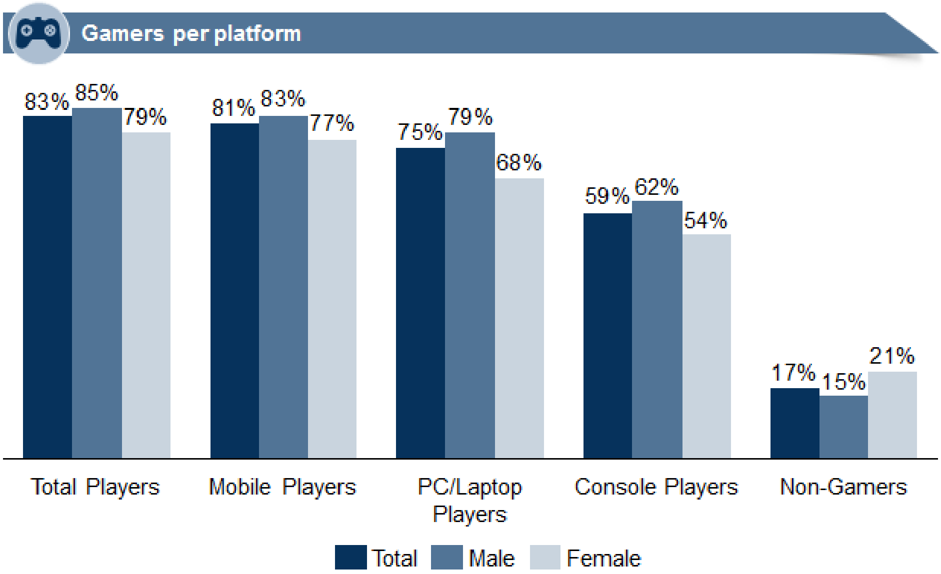
Hard core gamers are also growing rapidly. To increase affordability of heavy and more immersive/complex games various gaming companies and intermediaries are adopting subscription based approach. Garena, an online game distributor, which has recently listed on NYSE is an interesting case point. Garena's Quarterly Active Users (QAU) which are a key metric to measure active user base and user engagement increased from 31 million in Q4 2014 to 64.2 million in Q2 2017, while the revenues increased from USD$ 155 million in 2014 to US$D 328 million in 2016. Immersive hard-core games which are traditionally heavy with art, fantasy and action elements, and are typically played in multiplayer formats tend to have higher longevity, engagement and revenue potential as compared to single-player casual games. Most of Garena's revenues historically have come from immersive games which drive high levels of daily usage, transaction volumes and monetization opportunities. In June 2017, Garena reported an average DAU of 12.9 million gamers spending an average of 2.3 hours on the platform.

With indistinguishable demographic and macroeconomic thematic drivers India is also expected to follow a similar growth trajectory in increasing adoption of immersive gaming experiences. Given their partnerships with global and local publishers companies like our Company, and our Subsidiary Nodwin Gaming and Youzu are uniquely positioned to leverage this opportunity, given their global partnerships.

Consumer Gaming Behaviour

A survey conducted by Newzoo among 2,334 respondents across major cities in India reveals exciting insights on mobile gamers' preferences and gaming patterns. The survey reveals that 83% of the total online population in India plays games across platforms such as mobile, laptop or console with an almost equal representation from both men and women. However, the gender gap is relatively narrow in the mobile gaming segment compared to laptops and consoles. While 83% of men play mobile games, women are almost on par with 77% hooked to mobile games. An interesting point to observe is that the total players and the mobile players' statistics look almost similar; indicating that mobile is the most common platform as against console and laptop/PC which are considered as restricted to serious gamers.

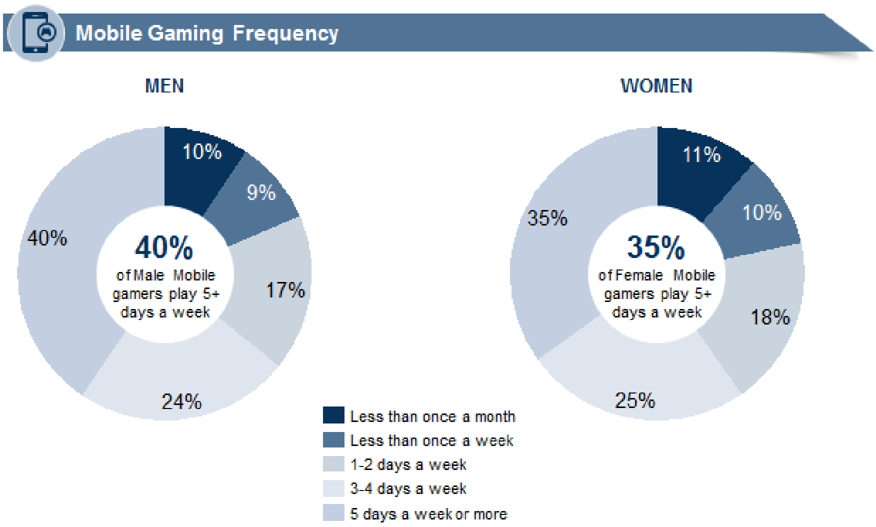
Gamers per platform, India, 2017 (%)



Source: Newzoo, 2017

For more than one-third of Indians, mobile gaming is part of their day-to-day life as indicated by the survey results. It can be observed that 40% of men and 35% of women play mobile games at least 5 days a week. Taken cumulatively, at least 60% of Indians play mobile games at least three days a week. This is a significant trend as a high frequency of mobile gaming translates to huge market potential for game developers and publishers.

Mobile gaming frequency, India, 2017 (%)



Source: Newzoo, 2017

Racing is the most favorite genre for both men and women in mobile games, closely followed by sports for men and puzzle games for women. Although casino games from India such as Teen Patti and Rummy are popular globally, only 16% of men and 14% of women prefer this genre. Action or adventure games, strategy and arcade genres have lot of games with many publishers focusing on this genre and are expected to become more popular in the coming years.
Word of mouth and Social media are the most important marketing channels for publishers since almost 60% of gamers rely on their peer recommendations to discover new games. With online video consumption rising in India, in-app advertisements during video or music streaming is an alternate source for discovering new games. Surprisingly, app store rankings are not a major source of game discovery with only 18% men and 15% women finding new games through this channel.

Esports Industry Overview

Sports has always been insulated from mega-trends disruptions and helped drive consistent growth for the entertainment sector across all platforms including Free to Air Television, Pay TV Services, On-Demand video, Internet live streaming, and Social Media.

An interesting growing paradigm of this business is esports. Esports goes beyond the realm of regular digital gaming into professional competition of virtual games drawing the attention of over 300 million people globally.

Akin to other popular sports such as cricket, football, tennis among others, esports includes competitive online video gaming with multiple players competing from around the world. The typical format for esports events include multiple qualifier rounds which are conducted on digital platforms provisioned by esports companies and subsequently the best players / teams qualify for mega offline events conducted at large stadiums for live viewing for esports fans. In addition to the offline events, the match performances are also recorded for telecast on online platforms such as YouTube & Twitch, Linear Television channels such as ESPN & MTV, and there also have been instances of large gaming events to have been telecast across cinema. In India, DSport, a sports TV channel of Discovery Communications India, "partnered with Nodwin Gaming in 2017 to showcase the flagship esports tournament in the country - the ESL India Premiership." There are close to 5 million active participants (viewers and gamers) in India today and DSports coverage expands total viewership to over 80 million.

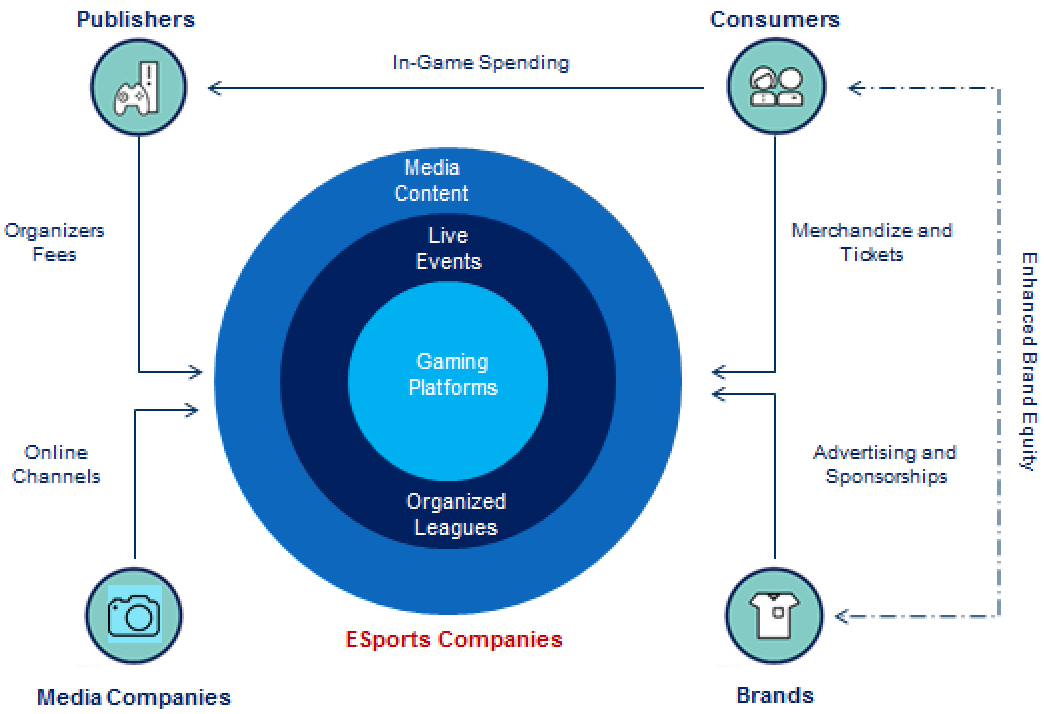
Esports has traversed geographies in popularity and has long ago moved out from a cult following to a universal fan base, especially among the millennials and Gen Z. So much so, it will be a medal sport at the 2022 Asian Games in China and is being strongly debated for inclusion into the 2024 Olympics.

The most popular esports games include Call of Duty, Hola, Counter-Strike: Global Offensive, Dota2, League of Legends, HearthStone and Overwatch. The launch of popular competition-focused titles on mobile phones, such as Honour of Kings, Clash Royale, and Vainglory, has also triggered interest in the mobile esports space.

Esports Ecosystem

The esports ecosystem consists of game publishers, hardware manufacturers, gamers, media companies (broadcast on linear TV), online streaming platforms (Twitch, YouTube, etc.), advertisers, events sponsors and event organizers. esports companies play a critical role in connecting the various stakeholders to exploit the monetisation potential in the online gaming market. Globally, ESL and Major League Gaming are the largest esports companies.

Representative Esports Ecosystem



Esports Companies: These companies have been a vital driver towards monetising the increasing interest in the online gaming landscape. On an on-going basis, esports companies host regular leagues and tournaments where professional players compete for large prize pools and also offer an opportunity for spectators for a holistic engagement. These companies provide infrastructure for players to compete effectively which includes a connected gaming platform, licensing agreements with publishers and event management to host online and offline events, and also engage with publishers to evangelize their esports titles and with sponsors to execute marketing activation campaigns.

Game Publishers: Game publishers make licenses available to esports companies to help promote professional competition. Some of the largest publishers are Sony Interactive Entertainment, Tencent and Microsoft Game Studios.

Media companies: With growing popularity of esports, media companies and online platforms have started showcasing esports content on sports and music channels and platforms alike YouTube and Twitch. As the popularity of esports, media companies will keep buying rights of professional playoffs making it an attractive avenue for revenue growth.

Brands: Advertisers and brands partner with esports events to leverage highly engaged millennial audiences to enhance brand value and create monetization avenues for all stakeholders.

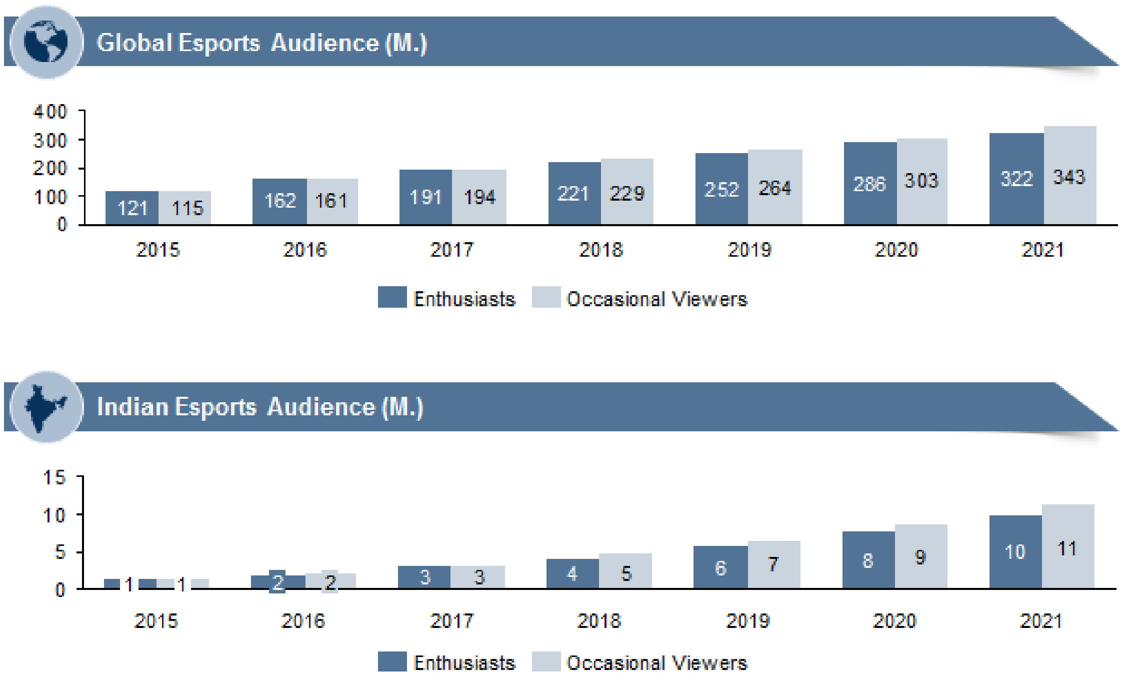
Consumers: As esports popularity is fast growing as a spectator sport, it is attracting millennial audience which is difficult to target through traditional advertising. The tightly woven community of fans and occasional enthusiasts is strongly loyalty driven to particular teams and players and like other traditional sports; team merchandize and access to stars remain as primary attraction draws. The teams and players also rely on fan communities to sustain interest with user generated commentaries and strategy discussions.

Esports Market

The esports market is growing at a fast pace as it becomes more and more popular around the world. The global esports audience totaled 322 million in 2016, up 86 million since 2015. This number is likely have grown to almost 386 million in 2017 and will continue to increase rapidly, at a CAGR of 14.0%, reaching 665 million in 2021.

The Indian esports audience is still very small, with an estimated 2 million enthusiasts and 2 million occasional viewers, but is expected to grow more than fivefold by 2021.

Esports Audience, India & Global, 2015-2021 (millions)



Source: Newzoo, 2017

Esports enthusiasts are people who watch esports more than once a month and/or participate in (amateur) esports leagues. occasional viewers are people who watch esports less than once a month.

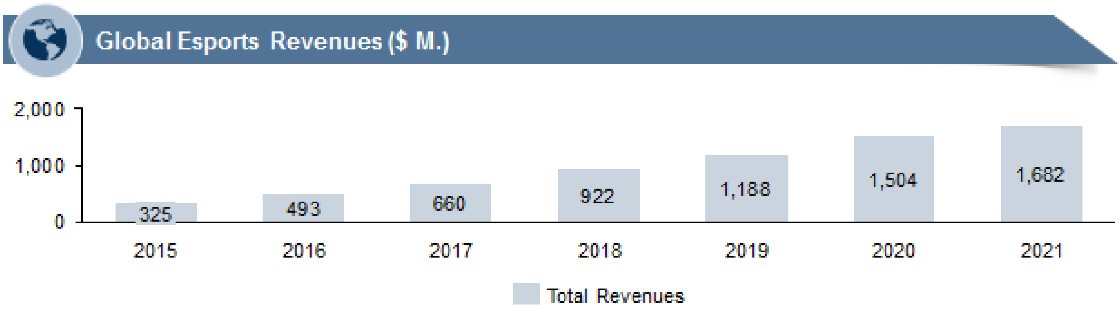
Esports Revenue

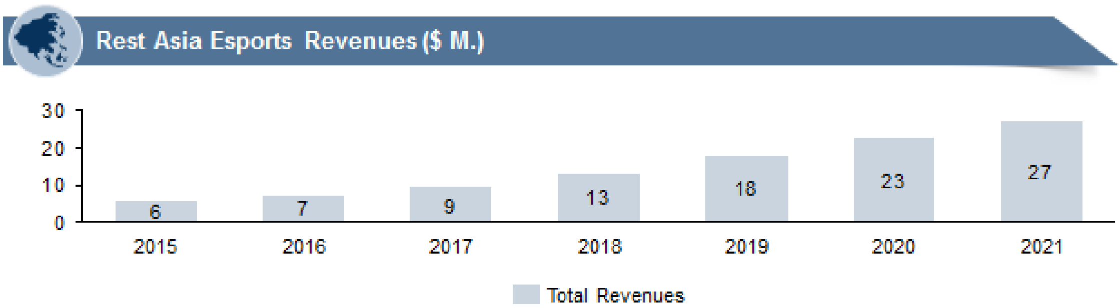
Esports business models are slightly different from that of digital gaming and more similar to that of professional sports leagues. Three primary contributors are sponsorships for small to large sports events, media distribution rights (TV and digital), and in-app purchases by gamers for virtual merchandise.

Global esports revenue is forecast to reach $1.68 billion in 2021, more than triple the total revenue in 2016. Sponsorship overtook advertising as the biggest revenue generator within the esports market in 2016 and will remain the biggest revenue generator for esports into 2021. Media rights will become the second-most important revenue generator. As esports events are becoming bigger and attracting more revenue from the other channels, organizing events will become a profitable business on its own.

Esports revenue in the Rest of Asia region (Asia Pacific excluding China, Korea, and South East Asia) is relatively small.

Esports revenue, Global & Rest of Asia, 2015-2021 (millions)





Source: Newzoo, 2017

Esports Prize Pool

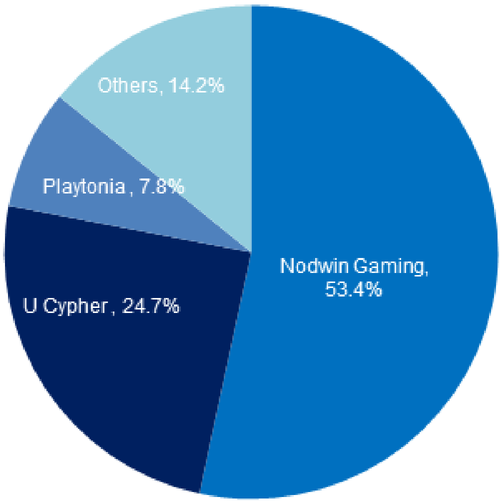
Players globally in the esports league compete for prize pools which are the biggest source of earnings for teams and players. The prize pool in esports tournaments is generally offered by esports companies and acts as incentive for teams and players to participate. Usually there are no fees for participants to compete in esports leagues and the prize pool is sponsored by the event organizers or brands. Without any participation fees or monetary entry requirements, these leagues offer an equal and fair opportunity for all participants to compete purely on. Globally there is also an increasing trend towards crowd funding where-in developers offer unique in-game items and purchases to their player's, part of the sales proceed from these unique in-game items and purchases goes into the prize pool.

The International Dota 2 Championships in 2017 had the highest ever prize pool of $24.69 million in the history of esports , an exponential increase from $1.6 million in prize pool for the championship in 2011 , the championships has continuously maintained highest prize pool over several years. Other Major championships with a large prize pool have been League of Legends (LOL) 2016 World Championship with $5 million, LOL 2017 World Championship with $4.9 million, Dota 2 Asian Championship 2015 with $3 million, Dota 2 Majors with $3million, The Boston Major 2016 with $3 million, The Frankfurt Major 2015 with $3 million, The Kiev Major 2017 with $3 million among others.

In line with rising global prize pool trends, the cumulative Indian Prize Pool for esports has also nearly doubled in 2017 in comparison to 2016, with a prize pool of ₹20 million. This prize pool is cumulatively for tournaments across Dota2, CS:GO, Overwatch, FIFA, Clash Royale, Just Dance, Cosplay Contests, Rocket League, Tekken, Street Fighter and NFS Most Wanted.

In 2017 out of the total Indian esports prize pool championships, Nodwin Gaming contributed to 53.37% or over ₹10 million of the total prize pool. Although the prize amount Nodwin Gaming has paid doubled in 2017 over 2016, their share in prize pool has dropped from 69.66%. This is based on the assumption that all the tournaments in 2016 pay the announced prize money.

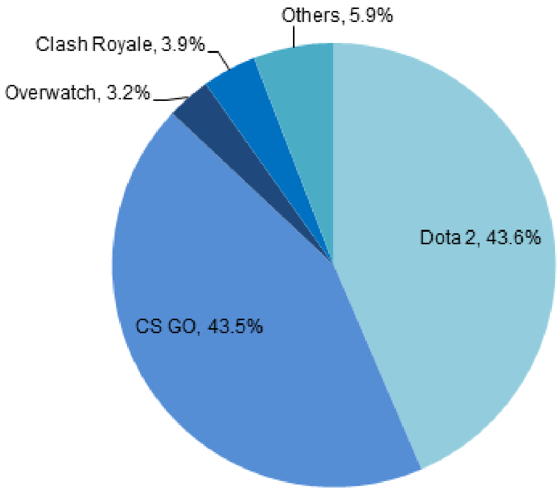
Prize Pool by Organizer in 2017, India



Source: afkgaming.com, Esports in India 2017, Frost & Sullivan Analysis

In India, CS:GO and Dota2 are the most popular games with an average at about 100 teams participating per major tournament, with Dota 2 having the largest Prize Pool and CS Go being at near second. Collectively both of these games accounting for nearly 87.0% of total prize pool in 2017.

Prize Pool by Games*, India



**Excludes Prize Pool of INR 51 Lakhs for U Cypher*

Source: afkgaming.com, Esports in India 2017, Frost & Sullivan Analysis

Championships normally have a cap or spread the prize pool amongst several players/team to keep interest high, in 2016 maximum any single Dota2 team could win in 2016 is ₹1.72 million and any single Dota2 player could win this year is ₹0.34. While this numbers for CS:GO was at ₹1.64 million for teams and ₹0.33 million for players The prize pool is expected to grow as esports gains popularity in India, with wider broadcasting and more support from gaming companies.

Esports Growth Outlook

Esports is growing massively and to an extent is responsible for the traction in overall video game industry. Key drivers for growth of esports ecosystem can be listed as below:

- Increased Content Consumption - Millennials are increasingly consuming content online and turning to gaming as a source of entertainment. With the growth of mobile first internet usage in developing countries and awareness and adoption of esports there is expected to demonstrate a robust growth.

- High Reward - Increasing prizes for esports tournaments has increased players and viewer's interest. The last International Dota 2 Championship had total prize money of $24.69 million, which contributed to an increased interest from advertisers and traditional broadcasters to broadcast on television.

- Technology Adoption – Gaming is recognized for be at forefront for early adoption of new technology trends. Technological enhancements and mass adoption of virtual and augmented reality will provide a further impetus to esports growth with enhanced interactive experiences.

- Localized Fan Connect: Formation of national and regional leagues trigger a deeper connection with local fans, and also allows esports companies to tap into the local marketing budgets of the brands.

Online video platforms that allow gamers to share their gameplay and matches with others have also been paramount to the success of the esports. The biggest of these platforms is Twitch, acquired by Amazon in 2014 for approximately $1 billion. The biggest esports organizer in the world is ESL. Besides large independent organizers, most of the big game publishers also organize events and leagues around their titles. These include Tencent, Riot Games, Activision Blizzard, and Valve.

Besides traditional media companies, such as Turner, traditional sports organizations, such as teams, associations, and agencies, have also entered the esports industry, which are creating unimaginable possibilities for new events, sponsorships and merchandise sales. Esports attract a sizable audience of millennials, thereby garnering attention from large non-endemic sponsors such as Visa, Adidas, Coca-Cola, Audi, Vodafone, and Gillette.

In recognition of strong community connect, high-frequency interactions and potential for brand integrations, Indian companies are also investing aggressively to nurture the esports ecosystem. Nodwin Gaming is a pioneer in esports in India with established relationships with global gaming publishers and platforms including market leaders such as ESL and Valve. In February 2017, our Company announced an investment of $20 million to setup a sport league which will include globally popular gaming titles and also a WebTV platform for non-players to track and monitor progress of their favorite teams. Similarly, Ronnie Screwala also launched UCypher, a bi-annual esports league featuring top 66 professional gamers in India. This league also entered into telecast rights with MTV and other popular digital platforms as YouTube and Twitch to drive popularity and interest among first-time gamers, as it is critical to attain mass audience to realize wider commercial success for the teams and sponsors.

India has just a little over 20 professional esports companies, but there are concerted efforts by the ecosystem to promote teams for national and international major tournaments. Route Mobile, for instance announced that it would launch a $0.30 million international tournament in India in 2018.

Brands are also eager to leverage the traction in esports league to extend their existing offline sports franchises into online domain. In addition to hosting and managing IP based gaming events such as, the ESL India Premiership and KO Fight Nights, Nodwin Gaming also partners with other brands to create multiple gaming events IPs in India. A few examples of such partnerships include Mountain Dew Arena, Indian Gaming Show, Asus ROG Masters among other events.

Most of the population older than 25 years old in the country are unfamiliar with the concept. Those who are familiar, still find it too unique considering esports is completely virtual and animated. But that would understate the viral popularity of this medium among the younger demographic. It is poised to achieve a dramatic growth and draw as much audience participation as other international sports such as bike racing, car racing, among others; despite these having limited India representation in international leagues and tournaments.

Competitive and Industry Landscape in India

The Indian gaming industry, which saw its genesis as an outsourcing hub for international game development companies in the early 21st century, is currently at the cusp of major transformation. Companies such as Dhruva Interactive, Lakshya Digital, Technicolor, served as development hubs for global gaming companies and Hollywood studios such as Spiderman, Bioshock among others continue to do the outsourcing work however first generation product companies like our Company, Games2win, India Games, Jump Games (Reliance Games) started the product business in mobile gaming a decade back. The last five years, as per a NASSCOM report, have seen the emergence of second generation of mobile gaming companies emerging in Indian eco system with some notable names like Octro, Moonfrog, PlaySimple, 99 games, Nukebox making mark in terms of revenues locally as well as globally. Growth of the local gaming ecosystem has motivated many small teams to set up their own gaming studios. As per the NASSCOM report, the number of gaming companies has sharply jumped from 20 off companies five years back ago to 250 companies in 2017.

The Indian gaming ecosystem comprises mostly start-ups involved in various services in the value chain, such as developing, publishing, software services, advertising, marketing, payment systems etc. With most of the companies in the entire value chain being start-ups, the industry struggled to take off in the early 90s as investments were low.

However, with majority of the Indian population increasingly consuming their entertainment content online or from their smartphones, there is a spike in interest for mobile gaming, especially among the younger demography. Consequently, the ecosystem had a spurt of gaming start-ups with teams as small as 3-10 members. Investors such as Sequoia Capital, IDG Capital, Lightspeed, Blume Ventures, Kalaari Capital and Westbridge Capital, among others also responded to this trend by showing more interest in this segment, thus, providing the necessary impetus to take the industry forward.

With the growth of the number of developers and number of games being published on app stores, need for local publishers has increased as developers face two big challenge namely getting their game discovered on the app store and getting game design mentorship to improve the player retention in their game. Majority of the developers in India lack resources to fund paid user acquisition and also given the nascent stage of the ecosystem gaining access to right skill sets is also a challenge, which necessitates a need for publishers and developers to co-exist in the local ecosystem. Trend of more local publishers increasing in emerging markets will get further accentuated as consolidation of playing users happen with few developers / publishers.

Comparative Analysis of Indian Gaming Companies

Business Model

The online gaming industry uses several monetization strategies to drive revenue. The ones prevalent in India are as follows:

- Freemium – Game can be downloaded for free but user may have to watch ads or pay for full access
- Subscription –One-time payment of monthly or annual fee to gain unlimited access for the duration
- Paid/Premium – Game can be accessed/downloaded only upon payment
- In-app Purchases – Pay to purchase game specific products or currency
- Incentive based advertisement – Conditional access to features in the game by watching ads or clearing a level etc.
- In-app advertisement – Banner advertisements and video advertisement during the game.

In the past, monetization was a challenge for gamers as digital payment options had not fully evolved and few consumers trusted online payments. Consequently, gaming developers had to rely on investments or revenue from other streams such as selling of IP rights, brand endorsements, among others. However, as gaming volume has increased substantially, developers are no longer entirely dependent on investments or external revenue sources. The paid or premium freemium model has the most appeal amongst the developers and publishers since the probability of getting immediate revenue from the game is the highest in this category.

The freemium model, currently, is the most popular revenue model globally in the gaming industry mainly due to reluctance from consumers to pay for games leading to heavy reliance on advertisement based monetization. In a freemium model, the game is usually available for free to play but additional features, virtual goods or customizations can be accessed only upon payment. In the mobile and online gaming sector, this model is especially popular to the extent where massively multiplayer online games such as Star Wars, Clash of Clans etc., having switched to freemium model. In fact, the top 5 India’s most popular games of 2017 list released by Google, included games such as WCC2, Baahubali: The Game, WWE Champions Free Puzzle RPG, Super Mario Run, Dr. Driving 2 and Pokemon Duel, all of them being monetized through freemium model.

Subscription based revenue model is a trend that is catching up with the freemium model with consumers preferring subscription to a-la-carte offerings, not just in gaming but across other industries such as online video, music, retail etc. as well. In the gaming sector, this model provides gamers with an unlimited access to new content every month in addition to the entire catalogue of games from a particular game publisher. Apart from international game studios such as Xbox and Disney (through its Indiagames acquisition), Indian game publishers are starting to capitalize on the rising popularity of the subscription based model. Our Company is an example of an Indian game publisher providing a subscription model that enables access to more than 1000 games from its catalogue. Similarly, PlayStation plus has recently introduced a subscription package for ₹410 a month which gives access to a wide variety of gaming content in addition to a host of benefits such as the 'Instant game Collection' which allows gamers to add up to 65 games a year for free. The subscription also entitles the gamers to avail discounts for a lot of games, access to game demos and sneak previews before the official launch, among other benefits. The additional benefits offered have increased the popularity of subscription based models among Indian gamers. Apart from the game publishers, telecom operators are also launching their subscription mobile gaming business. Airtel's Wynk, Tata Docomo's Let's Play are some examples of telecom operators entering the gaming industry with a subscription model.

Apart from these, gaming developers and publishers also have other sources of revenue such as brand and media integrations, where, movies or retail brands partner with game companies to develop games centred around their product as a promotional or marketing activation strategy. Creative integration of offline products as part of game's storyline drives greater engagement for consumers as well as re-enforces core brand positioning enabling a stronger connect and recall for the brand. For instance, Parle-G integrated its brand inside a hugely popular Chotta Bheem-Jungle Run game where instead of traditional ladoos now users has to consume Parle-G as a power booster. This brand campaign was experienced by over 3.4 million gamers and over 1.2 Billion virtual Parle-G biscuits were consumed . Similarly, in the retail space, Hewlett Packard partnered with Zapak to launch a super gamer contest. The blockbuster movie Baahubali partnered with Moonfrog Labs to launch Baahubali: The Game as part of its promotions. Integrating the fantasy elements from the movie's narrative within a massive multi-player online (MMO) strategy game helped extend the Bahubali franchise beyond cinemas and also helped build background context for its principal characters. The game eventually topped the list of most popular games in India in 2017 in Google Playstore, and was also recognized as amongst one of the most competitive games. Such partnerships are an additional source of revenue for the publishers and are fast picking up popularity in India.

Future of Gaming in India

Gaming in India is at the cusp of a revolution traversing all age and social constructs, emerging as the next big entertainment avenue. From socially interactive games to regional theme-based games catering to a wide audience, mobile gaming is emerging as a go-to entertainment option on smartphones in a mobile dense market.

Localization and regional offering

India with its strong cultural heritage, deep and diverse regional belief systems and limited exposure to western content to majority of the masses has a strong affinity for localized content consumption across television, music and movies and it is expected that mobile gaming with its mass footprint will also follow the same trend. Localisation of gamer insights are reflected in the popularity of mobile games on the Google Play Store, such as, 'World Cricket Championship 2', 'Chhota Bheem Race', 'Virat Cricket Challenge', 'Carrom', 'Tambola','Teen Patti' among others. Some of these games have been consistently topping in growth and download numbers on the top free charts on the Google Play Store ahead of global titles such as Candy Crush, Temple Run, Sub Way Surfer. Success of the localised content can also be seen by from the fact that in five of the first 10 months of calendar year 2017, six of our Company's games have been ranked in the top 3 on the top free charts on the Google Play Store.

The media and entertainment industry is waking up to the new mantra of localization in order to bring a service or product that really connects with the people across demographics. India being a diverse economy with a multi-cultural population, a global strategy has failed to strike a chord with the masses. In order to gain critical mass, localized content with vernacular options and focus on regional languages will help distribute the games at a micro level. This strategy is the way forward for the gaming industry, if they want to traverse the urban, middle-income groups and resonate with the larger community which has been neglected so far.

Mobile games around cricket have gained massive popularity in India with Chennai based Next Wave owning the most popular mobile cricket game franchise in the World Cricket Championship. Next Wave demonstrated 53% growth in number of downloads at 64.3 million from January-September, 2017, compared to 42.0 million downloads in calendar year 2016. Across its World Cricket Championship franchise, in terms of monthly active users (MAUs) too Nextwave had 98% Y-o-Y growth from 11.02 million in September 2017 compared to 6.00 million MAUs in September 2016.

Cricket offers immense potential to become a massive revenue generator for the companies operating in mobile cricket game space and can match the revenue potential of FIFA in Europe and other soccer crazy markets in next 5- 7 years. Amongst all Indian gaming developers, our Company commands the greatest mindshare in the mobile cricket segment through exclusive mobile gaming rights with Virat Kohli and Royal Challengers Bangalore and its recent investments in Moong Labs and acquisition of Next Wave.

Sports genre based mobile games besides cricket also offer immense potential as seen by success of 8 ball pool from Mini Clip which is currently the top revenue earner in India freemium space. Games built around local sports like badminton, kabbadi, table tennis coupled with online multiplayer competitive sports have strong potential to grow in emerging markets.

Besides cricket, mobile games based on massively popular household games in India like Ludo, Teen Patti, Snake & Ladder, word games have seen massively success which further validates that localization will hold the key to success in emerging markets as gaming penetrating deep into masses. These games become super popular based on word of mouth publicity and are widely enjoyed by gamers from all age groups and have demonstrated remarkable user engagement and retention. Playing into the socio-cultural and sporting preferences not only help develop appropriate games but also ensure success by giving the audience what they are accustomed to.

The trend will further accentuate with versions becoming available in regional languages like Marathi, Hindi, Gujarati, the game traverses lingual boundaries bringing it to every individual with a mobile device.

Digital transformation

A growing digitisation drive has made wearable, mobile devices, technology like VR/AR/360 video, cloud infrastructure, and a thriving app development community a reality in India today. The availability of low-cost smartphones has made mobile-gaming a mainstream entertainment activity which can be enjoyed either personally or among social groups. An overall higher digital readiness alongside rising digital literacy, higher disposable income and high technology adoption is conducive for a strong mobile gaming industry in India. A mobile gaming app is no longer accessible just to the urban, young, rich community but has permeated all demographics, thereby making this application universal.

Propensity to Pay

Although most games are either free to download or ad-supported, the concept of paying for premium services is gradually picking up among digitally connected citizens. A hybrid freemium model which allows free gaming up to certain levels and paid access to virtual characters, objects, currency and advanced sections of a game is the most sustainable model currently. Gaming companies and publishers are gradually growing their audience as well as revenue, owing to the increase of digital payments allowing quick, hassle-free transactions and the obsessive-compulsive nature of the application, pushing gamers to pay for subsequent levels in the game. The habit of paying for in app purchases is very nascent in emerging markets as these markets didn’t have PC MMORPG(Massively Multi-player Online Role Playing Game) gaming culture like that of China / Japan and Korea and hence in app purchase lead revenue growth will have gestation time period but will take off once multiplayer competitive gaming takes off.

Hard core gamers in esports have much higher propensity to pay as compared to freemium users as they are already hooked up on competitive gaming both offline and online and hence in near term growth of esports in emerging markets will lead the overall growth of revenues in gaming.

The first time mobile gamers will pay for subscription because they are looking for impulse purchase to satisfy their instant need of time pass and they are looking for curated content rather than exploring app stores as they tend to get overwhelmed with the plenty of options served to them.

Esports

Developers market

In the value chain of the gaming industry, the development and publishing fraternity has gained tremendous traction in the past 5 years owing to the globalised technology and software sector, with India being critical in the value chain. With internet proliferation and growing community of software engineers and application developers, the comparative costs of production and technology deployment in India is relatively cheaper than home-grown services elsewhere in the world. Hence, India is soon expected to become a hub for app development catering to international clients as well as regional publishers.

Shrinking disparity in age and gender

Gaming is gradually transitioning into a powerful entertainment option for middle-age groups (25-40 years). The typical profile of a gamer was an under 25 years male, but with shrinking gender and age bias, this is increasingly gravitating more towards an older demographic. With compelling storylines and content built for a larger target audience, this trend is likely to continue as more adults are turning to mobile games as a serious stress-buster and entertainment destination.

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" on page 17 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the twelve month period ended March 31 of that year.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Draft Red Herring Prospectus on page 190.

Overview

We are one of the leading mobile games companies headquartered in Mumbai, which is engaged in acquisition of, value addition to and distribution, of mobile games across emerging markets such as India, Middle East, Africa, South East Asia and Latin America. Our operations comprise of our Subscription Business, Freemium Business and esports business.

Our subscription services were accessed by 130.43 million monthly visitors from 61 countries across emerging markets, and over 4.08 million paying users subscribed to our subscription services, and downloaded over 37.62 million games, in September 2017. As a part of our in-house Freemium Business, we had 44.49 million downloads until September, 2017 in calendar year 2017 and 19.34 million downloads in calendar year 2016. Our recently acquired Subsidiary, Next Wave had 64.30 million downloads in calendar year 2017, until September 2017 and 42.02 million downloads in calendar year 2016. Our Company's in-house monthly active users (MAUs) in September 2017, were 8.66 million as compared to 2.79 million MAUs in September 2016, across our network of games on the Google Play Store and App Store. Next Wave's MAUs in September 2017 were 11.02 million as compared to 5.98 million MAUs in September 2016, across its World Cricket Championship franchise. Further, our recently acquired Subsidiary, Nodwin Gaming is a pioneer in esports in India with established relationships with global gaming publishers and platforms including market leaders such as ESL, the biggest esports organizer in the world and Valve Corporation. *(Source: Frost & Sullivan Report*)

Our Subscription Business is focussed on mass mobile internet users in the emerging markets, comprising largely of first time mobile gamers. In light of the low propensity of gamers to pay for online content in many of our markets, our Company has tailored its product offerings to deliver maximum value for gamers at affordable price points. The "sachet pricing" strategy in our Subscription Business allows gamers to access our entire catalogue of over 1,000 android games, upon signing up for a daily, weekly or monthly subscription. Billing for our Subscription Business is channelled through telecom operators (carrier billing), which has eased the payment process for gamers and collection of revenue by us. As on September 30, 2017, we were offering our Subscription Business services through 113 telecom operators in 61 countries, including but not limited to Airtel, Vodafone and Idea in India; and Etisalat and Ooredo in the Middle East.

We believe that our Subscription Business has a lean operating cost model and a highly optimised consumer acquisition strategy, which has enabled us to consistently generate returns from low Average Revenue Paying User (ARPU) telecom subscribers, across emerging markets. For Financial Year 2017, and in the six month ended September 30, 2017, as per our Restated Consolidated Financial Statements, revenue from subscription/ download of games/other contents was ₹1,861.75 million and ₹807.70 million, respectively.

As part of our in-house Freemium Business, we believe that our ability to understand local gamer behaviour in designing games and innovatively incorporating local, licensed, intellectual property to drive the growth of our network of games is one of our key strengths. Our localised gamer insights are reflected in the popularity of some of our mobile games on the Google Play Store, such as, 'World Cricket Championship 2', 'Chhota Bheem Race', and 'Motu Patlu Game'. Our games have consistently been part of the top three games on the top free charts on the Google Play Store ahead of certain globally established names such as Candy Crush, Subway Surfer and Temple Run (*Source: Frost & Sullivan Report*). In nine of the first 10 months of calendar year 2017, nine of our Company's in-house games have been ranked among the top three games by downloads on the top free charts on the Google Play Store. For Financial Year 2017, and in the six month ended September 30, 2017, As per our Restated Consolidated Financial Statements our in house, Freemium Business had revenue from advertising services of ₹39.83 million and ₹31.23 million, respectively. Further, our recently acquired Subsidiary, Next Wave registered a total income of ₹87.11 million and ₹49.90 million in Financial Year 2017 and in the six month ended September 30, 2017, respectively, on a consolidated basis.

We believe that Nodwin Gaming is one of the leading enablers in the Indian esports market with a first mover advantage. In addition to hosting and managing IP based gaming events such as, the ESL India Premiership and Dew Arena by ESL, Nodwin Gaming also partners with other brands to create multiple gaming events intellectual properties in India, such as Mountain Dew Arena, Indian Gaming Show and Asus ROG Masters. Further, Nodwin Gaming contributed 53.37% or over ₹10.00 million of the cumulative Indian prize pool for esports, in calendar year 2017. *(Source: Frost & Sullivan Report*) For Financial Year 2017, and in the six month ended September 30, 2017, Nodwin Gaming had a total income of ₹90.41 million and ₹104.78 million, respectively, on a consolidated basis.

The Indian games market with an estimated US$0.7 billion in total revenue in Financial Year 2017, is dominated by mobile gaming and is forecast to grow very strongly, reaching US$3.5 billion in 2021, almost entirely driven by growth in mobile gaming revenue. Further, the rapidly increasing smartphone penetration will boost the number of mobile gamers, driving growth in the overall number of gamers. In terms of download volume of mobile games from Google Play and Apple's AppStore, India is already one of the leading countries in the world in Financial Year 2017. A strong revenue growth will therefore almost certainly follow in the coming years. (*Source: Frost & Sullivan Report*)

With the background of the expected growth in the mobile games market, we believe that we are well poised to exploit the large opportunity in gaming across our Subscription Business, Freemium Business and esports businesses, in emerging markets by leveraging our established presence across 61 countries, as on September 30, 2017, localised gamer insights and proven monetisation abilities. Further, to provide an impetus to our operations, our Company has made investments in synergistic game development companies, whereby our Company provides financial assistance, through investments to indigenous game developers and small game studios to bring their game ideas into reality.

Our growth is driven by the efforts of Vikash Mittersain and Nitish Mittersain, our Promoters, who have over 15 years of experience in the mobile entertainment/ gaming industry, our CEO Manish Agarwal who has been associated with our Company since 2015 and has approximately 18 years of experience in various fields including the gaming space and marketing, and our experienced team of young professionals who play an active role in the business operations of our Company.

Our revenue from operations for Financial Years 2015, 2016 and 2017, and in the six month ended September 30, 2017, was ₹1,529.75 million, ₹2,111.63 million, ₹1,901.58 million, and ₹838.93 million, respectively, and our restated profit for Financial Years 2015, 2016 and 2017 and in the six month ended September 30, 2017, was ₹590.96 million, ₹645.21 million, ₹597.20 million and ₹198.45, respectively. The decline in our restated profit for the six month ended September 30, 2017, reflects the impact of one time employee benefit expenses for implementation of the ESOP 2016, and payment of tax on dividend income from our Subsidiaries in Dubai and Singapore into India. Our Company has consistently remained debt free, and as of Financial Years 2015, 2016 and 2017 and the six month ended September 30, 2017, as per our Restated Consolidated Financial Statements, our Company had cash and bank balances and current investments of ₹866.22 million, ₹1,291.58 million, ₹1,794.62 million and ₹1,596.75 million. Our Company has recorded 37.24% ROCE and 27.59% ROE, in Financial Year 2017, signifying a stellar performance in terms of profitability. (*Source: Frost & Sullivan Report*)

Our Strengths

Sustained profitability and rapid growth of our operations

Over the years, our Company has developed a successful Subscription Business model varying by country to manage complexities emerging from different competitive landscapes, policies of different telecom operators and multiple advertising networks. We approach subscriber acquisition with a strict focus on return on investment, whereby we aim to acquire subscribers efficiently, by leveraging our in-house data analytics abilities, and targeting and acquiring relatively high ARPU subscribers among subscription users, which has resulted in a CAGR of 36.13% of our revenue from our subscription/ download of games/other contents, between Financial Year ended 2013 to Financial Year ended 2017. For the six month ended September 30, 2017 we had 4.08 million paying users, with an ARPU of ₹57.96, while, revenue from subscription/ download of games/other contents based on our Restated Consolidated Financial Statements for Financial Year 2017 was ₹1,861.75 million and for the six month ended September 30, 2017 was ₹807.70 million.

We have leveraged our technology platform, credibility with advertising networks and relationships with telecom operators to become a mobile games company with significant global presence, by expanding our presence in Financial Years 2015, 2016 and 2017 and the six month ended September 30, 2017 across 30, 40, 57 and 61 countries, respectively. Our revenue from operations, as per our Restated Consolidated Financial Statements for Financial Years 2013, 2014, 2015, 2016 and 2017, and for the six month ended September 30, 2017 was ₹542.14 million, ₹873.58 million, ₹1,529.75 million, ₹2,111.63 million, ₹1,901.58 million, and ₹838.93 million respectively, and our net cash flows from operating activities was ₹142.71 million, ₹220.42 million, ₹519.74 million, ₹591.38 million, ₹567.93 million and ₹83.47 million, respectively. Our restated profit as per our Restated Consolidated Financial Statements, for the Financial Years 2013, 2014, 2015, 2016 and 2017 and in the six month ended September 30, 2017, was ₹131.95 million, ₹289.45 million, ₹590.96 million, ₹645.21 million, ₹597.20 million and ₹198.45 million, respectively.

Localised gamer insights in emerging markets leading to proven monetisation abilities

The mass mobile internet user segment in India is characterised by low ARPU, predominance of prepaid phone connections and small talktime balance. Further, the mobile gaming industry in emerging markets is characterised by limited credit card penetration. *(Source: Frost & Sullivan Report*). In addition, based on our experience in the emerging markets, we have observed that the mass mobile internet user segment in the emerging markets is characterised by, *inter alia*, high churn, high uninstallation of apps and low lifetime consumer value. We believe, that given the small talktime balance of prepaid phone users, they are averse to paying per game download and prefer downloading a bouquet offering of games which gives them a comfort of liking a few amongst the many offered.

Based on the above consumer insights, our Subscription Business is focussed on offering easy to play games with low file size to the mass mobile internet users. Further, to address the low propensity to pay for online content and small balance in prepaid phone connections of consumers, our subscription services are offered through sachet pricing, with daily, weekly and monthly subscriptions. To ensure ease in subscription payments, billing for subscription services is undertaken in partnership with our network of telecom operators (carrier billing), which has simplified the payment process for subscribers. Post payment through carrier billing, the subscribers get access to our catalogue of over 1,000 games capable of being played on an android platform, resulting in higher customer satisfaction. Capitalising on such consumer insights, for the six month ended September 30, 2017, we had 4.08 million paying subscribers across India, Middle East, Africa, South East Asia and Latin America respectively, for our Subscription Business with an ARPU of ₹57.96, while revenue from subscription/ download of games/other contents, based on our Restated Consolidated Financial Statements for Financial Year 2017 was ₹1,861.75 million and for the six month ended September 30, 2017 was ₹807.70 million.

Based on our experience in our Freemium Business, we believe that casual gamers on Google Play Store or App Store prefer playing games made with relatable game mechanics, art styles and characters. Accordingly, our freemium game offerings are focussed on incorporating local, popular, licensed brands and intellectual property in our mobile game offerings through our partnerships with developers with proven track record. Given the low propensity to pay of customers in emerging markets, we believe that consumers from emerging markets are not yet fully comfortable with the concept of in-app purchases as compared to their peers in developed markets. In order to ensure returns, our freemium game offerings include alternative monetisation techniques such as brand integration and reward videos, through which players receive rewards after watching a video which helps them progress in the game. Freemium revenue models that combine in-app purchases and incentive based advertisements are expected to ensure profitability (*Source: Frost & Sullivan Report*). As a result, our games have consistently been part of the top three games on the top free charts on the Google Play Store ahead of certain globally established names such as Candy Crush, Subway Surfer and Temple Run (*Source: Frost & Sullivan Report*). Further, in nine of the first 10 month of calendar year 2017, nine of our in-house, freemium games have been ranked among the top three games by downloads on the top free charts on the Google Play Store. For Financial Year 2017, and in the six month ended September 30, 2017, our in-house, Freemium Business had a revenue from advertising services of ₹39.83 million and ₹31.23 million, respectively, as per our Restated Consolidated Financial Statements. Further, our recently acquired Subsidiary, Next Wave registered a total income of ₹87.11 million and ₹49.90 million in Financial Year 2017 and in the six month ended September 30, 2017, respectively, on a consolidated basis.

Given that India is expected to have 730 million internet users by Financial Year 2020, with 60% internet penetration and with the number of gamers in India set to increase at a 21.3% CAGR, to 401.80 million by Financial Year 2021 *(Source: Frost & Sullivan Report*), we believe that our consumer insights in emerging markets, will enable us to better service the mass mobile internet users with a focus on first time gamers and continue the growth of our Subscription Business.

Scalable and asset light model across business offerings

The foundation of our Subscription Business is that it is asset light and does not require substantial capital expenditure for the acquisition of, value addition to and the distribution of, mobile games in emerging markets. Typically, developing content and intellectual property results in substantial capital expenditure (and time), in addition to further expenditure in building a distribution network. However, such game development remains dependent on the success of the content created in-house and commercial acceptance of such content.

For our Subscription Business, we focus on acquiring content from game aggregators without special localisation, which can either be co-developed or modified for value addition such that the game can attract relatively high ARPU gamers and deliver maximum value for gamers at affordable price points. For instance, our catalogue consists of over 1,000 android games which are subscribed daily, weekly or monthly. We have not, to date, made significant investment in hardware such as servers, and data centres or disaster recovery centres, but have instead outsourced these non-core operations to third party providers and rely on cost effective alternatives like cloud infrastructure for providing our mobile game offerings to our consumers, thereby ensuring that our Company is not dependent on any one operating system or technology platform and continues to stay agile and nimble to ever changing content, technology, internet infrastructure and device preferences in the mobile gaming industry. Our Company has ensured low content cost by sourcing games with simple game mechanics, with limited or no text, and generic characters which do not need to be localised, through content aggregators for the Subscription Business.

For distribution and payments in the Subscription Business we rely on partnerships with over 113 telecom operators in 61 countries, as on September 30, 2017. We believe that telecom operators are keen to establish partnerships with our Company, since our Company is able to source games through its content aggregators on a non-exclusive basis, and since any gamer exclusivity does not restrict the categories of players who can play our games. Accordingly our Company has a faster turnaround time in launching our Subscription Business in new markets and geographies.

Further, our experience in the Subscription Business has provided us with the relevant gamer insights to capitalise on our existing operations in emerging markets and scale up our operations with high speed and at low cost. Our ability to generate revenue from our Subscription Business ensures that telecom operators through whom billing in our Subscription Business is undertaken, are forthcoming to develop partnerships with our Company, thereby giving us the ability to set up new partnerships with telecom operators in new geographies and scale our operations with ease.

In the Freemium Business, similarly, our Company is focussed on providing mobile game offerings to similar segments of the population, by incorporating popular licensed brands and intellectual property in our mobile game offerings through our partnerships with developers. As a part of our freemium mobile games business, we offer mobile games with simple graphics focussed on children under the age of 11 years incorporating brands, such as Chhota Bheem, Motupatlu, Shikari Shambhu, Suppandi and Mighty Raju and cricket mobile game offerings, such as RCB Star Cricket, to provide localised content by customising our mobile game offerings in partnership with developers. Our freemium mobile game offerings featuring local brands and intellectual property can easily be replicated in other geographies by replacing the central character with popular brands of the new geography. We continuously check the entertainment market for any key brands or intellectual property that is popular and successful, and syndicate such brands and intellectual property in our mobile games offerings and further co-develop games, based on our market analysis and research. We believe that our ability to efficiently replicate the success of our freemium games in new geographies, gives us the ability to increase our reach and capitalise on our position in the Freemium Business.

In the Freemium Business, operating as game publisher allows our Company to collaborate with multiple developers simultaneously to have a large portfolio of games, which is critical in the Freemium Business as we believe that profitability is correlated to the number of MAUs. This approach, we believe de-risks our operations as opposed to other gaming companies, which have high capex costs of in-house development of mobile games.

This has also enabled our Company in rapidly adapting and making relevant changes in offerings on mobile game subscription services.

Diversified business across geographies, telecom operators, gamers and gaming content

Our Company operates its Subscription Business through its partnership with over 113 telecom operators in 61 countries, as on September 30, 2017. Our Company has long standing relationships with various telecom operators, including but not limited to Airtel, Vodafone and Idea in India and Etisalat and Ooredo in the Middle

East for direct carrier billings for subscriptions. Our Company has made a strategic decision to offer a catalogue of over 1,000 android games on its subscription service through aggregation from different content aggregators across the globe.

This diversification ensures that, at no point, the revenues are significantly dependent on any particular game or any particular game developer or any particular content aggregator. We have leveraged our network across the gaming ecosystem of game aggregators, and telecom operators to monetize our mobile game offerings thus creating value for the partners and for stakeholders over a decade of existence of our Subscription Business model, and continue to create value. Further, the wide range of our relationships with intermediaries has also limited our exposure to a risk of concentration, and enables us to further diversify and expand our partnerships in the mobile game ecosystem. We believe that our ability to diversify into new mobile game offerings and geographies, with limited exposure to the risk of dependence on any intermediary is a key strength in our business operations.

Experienced and dedicated management team

Our management team is led by our Promoters, Vikash Mittersain, and Nitish Mittersain, who have approximately 15 years of experience in the mobile entertainment and gaming industry, and bring to our Company their vision and leadership, which we believe has been instrumental in our success. We have an experienced and dedicated team of Key Management Personnel, with significant experience in all aspects of our business operations, who we believe have enabled us to successfully develop successful and sustainable business models for our network of games.

Our CEO, Manish Agarwal, has been associated with our Company since 2015 and has approximately 18 years of experience in various fields including the gaming space and marketing. He was associated with Reliance Games, in the capacity of chief executive officer of Zapak Mobile Games Private Limited and chief operating officer of Zapak Digital Entertainment Limited. Further, he was also associated with Rediff.com India Limited, in the role of vice president marketing. His association with our Company has been instrumental in creating our Freemium Business while expanding the outreach of our Subscription Business. Many of our Key Management Personnel have been associated with us since incorporation. Further, our Key Management Personnel have been associated with companies like Rediff.com, Yahoo India Private Limited, I2I Telesource Private Limited and Telesoft Neutek Private Limited, among others. For details see "*Our Management – Key Management Personnel*" on page 178. Further, the founders of our recently acquired Subsidiaries, Next Wave and Nodwin Gaming, viz., P.R. Rajendran and P.R. Jayashree, and Akshat Rathee and Gautam Virk, respectively, shall continue to undertake the day to day management of the respective Subsidiaries. We believe that our stable, senior management team has helped us in successfully implementing our development and operating strategies over the years. Owing to the understanding of the industry trends, demands and market changes of our senior management team, we have been able to adapt and diversify our operating capabilities and take advantage of market opportunities over the period.

Our Strategies

Continue organic growth of our Subscription Business

We intend to continue to be present and expand our presence in the emerging markets, including in new countries by capitalising on our first mover advantage in the emerging markets, and leverage our low cost, asset light model and network of partnerships across the gaming ecosystem to ensure scalability and growth of our Subscription Business operations. Further, we intend to expand our partnerships with telecom operators in our existing geographies, such as launch additional services with existing operators and increasing revenue from existing operators through addition of more advertisement networks.

We also intend to further increase our catalogue of games provided through our Subscription Business, by aggregating games based on gamer preferences identified by us, including by providing games based on vernacular languages and other localised offerings. Further, to fulfil our quest of introducing new and popular games, our Company provides financial assistance through investments, to support indigenous game developers and small game studios to bring their game ideas into reality. We also aim to increase the gamut of services provided by us to our gamers in the emerging markets and increase our investment and focus on our back end infrastructure to provide better quality services.

Increased focus on scaling operations in the Freemium Business

Keeping in mind the increasing smartphone user base and improvement in infrastructure and internet services, we intend to expand our Freemium Business in emerging markets and provide easy to play games, with customised intellectual property, using our depth of experience in the mobile games market in such geographies. We intend to drive scale in our advertisement revenues from freemium mobile games aimed at younger audiences and casual gamers, by licensing popular intellectual property such as Oggy and the Cockroaches, and adapting the successful games of our Company to drive our MAUs and scale globally. We also intend to deepen our presence in existing geographies by offering mobile games in vernacular languages and capturing the unlimited internet access to over 100 million subscribers triggered by the launch of a new telecom service provider in India *(Source: Frost & Sullivan Report*). We expect that the increase in internet penetration will support our effort in reaching the next segment of mobile gamers through our Freemium Business, by scaling up our existing mobile game offerings and customising them for local languages and tastes. In addition, we intend to build in-app purchase revenues by creating online and offline competitions between players in popular offline games such as quiz, cricket, chess, soccer and carom.

Pursue strategic acquisitions and partnerships

Amongst all Indian gaming developers, our Company commands the greatest mindshare in the mobile cricket segment. *(Source: Frost & Sullivan Report*). In addition, we recently acquired a mobile gaming company, which has further augmented our cricket mobile game offerings. We have also acquired Nodwin Gaming which has added esports to our network of games. Further, over the last three Financial Years our Company has invested in synergistic companies, such as Hashcube Inc., Mastermind Sports Limited, Moonglabs Technologies Private Limited and HalaPlay Technologies Private Limited which develop popular games, to support our game offerings. In line with such acquisitions, we intend to create a network of synergistic companies within our existing corporate structure, and continuously find companies which have shown positive results in esports in emerging markets and offline gaming in emerging technologies like virtual reality and augmented reality, companies who have been successful in relation to in-app purchases and have a strong portfolio of games and other synergistic companies in allied areas such as advertisement monetisation and real money gaming platforms.

Develop intellectual property of our network of games

Our Company intends to create new intellectual property by leveraging our mobile games and our existing network of games across our Subscription Business, Freemium Business and esports businesses. In the Freemium Business, our Company is focussed on providing mobile game offerings to different homogenous segments, by incorporating popular licensed brands and intellectual property in our mobile game offerings through our partnerships with developers. We intend to continue to seek popular brands and intellectual property to incorporate in our freemium games. Post our recent acquisition, we have introduced esports, to our network of games. The Indian esports audience is still very small, with an estimated two million enthusiasts and two million occasional viewers, but is expected to grow more than fivefold by 2021 *(Source: Frost & Sullivan Report*). In the recent past, leagues such as ESL India Premiership League have successfully organised tournaments in India. Given the expected opportunity around esports and our strategic move to invest in a popular esports tournament in India, we intend to further develop the esports business acquired by our Company, by strategically developing partnerships with media houses, hosting and managing intellectual property based gaming events such as, the ESL India Premiership and Dew Arena by ESL, and partnering with other brands to create multiple gaming event intellectual properties in India.

Our Operations

Our business operations comprise of three businesses – subscription, freemium and esports.

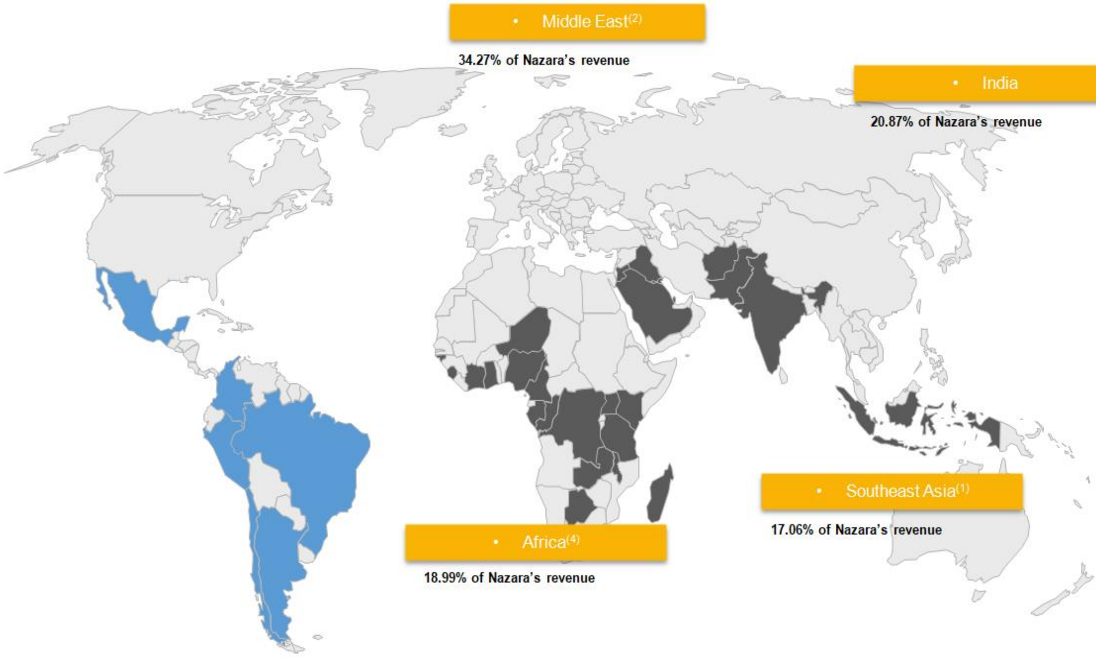
Subscription Business

Our Subscription Business, operated under the brands “Nazara Games Club”, “Cool Club” and “Video Club” with gaming and non-gaming consumption contributing approximately 87.40% and 12.60%, respectively, as on September 30, 2017 to the revenue from subscription services, for our catalogue of content including over 1,000 games, videos and pictures, provided to the mass mobile internet users in the emerging markets, comprising largely of first time mobile gamers. Operated through our partnerships with advertisement networks and telecom operators, our Subscription Business enables subscribers to access content including, games, photographs, wallpapers and pictures aggregated by us, from our wireless access portal. Monetisation in our Subscription Business is undertaken through periodic, daily, weekly or monthly subscriptions by our subscribers, through carrier billing, pursuant to our arrangements with telecom operators.

Geographical spread

We commenced our Subscription Business in Financial Year 2007 in India, and over the past decade, our operations have expanded across India, Middle East, Africa, South East Asia and Latin America. Our Subscription Business is spread across 61 countries, as on September 30, 2017.

The region wise spread of our Subscription Business operations is mapped below:



Note: 8.81% of the Company's net revenue is contributed by the Caribbean Islands. Revenue details provided above are for the period ended September 30, 2017.

The table below provides details of larger geographies where we were operate our Subscription Business, as on September 30, 2017:

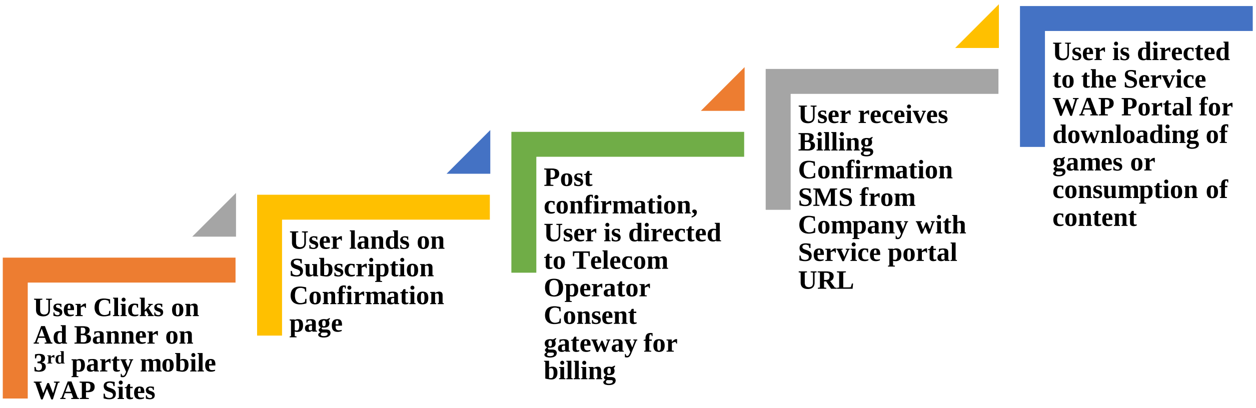
Region	Countries
Indian sub-continent	India, Nepal, Bangladesh and Sri Lanka
South East Asia	Indonesia, Singapore, Myanmar, Thailand, Vietnam and Philippines
Middle East	Qatar, Bahrain, Iraq, Jordan, Saudi Arabia, Kuwait and Iran
Africa	Zambia, Kenya, Uganda, Ghana, Tanzania, Nigeria, Madagascar, Malawi, Gabon and Benin
Latin America	Caribbean Islands

Customer acquisition and retention

Customer acquisition is one of the key drivers of our Subscription Business. Customer acquisition in our Subscription Business is primarily driven by our arrangements with global and local advertisement networks and strategic partnerships with telecom operators. We have arrangements with multiple advertisement networks, including Opera, Collecent, Mobility App, Kimia and Vserv, pursuant to which advertisements for our subscription services are placed on popular WAP sites and online portals.

Subscribers access our subscription portal by clicking on our advertisement banners, and are directed to the payment gateways of our telecom partners. Billing for our Subscription Business is channelled through telecom operators (carrier billing), which has eased the payment process for gamers and collection of revenue by us.

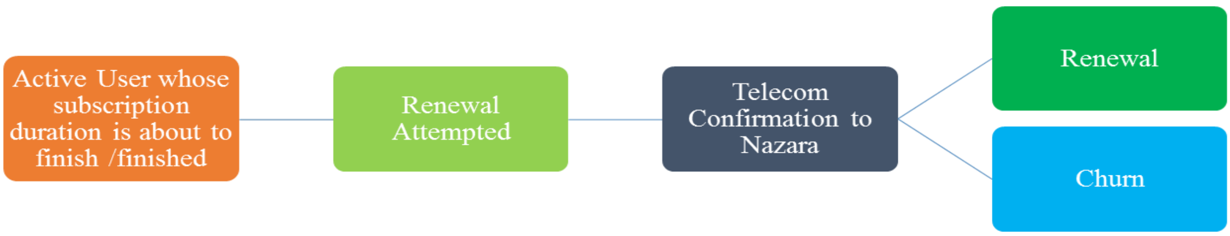
Customer flow in our Subscription Business*



**This is an indicative flow chart and the customer flow differs based on the policies of our telecom partners*

Upon expiry of the subscription period, renewal for our subscription offerings are undertaken through carrier billing, which either result in renewal and customer retention or churn.

Customer flow post subscription - Renewal flow



Arrangements with advertisement networks

Our arrangements with advertisement networks provide for a revenue sharing arrangement based on cost per click or cost per acquisition of subscribers. Accordingly, our Company makes payment to the advertisement network, in accordance with the pre-agreed formula based on either the number of clicks on the advertisement banners or the number of subscribers acquired by us. With the aim of optimizing our advertisement network revenue, we have an internal system to analyse the success of advertisement networks based on which we continue or terminate our agreements with advertisement networks. For details see, "*Our Business – Subscription Business – Platform and Technology*" on page 143. Advertising costs account for a majority of our operating expenses. For the Financial Years 2013, 2014, 2015, 2016 and 2017 and for the six month ended September 30, 2017, as per our

Restated Consolidated Financial Statements, our advertising cost comprised 19.11%, 22.22%, 26.29%, 31.37%, 28.44% and 29.33%, respectively, of our revenues from the subscription/ download of games/other contents, and 27.44%, 37.81%, 48.45%, 47.85%, 41.01% and 41.05%, respectively, of our total expenses.

Arrangements with telecom operators

Our Subscription Business is operated in partnership with over 113 telecom operators. Our key telecom partners include but are not limited to Airtel, Vodafone and Idea in India and Etisalat and Ooredo in the Middle East.

We offer subscription services to our subscribers and execute agreements with our telecom partners to provide direct carrier billing as mode of payment for our subscribers through our platform, including content such as games, videos and pictures on a non-exclusive basis, in specified territories, which are then provided to the users of the telecom operators, upon subscription by subscribers. As set out above, the telecom operators have the obligation to manage billing for the subscription services, when their subscribers opt to subscribe to the subscription services. Pursuant to the agreements, the revenue from the subscription services is shared between our Company and the telecom operator, and payment by the telecom operator to our Company is made on a monthly basis. The term of agreements executed with our partner telecom operators ranges between one year to three years.

Subscription Content

Our Company licenses content for its Subscription Business from content aggregators, for a fixed monthly, quarterly or annual payment. Pursuant to such agreements, our Company is granted a non-exclusive license to provide the content supplied by the content aggregator through its subscription services to end users in specified territories. Typically, the term of the agreements executed with content aggregators is one year and the agreements are renewable for successive periods. The contribution of gaming and non-gaming consumption is approximately 87.40% and 12.60%, respectively, as on September 30, 2017 to the revenue from subscription services. For the Financial Years 2013, 2014, 2015, 2016 and 2017 and for the six month ended September 30, 2017, based on our Restated Consolidated Financial Statements, our purchase of content cost comprised 13.18%, 6.73%, 4.61%, 5.26%, 5.64% and 5.37%, respectively, of our revenue from operations, and 18.92%, 11.45%, 8.50%, 8.14%, 8.31% and 7.81%, respectively, of our total expenses.

Growth and Key Drivers

As on September 30, 2017, we had over 4.08 million paying subscribers across India, Middle East, Africa, South East Asia and Latin America. The region wise split of our revenue for our Subscription Business for Financial Year 2017 and the six months ended September 30, 2017 is set forth below:

Region	Revenue contribution for Financial Year 2017 (in %)	Revenue contribution for the six month ended September 30, 2017 (in %)
Indian sub-continent	32.44	20.88
Africa	25.50	18.99
Middle East	20.01	34.27
South East Asia	18.71	17.05
LATAM	3.34	8.81

Monetisation in our Subscription Business is undertaken through periodic, daily, weekly or monthly subscriptions by our subscribers. In light of the low propensity to pay of our subscribers in the emerging markets, the unit prices for subscription to our services are kept low, to ensure that the price for subscriptions does not dissuade gamers from subscribing to our games. Through this sachet pricing model subscription is provided in India at ₹99 for a month, ₹35 for a week and ₹5 for a day. Our subscription services were accessed by 130.43 million monthly visitors from 61 countries across emerging markets, and over 4.08 million paying users subscribed to our subscription services, and downloaded over 37.62 million games, in September 2017.

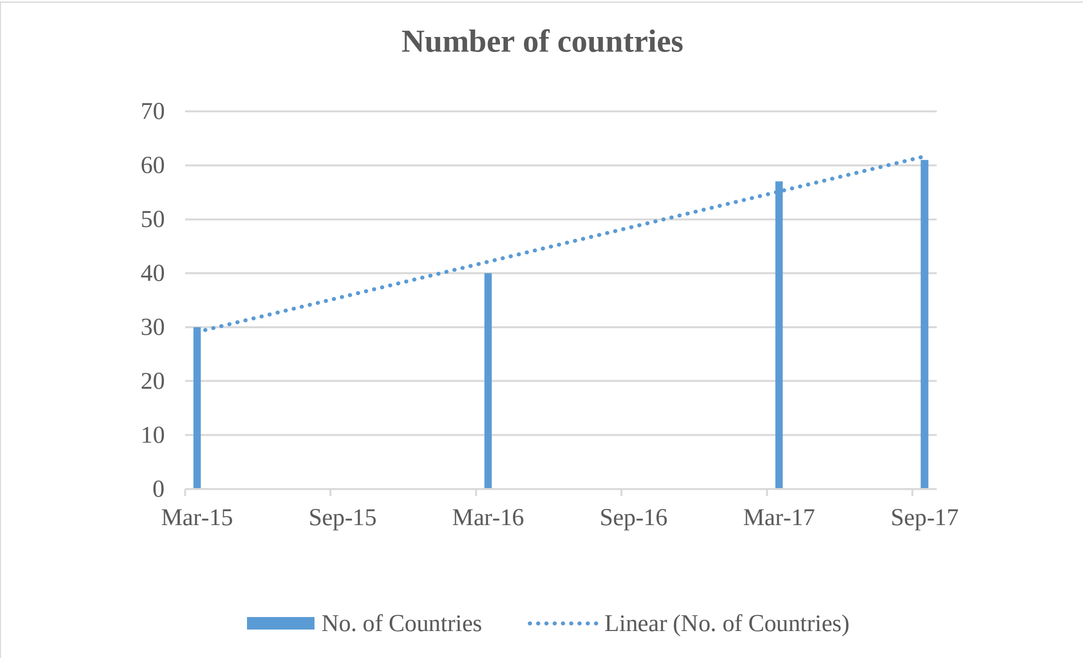
We approach subscriber acquisition with a strict focus on return on investment, whereby we aim to acquire subscribers efficiently, by leveraging our in-house data analytics abilities, and targeting and acquiring relatively high ARPU subscribers among subscription users, which has resulted in CAGR of 36.13% of our revenue from our subscription/ download of games/other contents, from Financial Year 2013 to Financial Year 2017. For the six month ended September 30, 2017 we had 4.08 million paying users, with an ARPU of ₹57.96 while our revenue from subscription/ download of games/other contents based on our Restated Consolidated Financial Statements for Financial Year 2017 was ₹1,861.75 million and for the six month ended September 30, 2017 was ₹807.70 million.

Further, our Company ensures low content cost for our catalogue of games by sourcing games with simple and easy to play games from content aggregators. Our purchase of content cost for our Subscription Business has remained stable over the last five Financial Years. For details see "*Financial Statements*" on page 190. During Financial Years 2013, 2014, 2015, 2016 and 2017, and for the six month ended September 30, 2017, revenue from subscription/ download of games/other contents, based on our Restated Consolidated Financial Statements was ₹542.14 million, ₹873.58 million, ₹1,529.75 million, ₹2,082.10 million, ₹1,861.75 million and ₹807.70 million, respectively. The decline in our income from subscription/ download of games/other contents is primarily owing to aggressive pricing by a new telecom operators in India in second half of Financial Year 2017, which has diverted some subscribers of our telecom partners to the new telecom operator, and fall in the amount maintained by subscribers in their wallets, owing to new offers being offered by our telecom partners to counter the new telecom operator, which currently does not offer subscription services.

Platform and Technology

Our Subscription Business is carried out through an asset light model, using the Nazara Content Management Platform (NCMP), which has enabled us to manage subscription services across 113 telecom operators as on September 30, 2017. The NCMP links our content providers with our subscribers through our partner telecom operators. Our central management system for monitoring content, customer care and reporting and auditing is inbuilt in the NCMP, which enables us to monitor the performance of our Subscription Business with ease.

The NCMP provides end to end content life cycle management, with multi content support. It also integrates an automatic device management system and in built adaptors for quick integration with telecom operators. The pre-defined business rules for subscription billing, ensure ease of management of our Subscription Business. The interfaces of the NCMP can be easily configured and coupled with its scalable architecture and reusable components, the NCMP enables us to reduce time to market our Subscription Business in new geographies. The NCMP has been designed and built in-house by our Company, and we believe that it has enabled us to scale operations with ease and provide capacity when and where needed. The scalability of the NCMP has enabled our Company to launch our Subscription Business in over 61 countries (as on September 30, 2017), since Financial Year 2013.



Freemium Business

Our Freemium Business, which was commenced in Financial Year 2016 focusses on providing curated games to gamers through smartphone app stores, featuring famous characters and celebrities, to the smartphone user base comprising of mid core mobile gamers. Monetisation in our Freemium Business is undertaken through in app purchases and advertisement revenues. Our freemium mobile games are offered through leading app stores such as Google Play Store and App Store.

As a part of our in-house Freemium Business, we had 44.49 million downloads until September, 2017 in calendar year 2017 and 19.34 million downloads in calendar year 2016. Our recently acquired Subsidiary, Next Wave had 64.30 million downloads in calendar year 2017, until September 2017 and 42.02 million downloads in calendar year 2016. Our Company's in-house MAUs in September 2017 were 8.66 million as compared to 2.79 million MAUs in September 2016, across our network of games on the Google Play Store and App Store. Next Wave's MAUs in September 2017 were 11.02 million as compared to 5.98 million MAUs in September 2016, across its World Cricket Championship franchise.

Freemium game IP

Our Company has licensed a range of intellectual property for popular children's brands such as Chhota Bheem, Motupatlu, Shikari Shambhu, Suppandi and Mighty Raju for developing and publishing freemium mobile games. Further, keeping in mind the popularity of cricket in India, our Company has executed agreements with popular cricket brands such as Royal Challengers Bangalore, for curation of our freemium cricket games. Our cricket intellectual properties have been augmented through our acquisition of Next Wave, which has developed mobile cricket games such as World Cricket Championship 1, World Cricket Championship 2, Beach Cricket and Bat Attack Cricket. Amongst all Indian gaming developers, Nazara commands the greatest mindshare in the mobile cricket segment. (*Source: Frost & Sullivan Report*)

In-app purchases and advertisement services

Monetisation in our Freemium Business, is aimed at advertising services and in app purchases. Our Company is yet to establish a track record of having generated revenues through in-app purchases. The revenue from advertising services during Financial Years 2016 and 2017, and for the six month ended September 30, 2017, was ₹29.53 million, ₹39.83 million and ₹31.23 million, respectively, based on our Restated Consolidated Financial Statements. Further, revenue of our Subsidiary, Next Wave during Financial Year 2017 and for the six month ended September 30, 2017, was ₹87.06 million and ₹49.90 million, respectively.

As per the Frost & Sullivan Report, while in the past, reluctance from the consumers to pay for games has led to heavy reliance on advertisement based monetization, in the long term, there will be growth of freemium models coupled with in-app purchases. We believe that a highly engaged male audience through our popular cricket mobile games will drive this growth in revenues from in-app purchases in our Freemium Business.

Popularity of freemium games

Some of our most popular in-house freemium games which have been ranked in the top three on the free top charts by downloads of the Google Play Store and App Store in Financial Year 2016, 2017 and 2018 are:

Date	Game Name	Rank	App Store
August 22, 2015	Chhota Bheem Jungle Run	2	Google Play Store
October 27, 2015	Chhota Bheem Jungle Run	1	Google Play Store
November 26, 2015	Chhota Bheem Race	1	Google Play Store
December 15, 2015	Virat Cricket	1	Google Play Store
December 21, 2015	Chhota Bheem Throne Of Bali	2	Google Play Store
January 9, 2016	Chhota Bheem Maths vs. Aliens	1	Google Play Store
May 5, 2016	Chhota Bheem The Hero	1	Google Play Store
May 9, 2016	Cricket Premier League	1	Google Play Store
July 30, 2016	Chhota Bheem Toy	1	Google Play Store
August 6, 2016	Chhota Bheem Jungle Run	2	Google Play Store
September 3, 2016	Chacha Choudhary Treasure Hunt	1	Google Play Store
November 12, 2016	Motu Patlu Game	2	Google Play Store
January 13, 2017	Mighty Raju Run	2	Google Play Store
February 27, 2017	Chhota Bheem Speed Racing	1	Google Play Store
March 15, 2017	Chhota Bheem Surfer	1	Google Play Store
April 10, 2017	RCB Star Cricket	1	Google Play Store

Date	Game Name	Rank	App Store
July 27, 2017	Mighty Raju 3D Hero	2	Google Play Store
August 16, 2017	Motu Patlu Run	1	Google Play Store
August 21, 2017	Hrithik Bike Racing	1	Google Play Store
September 19, 2017	Ludo	2	Google Play Store
October 1, 2017	Chhota Hanuman Lanka Run	3	Google Play Store
November 2, 2017	Motu Patlu King of Hill Racing	2	Google Play Store

Over the last 6 years Next Wave has developed its cricket game engines, and has successfully launched popular cricket games such as World Cricket Championship 1, World Cricket Championship 2, Bat Attack Cricket and Beach Cricket, to monetise their cricket engine. Further, World Cricket Championship 2 has consistently topped the Google Play Store download rankings among Indian sports games between July 28, 2015 and December 18, 2017 and World Cricket Championship 2 has emerged as one of the popular games on the Google Play Store in calendar years 2015, 2016 and 2017.

Our Company's in-house MAUs in September 2017 were 8.66 million as compared to 2.79 million MAUs in September 2016, across our network of games on the Google Play Store and App Store.

Customer Acquisition

Our Freemium Business is operated in collaboration with leading app stores, such as Google Play Store and App Store, which provides us access to a large number of gamers. Customer acquisition and popularity of our freemium games is driven by the organic pull of the licensed intellectual property which is incorporated in our freemium games.

Licensing arrangement

In order to customise our games for local brands and intellectual properties, we license intellectual property rights, on an exclusive or non-exclusive basis, whereby the licensor grants our Company, a license to use the intellectual property in our games and other content, provided to end users through our gaming platforms. The term of the agreements ranges between three years to five years. Pursuant to the terms of the agreements executed for the license, we are required to pay to the licensor a recoupable fixed licensing fee, payable at milestones specified in the agreement, and a share in the revenues generated from the games developed using the licensed intellectual property. In relation to our licensing agreements, please see, "*Risk Factors – Internal Risk Factors - Our inability to license intellectual property may adversely impact the growth of our Freemium Business*" on page 24.

Arrangements with game developers

For development of our freemium games, we have executed development and publishing agreements with game developers, pursuant to which the game developers agree to customise games developed on their respective game engines, for our Company, using the intellectual property and brands licensed by our Company. The developers grant an exclusive license in favour of our Company to market, sell and distribute the games so developed on all platforms of our Company. Pursuant to the contracts executed with the developers, our Company is required to pay the developers a share of 50.00% or 30.00% in the revenue generated from the respective games. The term of the agreements typically is four or five years from execution, subject to extension as per the terms of the agreement.

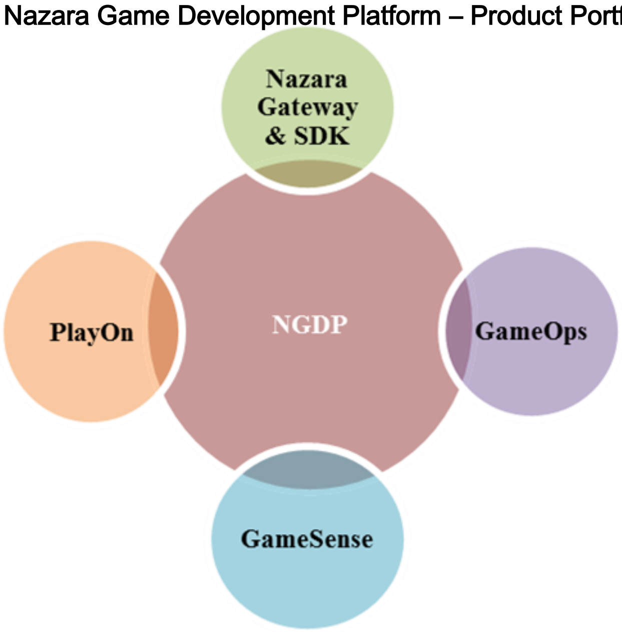
Arrangements with advertisers

In our Freemium Business, we generate revenue from advertisement services by including, *inter alia*, advertisement videos and banners in our freemium games. We also integrate consumer facing brands in our freemium game offerings for offering native and contextualised advertising to various brands. In order to ensure returns, our freemium game offerings include alternative monetisation techniques such as brand integration and reward videos, through which players receive rewards after watching a video which helps them progress in the game. We have executed agreements with certain advertisement networks for incorporating such advertisements in our freemium games. Pursuant to the arrangements, the software of the advertisement networks is embedded in our freemium games, through which advertisements are displayed in the games. The advertisement network provides our Company with the advertisements to be included in our games, through insertion orders, from time to time. Our arrangements with advertisement networks provide for a fixed cost per impression for videos and static banners. As per the terms of the agreement, the advertisement network pays our Company its share in the advertisement revenues, on a monthly basis.

Platform and Technology

We have an integrated game development platform for our Freemium Business. The Nazara Game Development Platform (NGDP) which is used for discovery by gamers, engagement and retention of gamers, monetisation and inclusion of gamification features, includes the Nazara gateway and software development kit (SDK), GameOps, GameSense and PlayOn.

Nazara Game Development Platform – Product Portfolio



- The GameOps architecture of the NGDP enables us to undertake game management, player management, role based access control, A/B testing, economy management, rewards management and player marketing. The GameOps – Nazara live operations platform enables higher retention of gamers through personalised engagement through push, in-app and SMS, reduction of churn through improved economy management and player management and ensures targeted engagement through analysis of growth by A/B testing. GameOps has enabled app store optimisation, advertisement network diversification, cross promotion on Nazara publisher network and targeted user acquisition, thereby opening up monetisation opportunities through partnerships with local advertisement networks, local brand sponsorship and advertising, carrier billing and SMS billing.

- GameSense is our analytics platform which provides deep data tracking, user statistics, visualization and analysis which delivers actionable insights to help game developers and our operations managers. Using GameSense, we are able to analyse over 200 metrics, generate reports, customise events and undertake predictive analysis.

- PlayOn is our rewards and social engagement platform, which has enabled us to build social, competitive and multiplayer games, with features such as leaderboard, chat, rewards social layers, currencies and gifting. Our games are incentivised by social login and provide for syncing of gameplay with Facebook and Google+ accounts, which increases social engagement, monetisation and chances of the game going viral.

- The Nazara unified gaming SDK includes services such as user acquisition, behaviour analytics, social engagement, advertisement mediation, playon services, profile management, monetisation and community services. Further our SDK provides us the ability to swap back end services without any code changes, customise the SDK as per developer requirements, reduce SDK fatigues for developers and optimise the size of our games.

Esports Business

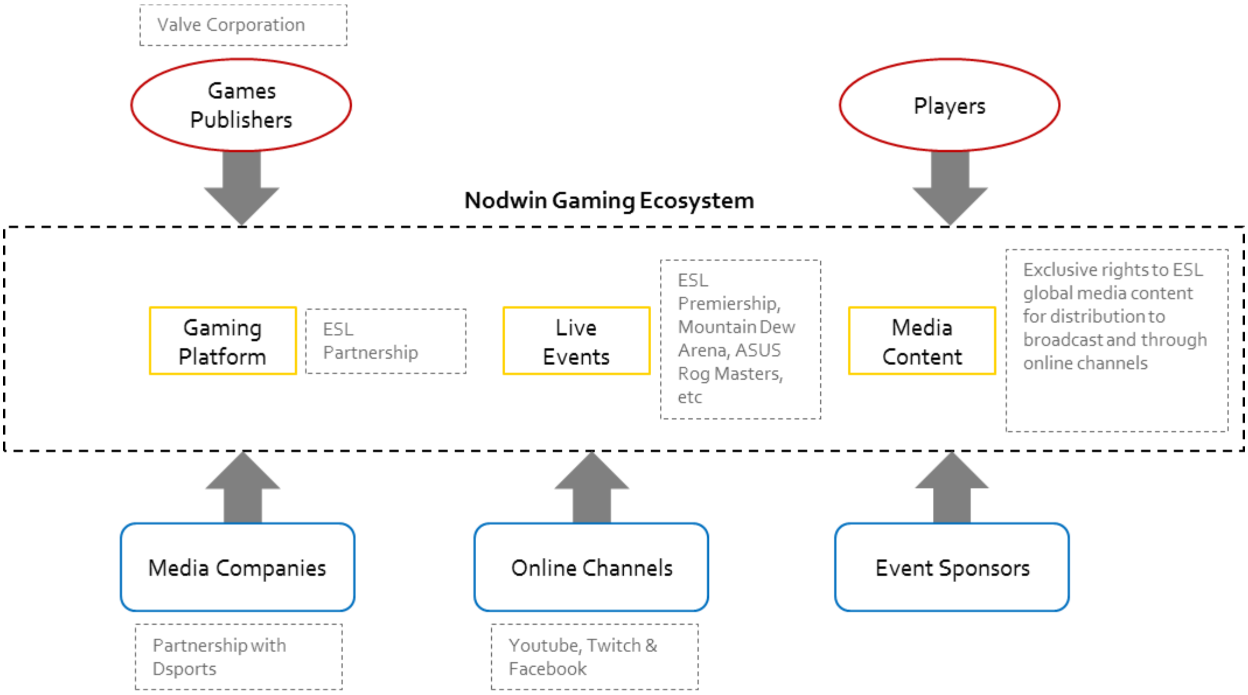
Esports is a subset of the online gaming industry that includes competitive multiplayer online video gaming with players competing from around the world. Some of the most popular games for esports organisers include Counter Strike: Global Offensive, Dota2, League of Legends, HearthStone and Overwatch *(Source: Frost & Sullivan Report*). The esports business was added to our network of games, pursuant to the recent acquisition of our Subsidiary Nodwin Gaming. For details see "*History and Certain Corporate Matters*" on page 156. Our esports business reflects our increasing focus on expanding the target audience of our network of games to hard core gamers.

Nodwin Gaming is a pioneer in esports in India with established relationships with global gaming publishers and platforms including market leaders such as ESL, the biggest esports organizer in the world and Valve Corporation. *(Source: Frost & Sullivan Report*). As a part of its esports operations, Nodwin Gaming manages online and offline gaming leagues and cups across different games such as Counter Strike: Global Offensive and DOTA 2, with participation from Indian and international teams. Nearly all the preliminary rounds of the esports tournaments organised by Nodwin Gaming are held online, with participants playing from their individual computers, the latter stages are held at large offline events which attracts live audiences. The entire tournament is also broadcasted on the web (on You Tube and Facebook) and on broadcast TV that evinces viewer interest from gaming enthusiasts. DSport, a sports TV channel of Discovery Communications India, partnered with Nodwin Gaming in 2017 to showcase the flagship esports tournament in in India. *(Source:Frost & Sullivan Report*)

In addition to hosting and managing IP based gaming events such as, the ESL India Premiership and Dew Arena by ESL, Nodwin Gaming also partners with other brands to create multiple gaming events intellectual properties in India, such as Mountain Dew Arena, Indian Gaming Show and Asus ROG Masters. *(Source:Frost & Sullivan Report*) Nodwin Gaming has been organising and managing the ESL India Premiership since Financial Year 2016.

Business Operations

A diagrammatic representation of the Nodwin Gaming ecosystem is set forth below:



Arrangements with game publishers and internet service providers

In order to ensure a quality esports platform in India, Nodwin Gaming has partnered with a large global gaming publisher, and ESL, the biggest esports organizer in the world *(Source: Frost & Sullivan Report*). Further, Nodwin

Gaming provides certain computing and network resources to provide seamless connectivity for the games played in its tournaments. In order to provide the computing and network resources, Nodwin Gaming links the Nodwin servers through dedicated data networks which Nodwin Gaming procures from different telecom operators. Nodwin Gaming works with the telecom operators to determine the exact configuration which will link the servers optimally and makes payment to the telecom operators on a monthly basis. Further, pursuant to the agreement executed with ESL, Nodwin Gaming has licensed a gaming platform from ESL for a high quality gaming experience in the tournaments organised by Nodwin Gaming.

Arrangements for broadcasting of esports events

The preliminary rounds of the esports tournaments organised by Nodwin Gaming are held online, with participants playing from their individual computers. The later stages of the tournaments are held at large offline events which attracts a live viewer audience. The entire tournament is also broadcasted on the web (on You Tube and Facebook) and on broadcast TV on DSports that evinces viewer interest from gaming enthusiasts. Nodwin Gaming enters into exclusive channel management arrangement for telecasting Dew Arena by ESL for which Nodwin Gaming gets a fixed placement fee in advance. The advertising and sponsorship revenue from such events are shared between the broadcaster and Nodwin Gaming, as per the terms of the arrangement. Nodwin Gaming enters into broadcasting arrangements separately for each event, on an ongoing basis. Further, the esports tournaments organised by Nodwin Gaming are also streamed live on channels such as You Tube and Facebook.

Arrangements with sponsors

Nodwin Gaming executes sponsorship agreements with various popular brands for its events. As per the agreements, the sponsors agree to pay a fixed amount to Nodwin Gaming on completion of pre-determined milestones. Some of the sponsors also provide equipment for use in the event, such monitors, as a part of the arrangement. Nodwin Gaming includes the logos of the sponsors in banners and signs at the offline event and in the games being played by the gamers.

Arrangements with gamers

Nodwin Gaming also executes agreements with gamers who play as contract players for Nodwin Gaming for its esports tournaments. Pursuant to the arrangements, the gamers agree to be bound by the tournaments rules and to be a part of the promotional activities for the tournament, while Nodwin Gaming agrees to disburse the prize money with the agreed time period.

Arrangements for hosting offline tournaments

For hosting and managing the offline tournaments, Nodwin Gaming enters into agreements with different venue owners for hosting specific events. Nodwin Gaming also enters into arrangements with vendors for activities such as administration, security, productions for the events. Equipment for the events is either bought or rented based on the scale and nature of the event being organised.

As per the Frost & Sullivan Report, the esports market is growing at a fast pace as it becomes more and more popular around the world. The global esports audience totalled 322 million in 2016, up 86 million since 2015. The Indian esports audience is still very small, with an estimated two million enthusiasts and two million occasional viewers, but is expected to grow more than fivefold by 2021. (*Source: Frost & Sullivan Report*) With the expected growth in the esports industry in India, we believe that the business will grow in the coming years. During Financial Years 2017 and for the six month ended September 30, 2017, total income of Nodwin Gaming was ₹90.41 million and ₹104.78 million, respectively.

Technology and Infrastructure

Nodwin Gaming has obtained an exclusive, non-assignable and non-transferable license for a term of five years from ESL to use the ESL system and ESL community and management platform for setting up and operating the ESL tournament in India. The ESL system supports leagues and tournaments having various structure, including ladder systems, cup systems and premiership systems. The ESL community and management platform enables easy matchmaking and management of players across leagues and tournaments. Further, Nodwin Gaming utilises 'Toornament', a publicly available technology platform for hosting its gaming tournaments.

Marketing

Marketing for the esports tournaments by Nodwin Gaming is primarily undertaken through social media platforms such as Facebook and Twitter and for specific audiences such as by setting up counters and stalls at popular events.

Investments by our Company in synergistic companies

In furtherance of our quest to introduce popular games, our Company has undertaken a strategic initiative to support indigenous game developers and small game studios to bring their game ideas into reality. Over the last three Financial Years our Company has invested in synergistic companies, such as Hashcube Inc., Mastermind Sports Limited, Moonglabs Technologies Private Limited and HalaPlay Technologies Private Limited, in furtherance of our endeavour to offer new and popular games.

Information security/ data protection

We believe that our data security policy is guided by fundamental principles of availability, authenticity, integrity and confidentiality. The data is classified according to its sensitivity and we take necessary measures to safe guard data depending on its sensitivity, especially data relating to our finance, our consumer data and our internal development data. Some of the security measures taken by us include (i) segregation of sensitive data from non-sensitive data and limited access to such sensitive data; (ii) controlled or restrictive access to the data storages or servers; (iii) centralized active directory services to authenticate users before providing access to any data; (v) firewalls to protect public or unauthorized access; (vi) VLANS and ACLS between departments and teams; (vii) anti-virus & malware protection across all data access systems; (viii) password change policy at periodic intervals; (ix) strict data backup policies on daily, weekly and monthly basis; (x) automated monitoring and alerts at network, server, application and data storage levels; (xi) twin authentication layers for mission critical systems and data layers; and (xii) geographically distributed systems across various cloud platforms with access only via VPN access.

Our Subsidiary Next Wave runs its database instance in an Amazon virtual private cloud and uses security groups to control access to its database. Further, it uses RDS encryption, which uses an industry standard encryption algorithm, to secure its RDS instances and snapshots at rest, and AWS identity and access management policies to assign permission to determine who gets access to the RDS resources.

The network infrastructure of our Subsidiary, Nodwin Gaming is a simple SOHO setup based on peer to peer Windows Homegroup. It uses internet services from dual service providers, office LAN is protected with firewall which also serves as the DHCP server. For business and communication it uses Gsuite from Google Cloud wherein it securely uses all applications, such as email, storage, office applications and calendar, as provided by the service. Further each of the account, mobile device management has been enabled for remote management of the users mobile devices. Nodwin Gaming also has a NAS setup in its office LAN which has restricted access for storage of all important data.

Human Resource department

We have operations across over 61 countries, with a majority of our operations, excluding our business development team centrally located in India. As on December 31, 2017, we had 213 employees for our Indian and overseas operations.

The department wise break-up of our human resources, including for our Subsidiaries is set forth below:

Department	Company	Next Wave	Nodwin Gaming	Total Employees
Accounts and Finance	13	-	2	15
Business Development	11	-	1	12
Content	12	23	13	48
Corporate	6	2	1	9
Human Resources/ Administration/ Support	10	3	5	18
Marketing	19	-	-	19
Operations	-	14	7	21
Publishing	9	-	1	10
Technology	35	23	3	61
Total	**115**	**65**	**33**	**213**

**Including details of all Subsidiaries, other than Nodwin Gaming and Next Wave*

Most of our Key Management Personnel have been associated with us for several years. We believe that the strengths and qualities of our workforce and senior management has enabled us to enhance our brand equity.

Intellectual property

Our Company has registered trademarks for, *inter alia*, "Nazara Games Club" and "Nazara" in India, while our Subsidiary Next Wave has filed trademarks registration applications for "World Cricket Championship", "World Cricket Championship 2", "real carrom" and "Bat Attack Cricket". The trademarks of our brands and related logos have significant value and are important to our business. For details of our registered trademarks and pending applications, please see "*Government and Other Approvals*" on page 432 and "*Risk Factors - Internal Risk Factors - Any third party claims in relation to infringement of intellectual property rights could materially adversely affect our business, reputation, financial condition and results of operation* " on page 25.

Competition

We believe that there are no listed companies in India which are engaged in equivalent businesses as that of our Company. The Indian gaming industry is currently at the cusp of a major transformation. The number of gaming companies has sharply jumped from 20 companies five years back to 250 companies in 2017. The Indian gaming ecosystem comprises mostly start-ups involved in various services in the value chain, such as developing, publishing, software services, advertising, marketing, payment systems etc.

The mobile gaming ecosystem has the highest competition in the developer segment with more than 300 game developers competing with each other for gamers' time and attention. However, there are only few market participants providing publishing services to game developers. The competition in the publisher ecosystem is moderate since demand exceeds supply due to the low ratio of publishers to developers available. However, competition is expected to intensify in this market with international companies increasing their focus on Indian gamers.

The Indian gaming industry, which saw its genesis as an outsourcing hub for international game development companies in the early 21st century, is currently at the cusp of major transformation. Companies such as Dhruva Interactive, Lakshya Digital, Technicolor, served as development hubs for global gaming companies and Hollywood studios such as Spiderman, Bioshock among others continue to do the outsourcing work however first generation product companies like our Company, Games2win, India Games, Jump Games (Reliance Games) started the product business in mobile gaming a decade back. The last five years, as per a NASSCOM report, have seen the emergence of second generation of mobile gaming companies emerging in Indian eco system with some notable names like Octro, Moonfrog, PlaySimple, 99 games, Nukebox making mark in terms of revenues locally as well as globally. Growth of the local gaming ecosystem has motivated many small teams to set up their own gaming studios. As per the NASSCOM report, the number of gaming companies has sharply jumped from 20 off companies five years back ago to 250 companies in 2017.

The Indian gaming ecosystem comprises mostly start-ups involved in various services in the value chain, such as developing, publishing, software services, advertising, marketing, payment systems etc. With most of the companies in the entire value chain being start-ups, the industry struggled to take off in the early 90s as investments were low.

However, with majority of the Indian population increasingly consuming their entertainment content online or from their smartphones, there is a spike in interest for mobile gaming, especially among the younger demography. Consequently, the ecosystem had a spurt of gaming start-ups with teams as small as three to 10 members. Investors such as Sequoia Capital, IDG Capital, Lightspeed, Blume Ventures, Kalaari Capital and Westbridge Capital, among others also responded to this trend by showing more interest in this segment, thus, providing the necessary impetus to take the industry forward.

With the growth of the number of developers and number of games being published on app stores, need for local publishers has increased as developers face two big challenge namely getting their game discovered on the app store and getting game design mentorship to improve the player retention in their game. Majority of the developers in India lack resources to fund paid user acquisition and also given the nascent stage of the ecosystem gaining access to right skill sets is also a challenge, which necessitates a need for publishers and developers to co-exist in the local ecosystem. Trend of more local publishers increasing in emerging markets will get further accentuated as consolidation of playing users happen with few developers / publishers. (*Source: Frost & Sullivan Report*) For details see "*Industry Overview - Competitive and Industry Landscape in India*" on page 129.

Insurance

We maintain insurance policies for our operations which are customary for our industry. Insurance policies obtained by our Company include office package policy, special perils and fire insurance policy, directors' and officers' liability policy and group mediclaim policy for our employees and vehicle insurance. Our insurance policies are subject to customary exclusions and deductibles. We believe that our insurance coverage is adequate for our business needs and operations and we will continue to review our policies to ensure adequate insurance coverage is maintained. Please see "*Risk Factors – Internal Risk Facts - Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability*" on page 35.

Corporate Social Responsibility

We believe that corporate social responsibility is an integral part of our operations and a part of our mission is to support social initiatives of various non-profit organisations. Over the years, we have been associated with multiple programs focussing on education and training of mentally challenged students and providing IT services through agencies, "Educo" and "Sandesh". Further pursuant to our play4good initiative, our Company has executed a memorandum of understanding with Make-a-Wish Foundation of India. As a part of this initiative every month our Company plays videos of children diagnosed with life-threatening medical conditions, making a wish, in our games, and gamers are provided the option of donating coins from our games, towards the wish of the children. Once the target of coins is achieved, our Company makes a donation to the Make-a-Wish Foundation of India to fulfil the wish of the child. Our Company has also made donations towards educational initiatives of the Samridhdhi Trust and to Sandesh, a community for members with intellectual and developmental disabilities.

The CSR Committee is entrusted with the primary responsibility of formulating the CSR initiatives of the Company. For further details in relation to the constitution of the CSR Committee and its terms of reference, see "*Our Management – Corporate Social Responsibility Committee*" on page 177.

Property

Our registered and corporate office situated at 51-57, Maker Chambers 3, Nariman Point Mumbai, Maharashtra, India, has been leased by us. Our Company has also leased apartments located at the 28th Floor and 30th Floor, Tanhee Heights, Nepean Sea Road, Mumbai, Maharashtra, India, which are used by our Promoters and Directors, Vikash Mittersain and Nitish Mittersain for their residential accommodation, in accordance with the terms of the employment agreements executed with them. For details, see "*Our Management - Terms of Appointment of our Executive Directors*" on page 171.

REGULATIONS AND POLICIES

Given below is an indicative summary of certain relevant laws and regulations applicable to our Company. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations.

Key regulations applicable to our Company

The Information Technology Act, 2000 (the "IT Act") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("**DoIT**"), in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**IT Security Rules**") which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate.

The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines) Rules, 2011 ("**IT Intermediary Rules**") requiring intermediaries receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under these IT Intermediaries Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it.

Cable Network Act, 1995 ("CN Act") and rules made thereunder

The CN Act seeks to regulate operation of cable network in India. It mandates that a cable network may be operated only by a registered cable operator. The registering authority is any authority notified by the Central Government. It empowers and authorizes a government officer to seize a cable operator's equipment if the officer has reason to believe that the cable operator is functioning without proper registration. The seized equipment cannot be retained for a period exceeding ten days from the date of seizure, unless a local District Judge, within whose jurisdiction the seizure has been made, approves continued retention of the seized equipment. A first time violation under the CN Act results in an imprisonment term that extends up to two years or a fine up to ₹ 1000 or both. Every subsequent offence is punishable with imprisonment for a term up to five years and a fine that may extend to ₹ 5000. It further provides that if a company commits an offence under the statute, the company and any person in charge, or responsible for its business, shall be deemed guilty, proceeded against and punished accordingly. If a company commits an offence with the consent, connivance, or attributable negligence of a director, manager, secretary, or other officer, these officers are deemed guilty, along with the company, and they can be prosecuted, and punished accordingly. Cable Television Network Rules, 1994 requires that cable operator make an application for registration and such registration be renewed every twelve months. It provides that cable operator maintain a register for each month of the year for which registration is granted.

Intellectual Property laws

The Trademarks Act, 1999 ("Trademarks Act")

Trademarks enjoy protection under both statutory and common law and Indian trademark law permits the registration of trademarks for both goods and services. The Trademarks Act governs the statutory protection of trademarks and the prevention of the use of fraudulent marks in India. Under the provisions of the Trademark Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future.

Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

The Patents Act, 1970 ("Patents Act")

The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention satisfy the requirements of novelty, inventive step and industrial applicability in order for it to avail patent protection. However, the Patents Act also provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy such criteria. Application by an Indian resident to any foreign authority in respect of an invention made outside India is prohibited without first making an application for the invention in India. Once granted, a patent remains valid for a period of twenty years from the date of filing of the patent application, subsequent to which it can be renewed.

While the Patents Act prohibits patentability of a 'computer programme' as such, computer programmes in combination with a novel hardware are patentable. Computer programs on their own are excluded from patent protection and are protected as a literary work under the Copyright Act (defined below). In terms of the Patent Act, the patentee holds the exclusive right to prevent third parties from the using, offering for sale, selling or importing for such purposes, the patented product or product obtained directly by a process patented in India.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. Software, both in source and object code, constitutes a literary work under Indian law and is afforded copyright protection and the owner of such software becomes entitled to protect his works against unauthorised use and misappropriation of the copyrighted work or a substantial part thereof. Any acts in this nature entitles the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Further, copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work and once registered, copyright protection remains valid until expiry of sixty years from the demise of the author.

Reproduction of a copyrighted software for sale or hire or commercial rental, offer for sale or commercial rental, issuing copy(ies) of the computer programme or making an adaptation of the work without consent of the copyright owner amount to infringement of the copyright. However, the Copyright Act prescribes certain fair use exceptions which permit certain acts, which would otherwise be considered copyright infringement.

Consumer Protection Act, 1986 ("COPRA")

The COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food being served being hazardous to life. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

Environment Regulations

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are indicative of the fact that the industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be kept renewed.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board ("**State PCB**"). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the State PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

Laws relating to taxation

The tax related laws that are pertinent include the Income Tax Act 1961 and the Central Goods and Services Tax Act, 2017.

Laws governing foreign investments

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**") from time to time.

Under the current FDI Policy (effective August 28, 2017) 100% foreign direct investment is permitted in IT/ITES sector, under the automatic route.

In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**"), investments by Foreign Portfolio Investors ("**FPIs**") in the capital of an Indian company under the SEBI FPI Regulations are subject to certain limits individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company's board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

Overseas Direct Investment ("ODI")

In terms of the Master Direction No. 15/2015-16 on "Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad" issued by the RBI, dated January 1, 2016, an Indian entity is allowed to make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

Laws relating to Employment

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- The Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as Nazara.Com Private Limited on December 8, 1999 at Mumbai, Maharashtra, India as a private limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Nazara Technologies Private Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on July 4, 2003. Thereafter, our Company was converted into a public limited company and the name of our Company was changed to Nazara Technologies Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on December 13, 2017.

The change in name of our Company from Nazara.Com Private Limited to Nazara Technologies Private Limited was undertaken to align the name of our Company with the increase in our scope of our business operations.

Changes in Registered Office

The details of changes in the registered office of our Company are given below:

Date of change of Registered Office	Details of the address of Registered Office
August 1, 2006	From 24/25, Pragati Premises, N.M. Joshi Marg, Lower Parel (East), Mumbai 400 011, Maharashtra, India to 601, Dalmal House, Nariman Point, Mumbai 400 021, Mumbai, Maharashtra, India
May 1, 2016	From 601, Dalamal House, Nariman Point, Mumbai 400 021, Maharashtra, India to 51-57, Maker Chambers 3, Nariman Point, Mumbai 400 021, Maharashtra, India

The changes in the registered office were made due to operational efficiency.

Main Objects of our Company

The main objects contained in the MoA of our Company are as follows:

"1. To create, acquire, develop, license, assign, market, obtain, promote or otherwise maintain all types of Internet channels/ portals, websites and technology and carry on the business of design, development, creation, marketing, acquisition, licensing, assignment or otherwise deal in all kinds of branded and original contents, internet based games, mobile games, interactive games, multiuser games, support application software's, as well as all kinds of multimedia solutions including various themes and wallpapers, games, songs videos and any other games and to distribute the same through any means, including through telecom service providers, device manufactures, digital media platforms, payments gateways, offline consumer activities and any other online /offline medium.

2. To carry on the business of distribution of all forms of content, including licensed, acquired or developed content directly or indirectly to the end consumer through any form of services, including third party operated and managed consumer facing services offline and/or on an internet platform and making it available to download through any means , including directly on mobile handsets via online /offline payments gateway methods or wireless application protocol (WAP) through telecom operators, device manufacturers, or any other such intermediaries and any other content on any kind of digital platforms including mobile phones, computers, laptops and consoles.

3. To carry on the business of assisting or facilitating the buying, selling, developing, distributing, marketing and dealing in advertising space on all kinds of devices and mobile platforms including but not limited to mobile applications, mobile websites, mobile games, and providing solutions and services related to mobile software technology such as development of software, advertising content, measurement and monitoring of advertising effectiveness, market-study, market survey, market research, and providing consultancy services in the field of digital technology & mobile advertising and its allied activities and to carry on the business of organising/managing all types of games & gaming events and carry on the business, including as as promoters, sponsors, creators, managers and marketing agency for games and gaming events, sports and sports events, exhibitions & workshops, in India and abroad, whether as principals or agents."

The main objects as contained in the MoA enable our Company to carry on our existing business.

Amendments to the MoA

Set out below are the amendments to our MoA since the incorporation of our Company:

Date of Shareholders' Resolution	Particulars
February 12, 2000	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹200,000 divided into 20,000 equity shares of ₹10 each to ₹10,000,000 divided into 1,000,000 equity shares of ₹10 each
May 19, 2003	Clause I of the MoA was amended to reflect the new name of the Company, Nazara Technologies Private Limited
September 9, 2005	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹10,000,000 divided into 1,000,000 equity shares of ₹10 each to ₹19,000,000 divided into 1,000,000 equity shares of ₹10 each, aggregating to ₹10,000,000 and 900,000 preference shares of ₹10 each, aggregating to ₹9,000,000
July 10, 2007	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹19,000,000 divided into 1,000,000 equity shares of ₹10 each aggregating to ₹10,000,000 and 900,000 preference shares of ₹10 each aggregating to ₹9,000,000 to ₹22,000,000 divided into 1,000,000 equity shares of ₹10 each aggregating to ₹10,000,000 and 1,200,000 preference shares of ₹10 each aggregating to ₹12,000,000
December 26, 2007	Clause V of the MoA was amended to reflect increase in the authorised share capital of our Company from ₹22,000,000 divided into 1,000,000 equity shares of ₹10 each and 1,200,000 preference shares of ₹10 each aggregating to ₹12,000,000 to ₹34,500,000 divided into 1,325,000 equity shares of ₹10 each aggregating to ₹13,250,000 and 2,125,000 preference shares of ₹10 each aggregating to ₹21,250,000
March 29, 2016	Clause V of the MoA was amended to reflect the re-classification of authorised share capital of our Company. The authorised share capital of our Company of ₹34,500,000 divided into 1,325,000 equity shares of ₹10 each aggregating to ₹13,250,000 and 2,125,000 preference shares of ₹10 each aggregating to ₹21,250,000 was re-classified into 2,198,796 equity shares of ₹10 each aggregating to ₹21,987,960 and 1,251,204 preference shares of ₹10 each aggregating to ₹12,512,040
November 24, 2017	Clause I of the MoA was amended to reflect the change in name of our Company from Nazara Technologies Private Limited to Nazara Technologies Limited due to the conversion of our Company from a public limited company to a private limited company.
December 15, 2017	Clause V of the MoA was amended to reflect the increase in authorised share capital of our Company from ₹34,500,000 divided into 2,198,796 equity shares of ₹10 each aggregating to ₹21,987,960 and 1,251,204 preference shares of ₹10 each aggregating to ₹12,512,040 to ₹150,000,000 divided into 13,748,796 equity shares of ₹10 each and 1,251,204 preference shares of ₹10 each
December 28, 2017	Clause V of the MoA was amended to reflect the sub-division of equity shares of the Company from 13,748,796 equity shares of ₹10 each to 34,371,990 equity shares of ₹4 each
January 5, 2018	Amended the objects clause of the MoA

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Particulars
2004	• Launched java games pay per download with BPL and Hutch • Signed an exclusive agreement with Sachin Tendulkar for three years
2005	• First round of investment by Westbridge • Signed an exclusive agreement with M.S. Dhoni
2006	• Commenced work with telecom operators such as Tata Teleservices Limited and Vodafone
2007	• Second round of investment from Westbridge • Commenced work with Bharti Airtel, one of our telecom partners
2008	• Signed an exclusive wireless content distribution agreement with Electronic Arts Asia Pacific Pte Ltd. to market, distribute, reproduce and sublicense its contents in India through specified distribution channels
2009	• Launched the subscription based 'Games Club' model on Reliance Communications Infrastructure Limited
2011	• Commenced business operations in the Middle East and established an office in Dubai
2013	• Commenced business in Zambia, Uganda, Nigeria, Singapore, Mauritius and Kenya
2014	• Commenced business in Bangladesh

Calendar Year	Particulars
2015	• Commenced the Freemium business in India • Signed licensing deal with Virat Kohli and Hrithik Roshan and executed exclusive licensing agreement for Chota Bheem
2017	• Acquisition of Next Wave
2018	• Acquisition of Nodwin Gaming and launch of Esport business of the Company

Other Details Regarding our Company

For details regarding the description of our activities, services, products, market of each segment, the growth of our Company, technology, the standing of our Company with reference to prominent competitors, management, managerial competence, major suppliers and customers, exports, profits due to foreign operations together with country-wise analysis, geographical segment, technology, location, environmental issues, market, marketing and competition, see "*Our Business*", "*Our Management*" and "*Industry Overview*" on pages 134, 168 and 105, respectively.

Our Company has not been formed by the conversion of a partnership firm into a company.

Lock-outs and Strikes

There have been no lock-outs or strikes at any time in our Company and our Company is not operating under any injunction or restraining order.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, if any

Except as disclosed below, our Company has neither acquired any entity, business or undertaking nor undertaken any merger, amalgamation or revaluation of assets.

Business transfer agreement dated January 25, 2000 executed between our Company and Mitter Infotech Private Limited

Our Company entered into the business transfer agreement with Mitter Infotech Private Limited, pursuant to which our Company acquired all the rights, title and interest in relation to the content and brand name of "NAZARA.COM" from Mitter Infotech Private Limited, for a total consideration of ₹8,000,000 by way of 800,000 fully paid equity shares of ₹10.

*Series Seed-II Preferred Stock Investment Agreement dated October 29, 2014 entered into between, inter alia, Hashcube Inc. ("**Hashcube**") and Nazara Pte. Limited (as one of the major investors) ("**Hashcube Investment Agreement**")*

Our Company's subsidiary, Nazara Pte. Limited purchased 1,372,391 shares for aggregate consideration of USD 0.20 million at the first closing and purchased an additional 1,079,155 shares of Hashcube Inc. at the additional closing for an aggregate consideration of USD 0.16 million. Pursuant to the Hashcube Investment Agreement, the major investors, including Nazara Pte. Limited, were given the following rights: (i) information rights including the right to receive the annual unaudited financial statements for each fiscal year; (ii) anti-dilution protection rights; (iii) in the event Hashcube Inc. elects not to exercise right of first refusal with respect to a proposed transfer of shares of Hashcube by Deepan Chakravarthy N. and Ramprasad Rajendran (together, "**Key Holder**"), Hashcube shall assign the right of first refusal to the major investors, including Nazara Pte. Limited, ("**Secondary Right of First Refusal**"); and (iv) to the extent that the Secondary Right of First Refusal is not exercised by the Major Investors, each major investor shall have the right to participate in the Key Holder's sale. In addition to the above-stated rights, Nazara Pte. Limited has the exclusive right to make the first offer to purchase any new securities, as contemplated under the said agreement, issued by Hashcube.

*Share subscription agreement dated April 1, 2016 executed among, inter alia, Nazara Pte. Limited, Matermind Sports Limited ("**Mastermind Sports**"), Thomas Mccall, Pratik Shah and other shareholders of Mastermind Sports ("**Mastermind Sports SSA**")*

Our Company's Subsidiary, Nazara Pte. Limited has agreed to subscribe to 83,526 ordinary shares of €0.01 each, constituting 26% of the paid up share capital of Mastermind Sports, in five tranches. As on the date of this Draft Red Herring Prospectus, our Company has completed four out of the five tranches and holds 77,957 equity shares of Mastermind Sports.

*Shareholders' agreement dated April 1, 2016 executed among, inter alia, Nazara Pte. Limited, Thomas Mccall, Mastermind Sports, Pratik Shah and existing shareholders of Mastermind Sports ("**Mastermind Sports SHA**")*

Pursuant to the Mindsports SHA, Nazara Pte. Limited has the following rights: (i) the right of first refusal in the event the other shareholders of Mastermind Sports are in receipt of an offer to purchase from a third party; (ii) in the event Nazara Pte. Limited wishes to sell all or part of its shares in Mastermind Sports, Nazara Pte. Limited shall give a written notice to Thomas Mccall and Pratik Shah (together, "**Founders**"); (iii) in the event Nazara Pte. Limited wishes to transfer all of its shares to a third party, Nazara Pte. Limited shall require all or nay of the other shareholders to transfer all their shares to the third party buyer; (iv) Mastermind Sports shall offer each of the shareholders a right of first refusal to subscribe for any new shares to be allotted by Mastermind Sports; (iv) in the event the Founders, either individually or collectively, propose to transfer their shares, Nazara Pte. Limited shall be given a tag-along right; and (v) right to exit from Mastermind Sports after five years from the date of the Mastermind Sports SHA.

*Share subscription and shareholders agreement dated September 27, 2017 amongst Halaplay Technologies Private Limited, Prateek Anand, Swapnil Saurav, Ananya Singhal, Aman Kesari, Kae Capital Fund II, Kalysta Capital Fund II, our Company and Shubhankar Bhattacharya. ("**Halaplay SSA**")*

In order to acquire shares in Halaplay Technologies Private Limited, Halaplay SSA was executed, pursuant to which shares were allotted to our Company in multiple tranches. As per the terms of the Halaplay SSA, our Company subscribed to 3,450 series seed compulsorily convertible preference shares and 10 equity shares for a consideration of ₹ 4.01 million, aggregating to 4.76% of issued and paid-up share capital of Halaplay Technologies Private Limited and another 3,460 series seed compulsorily convertible preference shares were subscribed by our Company for a consideration of ₹ 4.01 million now aggregating to 8% of the total issued and paid-up share capital of Halaplay Technologies Private Limited.

*Share subscription and sharehlders agreement dated December 12, 2017 amongst Moong Labs Technologies Private Limited ("**Moonglabs**") Tarun Anand, Nidhi Bajaj Anand and our Company ("**Moonglabs SSA**")*

Pursuant to the Moonglabs SSA, our Company has agreed to subscribe to 4,392 equity shares, aggregating to 26.00% of the total paid-up share capital of Moonglabs, for an aggregate consideration of ₹10.00 million, in four tranches. As on the date of this Draft Red Herring Prospectus our Company has completed two out of the four tranches and holds 2,196 equity shares of Moonglabs.

*Investment agreement dated December 12, 2017 between our Company, Next Wave Multimedia Private Limited ("**Next Wave**"), P. R. Rajendran, R Kalpana and P.R. Jayashree ("**Next Wave Investment Agreement**")*

Our Company executed the Next Wave Investment Agreement pursuant to which our Company has agreed to acquire a majority stake in Next Wave by way of a combination of subscription of equity shares of Next Wave and purchase of equity shares from promoters of Next Wave (namely, P. R. Rajendran, R Kalpana and P.R. Jayashree) and Plutus Investment Advisory Private Limited in three tranches. In terms of the Next Wave Investment Agreement our Company has agreed to subscribe to 4,335 equity shares of Next Wave, aggregating to 13% of the total issued and paid-up share capital of Next Wave, for a consideration of ₹80.00 million and purchased 12,918 equity shares from promoters of Next Wave, aggregating to 37% of the total issued and paid-up share capital of Next Wave, for a consideration of ₹220 million. As on the date of this Draft Red Herring Prospectus our Company has completed one out of the three tranches and holds 17,459 equity shares of Next Wave.

*Share purchase agreement dated December 12, 2017 between our Company, Next Wave and Plutus Investment Advisory Private Limited ("**Plutus SPA**")*

To acquire majority stake in Next Wave, along with the Next Wave Investment Agreement, our Company executed the Plutus SPA pursuant to which our Company purchased 1,204 equity shares of Next Wave from Plutus Investment Advisory Private Limited and in consideration for the same, in accordance with the Plutus SPA, our Company agreed to issue and allot 3,263 Equity Shares to Plutus Investment Advisory Private Limited.

*Investment agreement dated January 2, 2018 between our Company, Nodwin Gaming Private Limited ("**Nodwin**"), Good Game Investment Trust, Akshat Rathee, Gautam Virk and Jetsynthesys Private Limited ("**Nodwin Investment Agreement**")*

Our Company executed the Nodwin Investment Agreement pursuant to which our Company has agreed to acquire a majority stake in Nodwin Gaming by way of a combination of subscription of equity shares of Nodwin Gaming and purchase of equity shares from the shareholders of Nodwin Gaming (namely, Good Game Investment Trust and Jetsynthesys Private Limited). In terms of the Nodwin Investment Agreement our Company has subscribed to 3,414 equity shares of Nodwin Gaming, aggregating to 25.45% of the total issued and paid-up capital of Nodwin Gaming, for a consideration of ₹355.32 million. Further, our Company purchased 3,962 equity shares from the Good Game Investment Trust and Jetsynthesys Private Limited, aggregating to 29.54% of the total issued and paid-up share capital of Nodwin Gaming, by way of a swap of shares, and allotted 376,927 Equity Shares of our Company each to Good Game Investment Trust and Jetsynthesys Private Limited.

Summary of Key Agreements and Shareholders' Agreements

*Investment agreement dated January 31, 2000 executed between our Company and IndexArb Securities Private Limited ("**IndexArb**"), investment agreement dated January 31, 2000 executed between our Company and Emerging Investments Limited ("**EIL**") and investment agreement dated January 31, 2000 executed between our Company and Pramoda C. Shah ("**PCS**") (collectively called the "**Investment Agreements**")*

Pursuant to the Investment Agreements, IndexArb, EIL and PCS invested ₹2,500,000 each in our Company for a proposed allotment of equity shares of the Company, constituting 1.15% each, of the shareholding of the Company, post receipt of the aggregate investment amount of ₹7,500,000 from IndexArb, EIL and PCS, under the Investment Agreements for the purpose of capital expenditure on upgradation and expansion, brand building, and other incidental and allied expenditure.

*Share subscription agreement dated September 17, 2005 executed among our Company, Nitish Mittersain, Vikash Mittersain, Mitter Infotech Limited, WestBridge Ventures II Investment Holdings ("**Westbridge**"), IndexArb, PCS, EIL and Persona Ventures Corporation ("**Westbridge SSA**")*

Our Company entered into the Westbridge SSA, whereby Westbridge subscribed to 10 Equity Shares and 868,211 optionally convertible redeemable participating preference shares for an aggregate consideration of USD 1,500,000.

*Shareholders' Agreement dated September 17, 2005 executed among our Company, Nitish Mittersain, Vikash Mittersain, Mitter Infotech Limited, Westbridge, IndexArb, PCS, EIL and Persona Ventures Corporation ("**Westbridge SHA**")*

Our Company executed the Westbridge SHA, pursuant to which Westbridge, *inter alia*, has an anti-dilution right to ensure that its shareholding percentage in the Company is not reduced and a weighted average anti-dilution right in relation to any preferential issue by the Company at a price less than the average price per share at which Westbridge had subscribed to shares of the Company. Pursuant to the terms of the Westbridge SHA, (i) our Promoters have a right of first refusal in the event that Westbridge is proposing to sell or transfer its shares in the Company, (ii) Westbridge has a right of first refusal in the event that our Promoters or their affiliate are proposing to transfer their shares in the Company, (iii) Westbridge has a tag along right to offer its shares to the person proposing to purchasing shares from our Promoters, (iv) Westbridge and our Promoters have a right of first refusal in the event that all or any of Indexarb, PCS, EIL and Persona Ventures Corporation are proposing to transfer their shares, (v) Westbridge has the right to cause our Promoter to sell all or a part of their shareholding, in the event that Westbridge is transferring its shares to third party, and (vi) affirmative voting rights. Further, Westbridge has certain other rights including, the right to offer its shares for sale in an initial public offering by our Company in priority to other shareholders of our Company, the right to appoint two directors on the board of directors of our Company and Subsidiaries and affirmative vote rights in relation to certain matters involving the Company, including approval of the business plan of our Company, changes in the scope of business of our Company or entry into a new line of business, alteration of the number of directors or replacement of any director nominated by Westbridge, any amendment to the charter documents of our Company and initial public offering other than a qualified initial public offering of our Company (i.e., a fully subscribed initial public offering of our Company on a recognised stock exchange which results in at least USD 15,000,000 of gross proceeds to our Company and/or the selling shareholders in the initial public offering and a minimum per share price of 5 times the subscription price per share paid by Westbridge for the shares of our Company).

*First Supplementary Subscription-cum-Shareholders Agreement dated July 11, 2007 executed among our Company, Nitish Mittersain, Mitter Infotech Private Limited, Sequoia Capital India Investment Holdings II ("**Sequoia**"), IndexArb Securities Private Limited, Pramod C. Shah, Emerging Investments Limited and Persona*

*Ventures Corporation ("**First Supplementary Westbridge SSHA**") read with the side letter dated July 11, 2017 and a letter agreement executed between our Company and Sequoia.*

Our Company entered into the First Supplementary Westbridge SSHA, pursuant to which Sequoia agreed to subscribe to 325,491 second series investor preference shares of ₹10 each, aggregating to USD 1,500,000. Pursuant to a letter dated March 9, 2011 from Westbridge addressed to our Company, it was intimated that name of Sequoia was changed to WestBridge Ventures II Investment Holdings with effect from March 3, 2011.

Pursuant to the First Supplementary Westbridge SSHA, from the effective date of the First Supplementary Westbridge SSHA, the redemption rights of the second series investor preference shares were amended in the following respects: (i) in the event that our Company was unable to arrange for a qualified public offer or a strategic sale in accordance with the Westbridge SHA, Westbridge had the option to convert the second series investor preference shares into Equity Shares of our Company and require the Company to buy-back the so converted Equity Shares at the fair market value; (ii) in the event the conversion as stipulated above had not occurred, our Company would in such event, at the end of the maximum period prescribed under law for redemption of such preference shares, mandatorily convert such preference shares into Equity Shares and thereafter our Company was required to buy-back such preference shares at the fair market value of the second series investor preference shares beneficially held by Westbridge or at the new subscription price aggregating to USD 1,500,000.

Pursuant to the First Supplementary Westbridge SSHA, Westbridge had a liquidation preference right. The preference shares subscribed pursuant to the Westbridge SSA and the second series investor preference shares would have *pari passu* rights of liquidation preference. The liquidation preference terminated on the conversion of preference shares into Equity Shares.

Subsequently, the Company and Sequoia executed a side letter dated July 11, 2007, whereby the Company provided certain confirmations to Sequoia. Thereafter, pursuant to a letter agreement dated executed between the Company and Sequoia, based on the revised valuation set out under the letter agreement, Sequoia subscribed to 382,993 compulsorily convertible preference shares on January 17, 2008.

Letter agreement dated November 24, 2017 between our Company and IIFL Special Opportunities Fund, IIFL Special Opportunities Fund- Series 2, IIFL Special Opportunities Fund - Series 3, IIFL Special Opportunities Fund – Series 4 and IIFL Special Opportunities Fund – Series 5

IIFL Special Opportunities Fund, IIFL Special Opportunities Fund- Series 2, IIFL Special Opportunities Fund - Series 3, IIFL Special Opportunities Fund – Series 4 and IIFL Special Opportunities Fund – Series 5 (collectively called the "**IIFL Funds**") acquired 478,386 Equity Shares from Westbridge on November 24, 2017. Our Company has entered into a letter agreement dated November 24, 2017, with the IIFL Funds, pursuant to which, our Company is required to provide an exit to the IIFL Funds, through a strategic sale of our Company, in the event that our Company is unable to complete an initial public offering of its Equity Shares within 3 years from November 24, 2017.

*Share purchase agreement dated December 8, 2017, as amended on December 22, 2017 between our Company, Westbridge Ventures II Investment Holdings, Rakesh Jhunjhunwala, Utpal Seth, Mitter Infotech LLP, Nitish Mittersain and Vikash Mittersain ("**RJ SPA**")*

Pursuant to the RJ SPA, Rakesh Jhunjhunwala and Utpal Seth acquired 263,545 and 2,780 equity shares of our Company respectively from Westbridge. Accordingly, Rakesh Jhunjhunwala and Utpal Seth have been given the following rights in the event our Company does not undertake an initial public offering and listing of our Equity Shares by December 7, 2018: (i) the first right to participate or the right to subscribe to all the equity shares in the fund raising by our Company post December 7, 2018; (ii) our Company shall not without the affirmative written consent of Rakesh Jhunjhunwala and Utpal Seth take certain actions such as raising new capital, change in scope of business, related party transactions, change in rights associated with the equity shares and acquisition of any company; (iii) tag along right in the event our Promoters transfer any equity shares post December 7, 2018; and (iv) execution of a restated shareholders agreement. Further, in the event the initial public offering of our Company is not completed within two years from the date of execution of the RJ SPA, Rakesh Jhunjhunwala and Utpal Seth shall have the right to appoint a nominee director on our Board.

Share purchase agreement dated December 8, 2017 between our Company, Mitter Infotech LLP, Madhuri Kela, Madhu Jain, Amit Goela, Nipa Sheth, Rajiv Agarwal, Central Park Securities Holding Private Limited, Chanakya

*Value Creation LLP, Nitish Mittersain and Vikash Mittersain ("**SPA**")*

Pursuant to the SPA, Madhuri Kela, Madhu Jain, Amit Goela, Nipa Sheth, Rajiv Agarwal, Central Park Securities Holding Private Limited and Chanakya Value Creation LLP have agreed to subscribe to 40,973 equity shares of our Company from Mitter Infotech LLP for an aggregate consideration of ₹280.00 million.

*Subscription and rights agreement dated January 2, 2018 between our Company and Turtle Entertainment GmBH ("**ESL**") ("**ESL Agreement**")*

Our Company entered into the ESL Agreement pursuant to which ESL subscribed to 485,018 Equity Shares of our Company for a consideration of ₹265.30 million. In terms of ESL Agreement, post filing of the draft red herring prospectus by our Company, in the event our Company proposes to issue and allot shares to potential investors prior to the completion of the initial public offer, our Company is required to also include such number of Equity Shares held by ESL representing 0.25% of the fully paid-up share capital of our Company, simultaneously along with such investment by the potential investors.

*Waiver and termination agreement dated January 17, 2018 between our Company, Nitish Mittersain, Vikash Mittersain, Mitter Infotech LLP and Westbridge and Emerging Investments Limited ("**Termination Agreement**")*

The parties to the Termination Agreement waiver certain rights from the date of the execution of the Termination Agreement, including (i) the right of first refusal of our Promoters and Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Westbridge in the Offer; (ii) the right of first refusal of Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Mitter Infotech LLP in the Offer; and (iii) the drag along right of Westbridge under the Westbridge SHA in relation to the equity shares proposed to be transferred by Westbridge in the Offer. Pursuant to the Termination Agreement certain provisions in the Westbridge SHA were amended, including (i) deletion of quorum requirement for Board meetings; (ii) deletion of clause on payment of fees relating to the initial public offering of our Company; and (iii) information rights under the Westbridge SHA. Further, in terms of the Termination Agreement, provided that Vikash Mittersain and Nitish Mittersain are our Directors, Westbridge shall have the right to appoint atleast two directors on our Board, which maybe waived by Westbridge in writing. The Westbridge SHA, as amended by the First Supplementary SSHA and the Termination Agreement shall stand terminated on a date prior to or on the date of listing of the Equity Shares on a recognised stock exchange, as mutually agreed by our Company, our Promoters and Westbridge. The waiver and amendments specified in the Termination Agreement shall cease to be operative in the event the Offer is not completed by June 30, 2018.

Other agreements

Except as disclosed in this DRHP, our Company has not entered into any material agreements in the last two years from the date of this DRHP, which are not in the ordinary course of its business.

Capital raising activities through equity and debt

Except as mentioned in "*Capital Structure*" on page 74, our Company has not raised any capital through equity. As on the date of filing this Draft Red Herring Prospectus, our Company does not have any outstanding loans.

Defaults or rescheduling of borrowings with financial institutions/banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into Equity Shares.

Time and cost overruns

As on the date of filing this Draft Red Herring Prospectus, there have been no instances of time and cost overruns in relation to our operations in the past.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profit/loss account of our Company including discontinuance of line of business, loss of agencies or markets and similar factors.

Our Shareholders

Our Company has 54 shareholders as of the date of this Draft Red Herring Prospectus. For further details, regard our Shareholders, see "*Capital Structure*'' on page 74.

Strategic or Financial Partners

Our Company does not have any strategic or financial partners.

Our Holding Company

As on the date of this DRHP, our Company does not have a holding company.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has 11 Subsidiaries. None of the Subsidiaries (i) are listed on any stock exchange in India or abroad; (ii) have become a sick company under the meaning of SICA; (iii) are under winding up; and (iv) have not made any public or rights issue in the last three years.

Unless otherwise stated, the information below is as of the date of this Draft Red Herring Prospectus.

Direct Subsidiaries

Next Wave Multimedia Private Limited ("Next Wave")

Corporate Information

Next Wave was incorporated on February 8, 1995 in Chennai, Tamil Nadu as a private limited company under the Companies Act, 1956. It has its registered office at First Floor, Old #98, New #165, Avvai Shanmugam Salai, Royapettah, Chennai, Tamil Nadu, India.

Next Wave is primarily engaged in the business of designing, marketing and publishing freemium games on app stores and designing, manufacturing and dealing in computer animation, graphics, audio visuals and production of commercials, documentaries and feature films.

Capital Structure

The authorized share capital is ₹4,500,000 divided into 45,000 equity shares of ₹100 each.

Shareholding

Our Company holds 17,459 equity shares, PR Rajendran holds 9,319 equity shares, PR Jayashree holds 5,557 equity shares, R Kalpana holds 999 equity shares and ESOP pool holds 897 equity shares of Next Wave.

Nodwin Gaming Private Limited ("Nodwin Gaming")

Corporate Information

Nodwin Gaming was incorporated on January 13, 2014 in National Capital Territory of Delhi and Haryana as a private limited company under the Companies Act, 1956. It has its registered office at Flat No-1004 Ivory Court-1, Essel Tower M.G. Road, Iffco Chowk, Gurgaon, Haryana.

Nodwin Gaming is primarily engaged in organizing, managing, promoting, sponsoring and marketing of all types of games and gaming events.

Capital Structure

The authorized share capital is ₹500,000 divided into 50,000 shares of ₹10 each.

Shareholding

Our Company holds 7,376 equity shares, Akshat Rathee and Gautam Rathee hold 3,019 equity shares and

Jetsynthesys Private Limited holds 3,019 equity shares of Nodwin Gaming.

Nazara Pro Gaming Private Limited **("NPGPL")**

Corporate Information

NPGPL was incorporated on May 16, 2017 at Mumbai, India as a private limited company under the Companies Act, 2013. It has its registered office at 51-57, Makers Chambers -3, Nariman Point, Mumbai, Maharashtra, India.

NPGPL is primarily engaged in the business of design, development, creation and marketing of internet based games, mobile games, interactive games, multiuser games and any other games and to distribute the same through telecom service providers, device manufactures, digital media platforms, DTH platforms, payments gateways and any other medium.

Capital Structure

The authorized share capital is ₹100,000 divided into 10,000 equity shares of ₹10 each.

Shareholding

Our Company holds 9,999 equity shares of NPGPL and Vikash Mittersain holds 1 equity share of NPGPL, as a nominee of our Company.

Nazara Technologies FZ-LLC ("NTF")

Corporate Information

NTF was incorporated on August 7, 2011 in Dubai as a free zone company with limited liability under the Dubai Technology and Media Free Zone Private Companies Regulations, 2003. It has its registered office at Building 9, G47/46, Dubai Media City, Dubai, United Arab Emirates.

NTF is primarily engaged in the business of developing and publishing mobile games media software development and serving as a distributor of digital media.

Capital Structure

The authorised and issued share capital of the company is AED 50,000 divided into 50 shares of AED 1,000 each.

Shareholding

Our Company holds the entire share capital of NTF.

Nazara PTE Limited ("NPL")

Corporate Information

NPL was incorporated on March 11, 2013 in Singapore as a private company limited by shares the Companies Act (Cap. 50). It has its registered office at 20, Maxwell Road, #09-17, Maxwell House, the Republic of Singapore.

NPL is primarily engaged in the business of development and distribution of games, imagery, SMS and IVR on mobile phones.

Capital Structure

The authorised, issued and paid-up share capital of the company is S$1,000.

Shareholding

Our Company holds 1,000 shares of S$1 each.

Step-down Subsidiaries

Nazara Bangladesh Limited ("NBL")

Corporate Information

NBL was incorporated on July 24, 2014 as a private limited company under the Companies Act (Act XVIII) OF 1994 under the laws of Bangladesh. It has its registered office at Nazara Bangladesh Limited, 45, Bijoynagar, Dhaka in Bangladesh.

NBL is primarily engaged in the business of, *inter alia*, acquiring, developing, promoting and maintaining all types of internet channels portals and websites and dealing in e-commerce.

Capital Structure

The authorised share capital of NBL comprises of 100,000 ordinary shares of TK 100 each aggregating to TK 10,000,000. The issued and paid up share capital of NBL comprises of 1,000 ordinary shares of TK 100 each aggregating to TK 100,000.

Shareholding

NPL holds 999 ordinary shares in NBL with Anamullah as their representative and Vikash Mittersain holds one ordinary share in NBL.

NZMOBILE Kenya Limited ("NKL")

Corporate Information

NKL was incorporated on June 4, 2013 in Kenya as a company with limited liability under the Companies Act (Cap. 486) under the laws of Kenya. It has its registered office at Plot Number l. R. No. 1870/vi/260, 1st Floor, New Rehema House, Raphta Road, Nairobi in the Republic of Kenya.

NKL is authorised to engage in the business of, *inter alia*, supply of value added phone services, internet, data communications, distribution and developing of games, animation, wallpaper, SMS and other forms of communication.

Capital Structure

The authorised share capital of the company is Kenya Shillings 100,000 divided into 1,000 ordinary shares of Kenya Shillings 100 each.

Shareholding

NT holds 999 shares in NKL and NPL holds one share in NKL.

Nazara Technologies ("NT")

Corporate Information

NT was incorporated on March 29, 2013 as a private company limited by shares under the Companies Act, 2001 under the laws of the Republic of Mauritius. It has its registered office at C/o Port Louis Management Services Ltd, 3rd Floor, Harbour Front Building, President John Kennedy Street, Port Louis, Republic of Mauritius.

NT is authorised to engage in global business as permitted under the Financial Services Act, 2007, and is engaged in the business of providing subscription services and content which include interactive wireless games, wall papers and ringtones on mobile devices to telecom operators across the globe.

Capital Structure

The authorised, issued and paid-up capital share capital of the company is $3800 divided into 380 shares of USD 10 par value.

Shareholding

NPL holds 380 shares in NT.

NZMOBILE Nigeria Limited ("NNL")

Corporate Information

NNL was incorporated on May 15, 2013 as a company limited by shares under the Companies and Allied Matters Act, 1990 under the laws of the Federal Republic of Nigeria. It has its registered office at 5 Shagamu Avenue, Off Association Avenue, Ilupeju, Lagos, Nigeria.

NNL is authorised to engage in the business of, *inter alia*, providing internet based content, communications, media and commerce services, carry on business as information technology service providers, and carry on business as general merchants, importers and exporters.

Capital Structure

The authorised share capital of the company is N 1,000,000 divided into 1,000,000 ordinary shares of N 1.

Shareholding

NT holds 999,000 shares of NNL with Vikash Mittersain as their representative and NPL holds 1,000 shares of NNL with Surajudeen Sola Sebiotimo as their representative.

Nazara Uganda Limited ("NUL")

Corporate Information

NUL was incorporated on October 31, 2013 as a company with limited liability under the Companies Act, 2012 under the laws of the Republic of Uganda. It has its registered office at 30 Regency Plaza, Lugogo, By-Pass, P.O. Box 1239, Kampala, Uganda.

NUL is authorised to engage in the business of, *inter alia*, providing internet, information technology services, establish, manage, maintain, sell or hire telephone exchanges; carry out business of cellular telephone operators; carry on business of farming; carry on business of contractors, builders, repairers, renovators, painters; carry on the business of running restaurants, hotels, and to carry on general carriers, railway and forwarding agents.

Capital Structure

The authorised share capital of the company is Shs. 10,000,000 divided into 100 shares of Shs. 100,000 each.

Shareholding

NT holds 99 shares of NUL and NPL holds 1 share of NUL.

Nazara Zambia Limited ("NZL")

Corporate Information

NZL was incorporated on May 27, 2013 as a private company limited by shares under the Companies Act, 1994 under the laws of the Republic of Zambia. It has its registered office in plot 20, Mwatusanga Road, Lusaka, Zambia.

ZL is authorised to engage in the business of, *inter alia,* mobile value added services through telecom consumer base in Zambia including game download and subscription based services like "Games Club".

Capital Structure

The nominal share capital of NZL is ZMW 5,000 divided in 5,000 shares of ZMW 1.00 each

Shareholding

NT holds 4,999 shares of NZL and NPL holds 1 share of NZL.

Accumulated Profits or Losses

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Statements.

Interest in our Company

Our Subsidiaries do not have any interest in our Company's business other than as stated in "*Our Business*" and "*Related Party Transactions*" on pages 134 and 188, respectively.

Associate Company

As on the date of this Draft Red Herring Prospectus, except for Mastermind Sports Limited, our Company does not have any associate company.

Joint Venture

As on the date of this Draft Red Herring Prospectus, our Company does not entered into any joint ventures.

Guarantees provided by our Promoter Selling Shareholder

As on the date of this Draft Red Herring Prospectus, our Promoter Selling Shareholder has not provided any guarantees to third parties.

Significant Sale/Purchase between our Subsidiaries/associates and our Company

None of our Subsidiaries or our Associate Company is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company, except investment related transactions and dividend.

Common Pursuits

Certain of our Subsidiaries are engaged in lines of business that are similar and/or synergistic to our Company.

OUR MANAGEMENT

Board of Directors

In terms of Part I of our Articles of Association and the Companies Act, our Company is required to have not more than 15 Directors and not less than three Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises six Directors.

The following table sets forth details regarding our Board of Directors:

Sl. No.	Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
1.	**Vikash Mittersain** ***Designation:*** Chairman and Managing Director ***Address:*** 24, Vijay Villa, 79, Worli Sea Face, Mumbai 400 025, Maharashtra, India ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** Appointed for a period of five years with effect from January 17, 2018. ***DIN:*** 00156740	63	• Cube3 Labs Private Limited • Gourmetco Retail Private Limited • Mitter Green Solutions Private Limited* • Neerja International Fashions Limited • Mitter Retail Private Limited* • Nazara Pro Gaming Private Limited • Nazara Bangladesh Limited • Nazara Zambia Limited • Nazara Uganda Limited • NZ Mobile Nigeria Limited • Nazara Technologies
2.	**Nitish Mittersain** ***Designation:*** Joint Managing Director ***Address:*** 24, Vijay Villa, 79, Worli Sea Face, Mumbai 400 025, Maharashtra, India ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** Appointed for a period of five years with effect from January 17, 2018, subject to his reappointment each time he is liable to retire by rotation ***DIN:*** 02347434	38	• Cube3 Labs Private Limited • Mitter Green Solutions Private Limited* • Mitter Retail Private Limited* • Nazara Pro Gaming Private Limited • Neerja International Fashions Limited • Next Wave Multimedia Private Limited • YPO Mumbai Connect Foundation
3.	**Kuldeep Jain** ***Designation:*** Non-Executive Director ***Address:*** Flat No-13/A, 13th Floor, The Peregrine, 400, Veer Savarkar Marg, Opposite Siddhivinayak Mandir, Prabhadevi, Mumbai 400 025, Maharashtra, India ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** Liable to retire by rotation ***DIN:*** 02683041	43	• Clean Max Cogen Solutions Private Limited • Clean Max Energy Ventures Private Limited • Clean Max Enviro Energy Solutions Private Limited • Clean Max Mercury Power Private Limited • Clean Max Photovoltaic Private Limited • Clean Max Power Projects Private Limited • CMES Jupiter Private Limited • CMES Power 1 Private Limited • CMES Power 2 Private Limited • Cleanmax IPP 1 Private Limited • Cleanmax IPP 2 Private Limited
4.	**Sasha Mirchandani**	45	• Ador Welding Limited • Akasaka Electronics Limited • Algorhythm Tech Private Limited

Sl. No.	Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
	Designation: Non-Executive, Independent Director ***Address:*** D-131, Tahnee Heights Petit Hall, Napean Sea Road, Mumbai 400 006, Maharashtra, India ***Occupation:*** Business ***Nationality:*** Indian ***Term:*** Appointed for a period of five years with effect from January 4, 2018 ***DIN:*** 01179921		• Bright Lifecare Private Limited • Gulita Wealth Advisors Private Limited • Hathway Cable and DatacomLimited • Kae Capital Management Private Limited • Mavm Angels Network Private Limited • Mumbai Angel Venture Mentors • Paix Technology Private Limited • Proparent Solutions Private Limited • HST Solar Farms Inc. • Cloudbyte Inc.
5.	**Shobha Jagtiani** ***Designation***: Non-Executive, Independent Director ***Address:*** L-1, Palm Springs, 12th Floor, Cuffe Parade, Colaba, Mumbai 400 005, Maharashtra, India ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** Appointed for a period of five years with effect from January 4, 2018 ***DIN:*** 00027558	69	• Freight Connection India Private Limited
6.	**Probir Roy** ***Designation***: Non-Executive, Independent Director ***Address:*** 10B, Krishnamai Building, Pockhanwala Road, Worli Seaface, Mumbai 400 030, Maharashtra, India ***Occupation:*** Professional ***Nationality:*** Indian ***Term:*** Appointed for a period of five years with effect from January 4, 2018 ***DIN:*** 00111961	59	• PayMate India Private Limited

**Under the process of stricke-off*

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with major Shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed on our Board or Key Management Personnel.

Relationship between our Directors

Except Vikash Mittersain who is the father of Nitish Mittersain, none of our Directors are related to each other.

Brief Biographies of Directors:

Vikash Mittersain is the Chairman and Managing Director of our Company. He has been associated as Director of the Company since its incorporation. He holds a diploma in industrial electronics from Walchand College of Engineering, Sangli. He has 38 years of experience in multiple business sectors. He is a member of Advisory Board on Dr. APJ Abdul Kalam Centre, Lucknow. He is also the founder and president of India Business Group. He has been part of various panel discussions and conferences including the sessions at VESIM Literati and Innovators Pitching Session at Maker Mela 2018.

Nitish Mittersain is the Joint Managing Director of our company. He holds a bachelor of commerce degree from the University of Mumbai. He founded our Company in 1999 and has been associated in the promotion of our Company for the last 18 years. He was selected as a member of the Young Presidents' Organization in 2014 and he has been the recipient of many awards including the Visionary Award from the Vision Foundation in 2012, the Young Achievers Award from the Indo American Society in 2000 and the Outstanding Young Person Award from Junior Chamber International, Marine Lines in 2017. He is also a member of the MEF Asia Board.

Kuldeep Jain is a Non-Executive Director of our Company. He has been associated as Director of the Company since August 20, 2013. He holds a post graduate diploma in management from The Indian Institute of Management, Ahmedabad. He is an associate of the Institute of Chartered Accountants of India. He has over a decade's experience in a global consulting firm and was a partner at McKinsey & Company, Inc. He is currently the managing director of Clean Max Enviro Energy Solutions Private Limited.

Sasha Mirchandani is an Independent director of our Company. He has been associated with our Company since January 4, 2018. He holds a bachelor of science degree in business administration from Strayer University. He has more than a decade's experience as an angel investor. He is the co-founder of Mumbai Angel Venture Mentors. He is also the managing director and founder of Kae Capital Management Private Limited. In the past he has also worked at Blue Run Ventures and MIRC Electronics Limited. He was a founder of Imercius Technologies. He has been appointed on the board of governors of the Universal Business School and is a member at the Young Presidents Organisation, Mumbai. He was also the president of Entrepreneurs Organisation, Mumbai and a charter member at TiE, Mumbai.

Shobha Jagtiani is an Independent Director of our Company. She has been associated with our Company since January 4, 2018. She holds bachelor of arts degree and bachelor of laws degree from University of Bombay. She has more than 45 years of experience as a lawyer and is a member of the ITAT Bar Association. She is currently a partner at D.M Harish & Co.

Probir Roy is an Independent Director of our Company. He has been associated with our Company since January 4, 2018. He holds a bachelor's degree in economics from St. Xavier's College. He also holds a post-graduate diploma in energy economics from the University of Surrey. He has more than a decade's experience in the field of information technology and communications. He was a co-founder and director of Coruscant Tec. Private Limited. He was the vice-chairman of the Technical Committee of Internet Research of the Media Research Users Council. He is a promoter and co-founder of Paymate India Private Limited. He has held several senior positions including the post of vice president, MIS and communications - India at Star TV, News Television (India) Limited. He was the chief technology officer and chief operating officer of Euro RSCG Advertising Private Limited. He was also the head EDP & informations systems of Nuclear Power Corporation. He is a special invitee to the board of directors of Business Correspondents Federation of India and chairs their Pricing Study Committee and is a member of their Economic Affairs Committee and Periodic Thematic Workshops/Conclaves – working group.

Details regarding directorships of our Directors in listed companies

None of our Directors is or was, during the last five years preceding the date of this Draft Red Herring Prospectus, a director of any listed company whose shares have been or were suspended from being traded on BSE or NSE.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange.

Terms of Appointment of our Executive Directors

Vikash Mittersain

Vikash Mittersain is the Chairman and Managing Director of our Company. Our Board in its meeting held on March 30, 2016 approved the re-appointment of Vikash Mittersain as the Managing Director with effect from April 1, 2016 for a period of two years. Subsequently, our Board in its meeting held on January 17, 2018 approved the re-appointment of Vikash Mittersain as the Managing Director with effect from January 17, 2018 for a period of five years.

Pursuant to the employment agreement dated January 18, 2018 and the Board resolution dated January 17, 2018, he is entitled to annual remuneration of ₹4.47 million per annum (inclusive of employer's contribution to provident fund and gratuity). Additionally, he is entitled to perquisites and allowances including *inter alia* (i) telephone and other communication facilities; (ii) reimbursement of club membership fees; (iii) car and travel expenses; (iv) reimbursement to the extent of $100 a day on overseas trip; (v) contribution towards provident fund and gratuity; (vi) mediclaim and personal accident insurance; and (vii) free furnished accommodation or housing rent allowance in lieu of our Company provided accommodation for an amount not exceeding ₹6.50 million. He is also entitled to receive reimbursement for all expenses incurred by him for and on behalf of our Company or in conduct of the business / affairs of our Company.

Nitish Mittersain

Nitish Mittersain is the Joint Managing Director of our Company. Our Board in its meeting held on March 30, 2016 approved the re-appointment of Nitish Mittersain as the Managing Director with effect from April 1, 2016 for a period of two years. Subsequently, our Board in its meeting held on January 17, 2018, redesignated him as our Joint Managing Director with effect from January 17, 2018 for a period of five years, subject to his reappointment each time he is liable to retire by rotation.

Pursuant to the employment agreement dated January 18, 2018 and the Board resolution dated January 17, 2018 he is entitled to annual remuneration of ₹18.70 million per annum (inclusive of employer's contribution to provident fund and gratuity) for a period of three years from December 13, 2017 and a variable bonus of ₹10.00 million subject to achievement of annual operating performance targets by our Company. Additionally, he is entitled to perquisites and allowances including *inter alia* (i) telephone and other communication facilities; (ii) reimbursement of club membership fees; (iii) car and travel expenses; (iv) reimbursement to the extent of $ 100 a day on an overseas trip; (iv) contribution towards provident fund and gratuity; (v) mediclaim and personal accident insurance; and (vi) free furnished accommodation or housing rent allowance in lieu of our Company provided accommodation for an amount not exceeding ₹6.50 million. He is also entitled to receive reimbursement for all expenses incurred by him for and on behalf of the Company or in conduct of the business / affairs of the Company.

Payment or benefit to Directors of our Company

The sitting fees / other remuneration (including contingent or deferred payment) paid to our Directors in Financial Year 2017 are as follows:

1. *Remuneration to Executive Directors*

The remuneration paid to the Executive Directors in the Fiscal 2017 is as follows

Sr. No.	Name of Director	Particulars (for Fiscal 2017)	Remuneration (in ₹ million)
1.	Vikash Mittersain	Gross salary	4.32
		Perquisites	0.58
		Others	0
		Total	4.90
2.	Nitish Mittersain	Gross Salary	24.11
		Perquisites	0.46
		Others	6.00
		Total	30.56

2. **Remuneration to Non-Executive Directors**

Pursuant to the resolution passed by the Board on January 4, 2018, the non-executive directors of our Company are entitled to sitting fee of ₹30,000 for every meeting of the Board and ₹20,000 for every meeting of the committees of the Board that they attend.

No remuneration was paid to the non-executive directors of our Company in Financial Year 2017.

No remuneration has been paid or is payable by our Subsidiaries to our Directors.

Except as disclosed in *"Related Party Transactions"* on page 188, none of the sundry debtors of our Company or beneficiaries of loans and advances are related to our Directors.

Shareholding of Directors in our Company

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares:

Name of Director	Number of Equity Shares held
Vikash Mittersain	250
Nitish Mittersain	1,475,335

Our Articles of Association does not require our Directors to hold any qualification shares.

Shareholding of Directors in our Subsidiaries Companies

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Directors hold any equity shares in our Subsidiaries:

Name of the Director	Name of Subsidiary	Number of equity shares	Percentage Shareholding (%)
Vikash Mittersain	Nazara Pro Gaming Private Limited	1*	0.01
Vikash Mittersain	Nazara Bangladesh Limited	1	0.10

***Share held as a nominee shareholder*

Appointment of relatives of Directors to any office or place of profit

Except Vikash Mittersain who is the father of Nitish Mittersain, none of our Directors are related to each other.

Interest of Directors

All Non-executive Directors and Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof, and reimbursement of expenses available to them and commision payable to them as approved by our Board. All Executive Directors may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to them as stated in *"Our Management – Terms of appointment of our Executive Directors"* on page 171.

Except Vikash Mittersain and Nitish Mittersain, who are promoters of our Company, none of our Directors have any interest in the promotion of our Company, except in the ordinary course of business. The Directors may also be regarded as interested in the Equity Shares held by them, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer, as well as options under ESOP 2016 and ESOP 2017. 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 such Equity Shares.

Our Company has also leased apartments located at the 28th Floor and 30th Floor, Tanhee Heights, Nepean Sea Road, Mumbai, Maharashtra, India, which are used by our Promoters and Directors, Vikash Mittersain and Nitish

Mittersain for their residential accommodation, in accordance with the terms of the employment agreements executed with them.

Except as disclosed above, none of our Directors have any interest in any property acquired by our Company in the two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Further, none of our directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No consideration, in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by the Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Except as stated in *"Related Party Transactions"* on page 188 and as disclosed in this section, none of our Directors have any interest in our business.

Changes in the Board in the last three years

Name	Date of Appointment/ Change/ Cessation	Reason
Sandeep Singal	January 27, 2018	Resigned as the Non-Executive Director
Sasha Mirchandani	January 24, 2018	Appointed as the Non-Executive, Independent Director
Shobha Jagtiani	January 24, 2018	Appointed as the Non-Executive, Independent Director
Probir Roy	January 24, 2018	Appointed as the Non-Executive, Independent Director
Vikash Mittersain	January 17, 2018	Re-appointed as the Managing Director
Nitish Mittersain	January 17, 2018	Re-appointed as the Joint Managing Director
Sasha Mirchandani	January 4, 2018	Appointed as the Additional Director
Shobha Jagtiani	January 4, 2018	Appointed as the Additional Director
Probir Roy	January 4, 2018	Appointed as the Additional Director
Vikash Mittersain	April 1, 2016	Re-appointment as the Managing Director
Nitish Mittersain	April 1, 2016	Re-appointment as the Managing Director
Nitish Mittersain	June 1, 2015	Re-designation as the Managing Director

Borrowing Powers of Board

Pursuant to our Shareholders' resolution dated December 15, 2017, in accordance with Section 180 of the Companies Act, 2013, our Board is empowered to borrow money in any manner from time to time any sum or sums of moneys at its discretion on such terms and conditions as the Board may deem fit, notwithstanding that the moneys to be borrowed by our Company together with the moneys already borrowed or to be borrowed (apart from temporary loans and other credit facilities obtained or to be obtained from our Company's bankers in the ordinary course of its business), from the financial institutions, Company's bankers and/or from any person or persons, firms, bodies corporate whether by way of loan, advances, deposits, bill discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured, will or may exceed the aggregate of the paid up capital and free reserves that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of money so borrowed by our Board and outstanding at any one time shall not exceed the sum of ₹400.00 million.

Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and other applicable SEBI Regulations, in respect of corporate governance including constitution of the Board and committees thereof. 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, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has six Directors. In compliance with the requirements of the SEBI Listing Regulations, since our Chairman is an Executive Director, we have two Executive Directors, one Non-executive, non-independent Directors and three Independent Directors, including one woman Director on our Board.

Committees of the Board

In addition to the committees of the Board detailed below our Board of Directors may, from time to time constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Sasha Mirchandani (*Chairman*);
2. Probir Roy;
3. Shobha Jagtiani; and
4. Nitish Mittersain.

The Audit Committee was constituted on January 4, 2018. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations and its terms of reference include the following:

a. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommendation to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the statutory auditor and the fixation of audit fee;

c. Review and monitor the auditor's independence and performance and the effectiveness of audit process;

d. Approval of payments to the statutory auditors for any other services rendered by statutory auditors;

e. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (i) Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

   (ii) Changes, if any, in accounting policies and practices and reasons for the same;

   (iii) Major accounting entries involving estimates based on the exercise of judgment by management;

   (iv) Significant adjustments made in the financial statements arising out of audit findings;

   (v) Compliance with listing and other legal requirements relating to financial statements;

   (vi) Disclosure of any related party transactions; and

   (vii) Qualifications and modified opinions in the draft audit report.

f. Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

g. Scrutiny of inter-corporate loans and investments;

h. Valuation of undertakings or assets of our Company, wherever it is necessary;

i. Evaluation of internal financial controls and risk management systems;

j. Approval or any subsequent modification of transactions of our Company with related parties;

k. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

l. Approving or subsequently modifying transactions of our Company with related parties;

m. Evaluating undertakings or assets of our Company, wherever necessary;

n. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

o. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

p. 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;

q. Discussion with internal auditors on any significant findings and follow up thereon;

r. 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;

s. 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;

t. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

u. Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

v. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

w. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and

x. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time."

y. The powers of the Audit Committee will include the following:

    (i) To investigate activity within its terms of reference;

    (ii) To seek information from any employees;

    (iii) To obtain outside legal or other professional advice; and

    (iv) To secure attendance of outsiders with relevant expertise, if it considers necessary."

The Audit Committee shall mandatorily review the following information:

    (i) Management discussion and analysis of financial condition and result of operations;

(ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(iii) Management letters/letters of internal control weaknesses issued by the statutory auditors;

(iv) Internal audit reports relating to internal control weaknesses;

(v) The appointment, removal and terms of remuneration of the chief internal auditor; and

(vi) Statement of deviations:

a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations"]

Nomination & Remuneration Committee

The members of the Nomination & Remuneration Committee are:

1. Probir Roy (*Chairman*);
2. Shobha Jagtiani; and
3. Kuldeep Jain.

The Nomination & Remuneration Committee was reconstituted on January 4, 2018. The scope and function of the Nomination & Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Nomination & Remuneration Committee include the following:

a. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b. Formulating of criteria for evaluation of independent directors and the Board;

c. Devising a policy on Board diversity;

d. Identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

e. Analysing, monitoring and reviewing various human resource and compensation matters;

f. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

g. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

h. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

j. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

(i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

(ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

k. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee.

Stakeholders Relationship Committee

The members of the Stakeholders Relationship Committee are:

1. Shobha Jagtiani (*Chairman*);
2. Probir Roy; and
3. Vikash Mittersain.

The Stakeholders Relationship Committee was constituted by our Board on January 4, 2018. The scope and functions of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. The terms of reference of the Stakeholders Relationship Committee includes the following:

a. Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares;

b. Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

c. Issue of duplicate certificates and new certificates on split/consolidation/renewal;

d. Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and

e. Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Vikash Mittersain (Chairman);

2. Nitish Mittersain;

3. Shobha Jagtiani; and

4. Probir Roy.

The Corporate Social Responsibility Committee was constituted by our Board on June 27, 2014 and was last reconstituted by our Board on January 4, 2018. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013.

The terms and reference of the Corporate Social Responsibility Committee include the following:

a. Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;

b. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

c. Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

d. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;

e. Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

f. Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

g. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

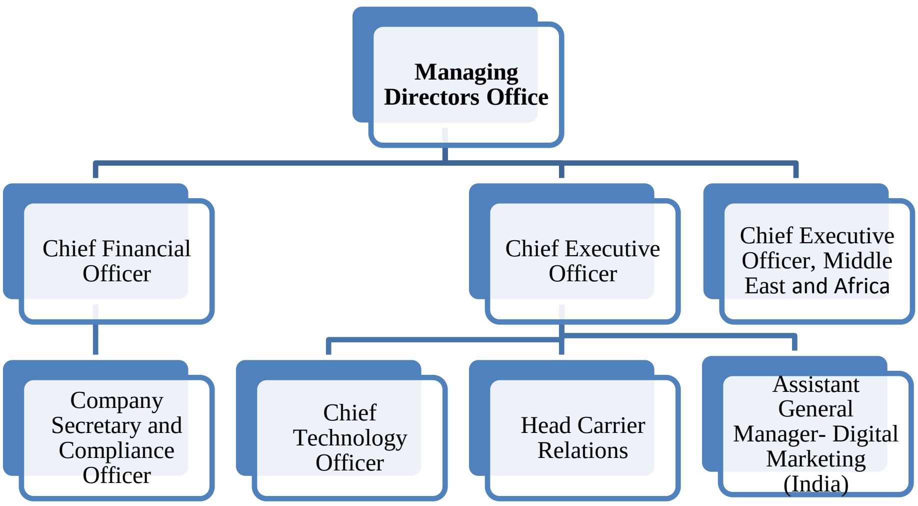
IPO Committee

The members of the IPO Committee are:

1. Vikash Mittersain;
2. Nitish Mittersain;
3. Probir Roy;
4. Kuldeep Jain; and
5. Shobha Jagtiani.

The IPO Committee was constituted by our Board on January 17, 2018. The IPO Committee has been authorized to approve and decide upon all activities in connection with the Offer, including, but not limited to, to approve the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the Offer, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time.

Management Organization Structure



Key Management Personnel

For details regarding our Managing Director, please see, *"Our Management – Brief Biographies of Directors"* on page 170.

Apart from our whole-time directors, the details of the key management personnel as of the date of this Draft Red Herring Prospectus are as follows:

Rakesh Shah is the Chief Financial Officer of our Company. He has been associated with our Company since May 10, 2010. He holds a bachelor's degree in Commerce from University of Bombay and he is a qualified Cost Accountant from Institute of Cost and Works Accountants of India. He is an associate member of Institute of

Chartered Accountants of India. Rakesh Shah has more than 22 years of experience in financial, administration and management accounting. He has been associated with Yahoo India Private Limited, ANZ International, Electronic Data Systems, Vinmar International India Private Limited, Mazda Colors Limited. During the Financial Year 2017, he was paid gross salary of ₹6.99 million.

Manish Agarwal was appointed as the Chief Executive Officer of our Company. He has been associated with our Company since June 1, 2015 and was last redesignated as the Chief Executive Officer on December 28, 2017. He holds a Bachelors in Technology degree from Regional Engineering College, Warangal and a post graduate diploma in Management from the Indian Institute of Management, Ahmedabad. He has approximately 18 years of experience in various fields including the gaming space and marketing. He was associated with Reliance Games for more than four years, in the capacity of chief executive officer of Zapak Mobile Games Private Limited and chief operating officer of Zapak Digital Entertainment Limited. Prior to that he was associated with UTV Software Communications Limited for about two years in the capacity of chief executive officer. Further, He was also associated with Rediff.com India Limited, in the role of vice president- marketing and prior to rediff.com and has worked with Hindustan Lever Limited (currently, known as Hindustan Unilever Limited). His association with our Company has been instrumental in creating our freemium business besides driving the investment of the company via game fund and recent M&A. During the Financial Year 2017 he was paid gross salary of ₹19.35 million.

Savio Saldanha was appointed as the Chief Executive Officer – Middle East and Africa. He has been associated with Nazara Technologies FZ-LLC, one of our Subsidiaries, on September 22, 2010. He holds a Bachelor of Commerce degree in economic legislation and business management from Chattrapati Shahu Ji Maharaj University, Kanpur. He has more than 10 years of experience in media and mobile entertainment and has been associated with Arvato Mobile Middle East FZ-LLC, Channel [V] and City 7 TV (Arab Venture Corporation). Savio is responsible for the planning and the execution of Nazara's Business interests in Middle East, Africa and the Caribbean Islands with a focus on setting a strategic direction to drive mobile gaming revenues, market penetration, partner alliances and establish growth priorities with differentiated propositions, products and marketing initiatives. During the Financial Year 2017, he was paid gross salary of AED 1.17 million.

Vamsi Krishna is the Chief Technology Officer of our Company. He has been associated with our Company since January 18, 2012. He holds a Bachelor's degree in Technology from The University of British Columbia, Canada. He also holds a Certificate in Advanced Diploma in Software Engineering from Aptech Computer Education Institute. He has 15 years of experience in Solution architecture and engineering development of Mobile platforms and services. He has been associated with i2i Telesource Private Limited, Telesoft Neutek Private Limited, Tata Teleservices Limited. During the Financial Year 2017, he was paid gross salary of ₹8.74 million.

Chirag Shah is the Head Carrier Relations of our Company. He has been associated with our Company since September 1, 2007. He holds a Bachelor's degree in Management Studies from the University of Mumbai. He has more than 13 years of experience in the Telecom Value Added Services domain as a Sales and Business Development professional. He has been associated with Vodafone Essar Private Limited and BPL Mobile Communications Limited. During the Financial Year 2017, he was paid gross salary of ₹4.80 million.

Vipul Sarang is the Assistant General Manager – Digital Marketing (India) of our Company. He has been associated with our Company since November 2, 2006. He holds a Diploma in Mobile Repairing from St. Angelo's, Computer Education. He has more than 11 years of experience in digital marketing, business analyst, mobile user acquisition, platform management and QA tester gaming. During the Financial Year 2017, he was paid gross salary of ₹1.75 million.

Vinav Agarwal is the Company Secretary and the Compliance Officer of our Company. He has been associated with our Company since December 28, 2017. He has passed the professional program examination held by the Indian Institute of Company Secretaries of India on March 3, 2014. He has over three years of experience and has been associated with Bizcorp India LLP, Daido D.M.S India Private Limited and T. Bhimjyani Warehousing Cold Chain Private Limited in the past. He joined our Company in Financial Year 2018.

All our Key Management Personnel are permanent employees of our Company or our Subsidiaries as the case may be.

Shareholding of Key Management Personnel in our Company

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Key Management Personnel hold any Equity Shares:

Name of Key Management Personnel	Number of Equity Shares held
Vikash Mittersain	250
Nitish Mittersain	1,475,335
Manish Agarwal	396,885

Relationship between our Key Management Personnel

Except as stated below, none of our Key Management Personnel are related to each other:

(i) Vikash Mittersain who is the father of Nitish Mittersain.

Interests of Key Management Personnel

Except as disclosed in "*Our Management - Interest of Directors*" on page 172, our Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

The Key Management Personnel may be regarded as interested in the Equity Shares held by them, if any, and to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, as well as options under Nazara Technologies ESOP, 2016. For details regarding Equity Shares allotted to Key Management Personnel under employee stock purchase scheme and employee stock option scheme, see *"Capital Structure – Employee Stock Option Schemes"* on page 87.

Changes in our Key Management Personnel in the last three years

Name	Date of change	Reason for change
Vikash Mittersain	January 17, 2018	Re-appointed as the Managing Director
Nitish Mittersain	January 17, 2018	Re-appointed as the Joint Managing Director
Vinav Agarwal	December 28, 2017	Appointed as the Company Secretary
Rakesh Shah	December 28, 2017	Re-designated as the Chief Financial Officer under the Companies Act, 2013
Manish Agarwal	December 28, 2017	Re-designated as the Chief Executive Officer under the Companies Act, 2013
Anuj Tandon	November 30, 2016	Resignated as Head of Mobile Game Publishing and Game Branding
Vikash Mittersain	April 1, 2016	Re-appointed as Managing Director
Nitish Mittersain	April 1, 2016	Re-appointed as Managing Director
Nitish Mittersain	June 1, 2015	Re-designated as Managing Director
Manish Agarwal	June 1, 2015	Appointed as Chief Executive Officer

Payment or Benefit to officers of our Company

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and Key Management Personnel, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no amount or benefit has been paid or given, in the two years preceding the date of this Draft Red Herring Prospectus, or is intended to be paid or given to any of our Company's officers except remuneration for services rendered as Directors, officers or employees of our Company.

Except as disclosed in "*Related Party Transactions*" on page 188, no loans have been availed by our Directors or our Key Management Personnel from our Company.

Bonus or profit sharing plan of the Key Management Personnel

Except to the extent of variable bonus payable to Nitish Mittersain, none of our Directors or Key Management Personnel is party to any bonus or profit sharing plan of our Company.

Employee Stock Option Plans and Employee Stock Purchase Plans

For details in relation to the ESOP 2016 and ESOP 2017 and options granted to our Directors and Key Management Personnel, see *"Capital Structure – Employee Stock Option Schemes"* on page 87.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are:

1. Vikash Mittersain;

2. Nitish Mittersain; and

3. Mitter Infotech LLP.

As on date of this Draft Red Herring Prospectus, Vikash Mittersain holds 250 Equity Shares, Nitish Mittersain holds 1,475,335 Equity Shares and Mitter Infotech LLP holds 5,955,125 Equity Shares, which aggregates to 7,430,710 Equity Shares, representing 27.55% of the pre-offer issued and paid-up Equity Share capital of our Company.

Details of our Individual Promoters

1. **Vikash Mittersain**

Vikash Mittersain, aged 63 years, is the Chairman and Managing Director of our Company. For further details, see "*Our Management – Brief Biographies*" on page 170.

His driving license number is MH01 19880039070 and his voter identification number is SHA3174513.

2. **Nitish Mittersain**

Nitish Mittersain, aged 38 years, is the Joint Managing Director of our Company. For further details, see "*Our Management – Brief Biographies*" on page 170.

His driving license number is MH01 20110002193 and his voter identification number is SHA3174539.

With respect to Vikash Mittersain and Nitish Mittersain, our Company confirms that the permanent account number, bank account number and passport number will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

3. **Mitter Infotech LLP**

Mitter Infotech LLP, is a Limited Liability Partnership which was incorporated as a Private Limited Company on September 22, 1988, under the laws of Companies Act, 1956 and later on it was converted into a Limited Liability Partnership on September 28, 2012 under the laws of Limited Liability Partnership Act, 2008 with its registered office being at 601, Dalamal House, Nariman Point, Mumbai 400 021.

Mitter Infotech LLP engages in the business of providing consultancy in the area of all kind of internal solution, to develop and deal in computer software, multimedia solution for various verticals and domain.

The following table sets forth details of the partners of Mitter Infotech LLP as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Partner	Designation	Profit/Loss Sharing Ratio (%)
1.	Vikash Mittersain	Designated Partner	10.12
2.	Nitish Mittersain	Designated Partner	2.61
3.	Sandhya Mittersain	Partner	87.27

The LLP ID of Mitter Infotech LLP is AAB-1416 and its capital is ₹425,800. Our Company confirms that the permanent account number and bank account number of Mitter Infotech LLP shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus with the Stock Exchanges.

Changes in management and control

There has been no change in the management and control of Mitter Infotech LLP in the three years preceding the date of this Draft Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their respective shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them or their relatives; (iii) of being Executive Directors and Key Management Personnel of our Company and the remuneration, sitting fees or reimbursement of expenses payable by our Company to them; (iv) of being subscribers to the Memorandum of Association; and (v) that our Company has undertaken transactions with them in the past. For details, please see "*Capital Structure*", "*Our Management*" and "*Related Party Transactions*" on page 134, 168 and 188, respectively.

Our Company has also leased apartments located at the 28th Floor and 30th Floor, Tanhee Heights, Nepean Sea Road, Mumbai, Maharashtra, India, which are used by our Promoters and Directors, Vikash Mittersain and Nitish Mittersain for their residential accommodation, in accordance with the terms of the employment agreements executed with them.

Except as disclosed above, our Promoters are not interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus with SEBI.

Further, none of our Promoters have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in the section entitled "*Related Parties Transactions*" on page 188, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Other than our Subsidiaries and our Group Entity, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company. Our Company will adopt necessary procedures and practices as permitted by law to address any conflict of interest as and when they arise.

Our Promoters are not related to any sundry debtors of our Company.

Except as disclosed in this Draft Red Herring Prospectus, our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Payment or Benefits to Promoters

Except as stated otherwise in the section "*Related Party Transactions*" on page 188 about the related party transactions entered into during the last five Financial Years as per Accounting Standard 18 and in the section "*Our Promoters – Interests of Promoters*" on page 182, there has been no payment or benefit to our Promoters during the two years prior to the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters as on the date of this Draft Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any other companies during the preceding three years.

Change in the management and control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

Guarantees

Our Promoters have not given any guarantee to a third party as of the date of this Draft Red Herring Prospectus.

Confirmations

Our Promoters and Promoter Group have not been declared as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI or any other government authority. Further, there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters and Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in this Draft Red Herring Prospectus, our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

Promoter Group

A. Natural persons who are part of the Promoter Group

Name of the Promoter	Promoter Group	Nature of Relation with the Promoter
Vikash Mittersain	SandhyaVikash Mittersain	Wife
	Kanta Jain	Mother
	Rajesh Jain	Brother
	Meena Gupta	Sister
	Nitish Vikash Mittersain	Son
	Neerja Mittersain	Daughter
	Dr.Balkrishna Goyal	Father in Law
	Rahul Goyal	Spouse's Brother
	Varsha Sethi	Spouse's Sister
	Alka Jhunjhunwala	Spouse's Sister
Nitish Mittersain	Shivani Mittersain	Wife
	Vikash Mittersain	Father
	Sandhya Mittersain	Mother
	Neerja Mittersain	Sister
	Veer Mittersain	Son
	Shanaya Mittersain	Daughter
	Ved Prakash Chiripal	Father in Law
	Savitri Devi Chiripal	Mother in Law
	Vishal Chiripal	Spouse's Brother
	Babita Agarwal	Spouse's Sister
	Kavita Sarawgi	Spouse's Sister

B. Entities forming part of the Promoter Group

- Atit Textile Industries Pvt Ltd;
- Chiripal Energy Ltd;
- Chiripal Exim LLP;
- Chiripal Industrial Park Limited;
- Chiripal Infrastructure Limited;
- CIL Nova Petrochemicals Limited;
- Cube3 Labs DMCC;
- Cube3 Labs Private Limited;
- Devkinandan Corporation LLP;
- Enroute Media Pvt Ltd;
- Enthrall Media Pvt Ltd;
- Fortune Infrastructure Developers Limited;
- Globe Trot;
- Gourmet Company;
- Gourmetco Retail Pvt. Ltd.;
- Nandan Corporation LLP;
- Nandan Terry Private Limited;
- Nandan Denim Limited;
- Neerja International Fashions Limited;
- Nova Textiles Private Limited;
- Omega Realtech Limited;
- Omega Investment & Properties Limited;
- Pratapchand M. Jain HUF;
- Rajesh P. Jain HUF;
- Sara Reinous Chemicals Private Limited;

- Shanti Exports Private Limited;
- Shanti Innovation & Research Foundation;
- Snehbal Financial Services Pvt Ltd;
- Snehbal Products Impex Pvt Ltd;
- Sparrow Exports Private Limited;
- Supernova Exim Private Limited;
- Suraaj Linens Pvt Ltd;
- Tastebox Hospitality Pvt Ltd;
- Tripoli Management Private Limited;
- Vardhaman Housing Development Company Limited;
- Vedprakash Devkinandan HUF;
- Vikash Jain HUF; and
- Vishal V Chiripal HUF.

OUR GROUP ENTITY

The definition of 'group companies' was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards (with the exception of our Subsidiaries, holding company and our Promoters) and such other companies as are considered material by the Board. Pursuant to a Board resolution dated January 17, 2018, our Board formulated a policy with respect to companies which it considered material to be identified as group companies, pursuant to which the entity listed in this section is identified as Group Entity of our Company.

Unless otherwise specified, all information in this section is as of the date of this Draft Red Herring Prospectus.

The details of our Group Entity is provided below:

A. Details of our Group Entity

1. ***Mastermind Sports Limited ("MSL")***

Corporate Information

MSL was incorporated on March 7, 2013, a private limited company, limited by shares, registered in England and Wales. It has its registered office at Studio D11, 2 Michael Road, London, England, SW6 2AD. MSL is engaged in the business of making games focused on live sports.

Interest of our Promoters

Nazara Pte. Limited, a subsidiary of our Company, holds 77,957 equity shares constituting 24.69% of the issued and paid up equity share capital of MSL.

Financial Information

The following information has been derived from the financial statements of MSL for the last three Financial Years, prepared in accordance with the applicable law:

(in £, except per share data)

Particulars	For the Financial Year ended		
	2017	2016	2015
Equity capital	2,879	1,407	1,407
Revenue from operations and other income	-	-	143
Profit/(Loss) after tax	(29,579)	163,370	(243,958)
Reserves (excluding revaluation reserves) and Surplus	347,769	204,296	126,361
Earnings per share	(0.10)	1.16	(1.73)
Diluted earning per share	(0.10)	1.16	(1.73)
Net Asset Value per share	1.21	1.45	(0.89)

B. Nature and Extent of Interest of Group Entity

1. ***In the promotion of our Company***

Our Group Entity does not have any interest in the promotion or other interests in our Company.

2. ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus with SEBI***

Our Group Entity is not interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus.

3. ***In transactions for acquisition of land, construction of building and supply of machinery***

Our Group Entity is not interested in any transactions for the acquisition of land, construction of building or supply of machinery I nrelation to our Company.

C. Common Pursuits among the Group Entity with our Company

Our Group Entity and our Company is in the same line of business. We shall adopt necessary proceduresand practices as permitted by law to address any conflict situations, as and when they may arise.

D. Related Business Transactions within the Group Entity and significance on the financial performance of our Company

For more information, see "*Related Party Transactions*" on page 188.

E. Significant Sale/Purchase between Group Entity and our Company

Our Group Entity is not involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

F. Business Interest of Group Entity

Except, for the development agreement executed with our Group Entity, our Group Entity does not have any business interest in our Company.

G. Defunct Group Entity

Our Group Entity is not defunct and no application has been made to the registrar of companies for striking off the name of our Group Entity during the five years preceding the date of filing of this Draft Red Herring Prospectus with SEBI. Our Group Entity does not fall under the definition of sick companies under SICA and is not under winding up. Further our Group Entity does not have a negative networth.

H. Loss making Group Entity

Our Group Entity has incurred loss in the immediately preceding year. For details of our Group Entity's financial information, see "*Our Group Entity - Details of our Group Entity – Mastermind Sports Limited – financial information*" on page 186.

I. Litigation

There are no legal proceedings involving our Group Entity.

J. Confirmations

The securities of our Group Entity is not listed on any stock exchange and our Group Entitiy has not made any public or rights issue of securities in the preceeding three years.

The Group Entity has not been debarred from accessing the capital market for any reasons by SEBI or any other authorities.

The Group Entity has not been identified as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines for wilful defaulters issued by the RBI.

The Group Entity has not availed of unsecured loans which may be recalled by the lenders at any time.

No significant adverse factors have been identified by the auditors/third party consultants of the Group Entity in the preceeding three financial statements of the Group Entity, prepared in accordance with the applicable law.

RELATED PARTY TRANSACTIONS

For details of the related party transactions of our Company, as per the requirements under Accounting Standard 18 "*Related Party Disclosures"* during the last five Financial Years, see Annexure XXIX of the Restated Consolidated Financial Statements on page 236 and Annexure XXIX of the Restated Unconsolidated Financial Statements on page 286, respectively.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity, restrictive covenants under the loan or financing documents we may enter into from time to time and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance our fund requirements for our business activities. Our Company may also pay interim dividends from time to time. Our Company does not have a formal dividend policy as on the date of this Draft Red Herring Prospectus.

Except for Financial Years 2016 and 2018, our Company has not declared and paid any dividend on the Equity Shares during the last five Financial Years. The details of dividends on the Equity Shares provided by our Company are as follows:

Particulars	Financial Year 2013	Financial Year 2014	Financial Year 2015	Financial Year 2016	Financial Year 2017	Financial Year 2018*
No. of Equity Shares	783,442	783,442	738,042	1,989,246	1,989,246	1,989,246
Face value of Equity Shares (in ₹)	10	10	10	10	10	10
Dividend per Equity Share (in ₹)	-	-	-	100	-	151
Rate of dividend on Equity Shares of (%)	-	-	-	1,000	-	1,510
Total dividend on Equity Shares (in ₹ million)(1)	-	-	-	199.21	-	300.38
Total dividend excluding dividend distribution tax (in ₹ million)	-	-	-	198.92	-	300.38

(1)This includes dividend distribution tax

** As on September 30, 2017*

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. For details in relation to the risk involved, see "*Risk Factors – We may not be able to maintain payment of dividends as done historically*" on page 35.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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Auditors' Report on the Restated Consolidated Summary statement of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 of Nazara Technologies Limited (collectively, the "Restated Consolidated Summary Statements")

January 17, 2018

To
The Board of Directors
Nazara Technologies Limited
51-57, Maker Chambers 3,
Nariman Point, Mumbai 400021, Maharashtra, India

Dear Sirs,

1. We have examined the attached Restated Consolidated Summary Statements of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited) ('the Company') and its subsidiaries (together referred to as "the Group") and its associate, as at and for six month period ended September 30, 2017 and as at and for each of the years ended March 31, 2017,2016, 2015, 2014, and 2013, annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with the proposed Initial Public Offer ("IPO"). The Restated Consolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

   a. Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"); and

   b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended 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 (the "ICDR Regulations").

Management's Responsibility for the Restated Consolidated Summary Statements

2. The preparation of the Restated Consolidated Summary Statements, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Consolidated Summary Statements taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated October 25, 2017, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

   b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and

   c. the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

4. The Company proposes to make an IPO which comprise an offer for sale made by certain shareholders' of existing equity shares of Rs,10 each, at such premium, arrived at by the book building process (referred to as the 'Offer' or 'Issue'), as may be decided Board of Directors of the Company.

Restated Consolidated Summary Statements as per audited consolidated financial statements:

5. The Restated Consolidated Summary Statements have been compiled by the management from the audited interim financial statements of the Group and its associate as at and for the six months ended September 30, 2017 and the audited financial statements of the Group as at and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India, at the relevant time ("Indian GAAP") which have been approved by the Board of Directors at their meetings held on January 17, 2018, November 30, 2017 and November 24, 2016, January 4, 2018, January 4, 2018 and January 4, 2018, respectively and other financial records.

Those consolidated financial statements include financial information in relation to the Company's subsidiaries and its associate as listed below, which are included in the above-mentioned consolidated financial statements:

Sr. No	Name of the entity	Name of the audit firm	Relationship	Period covered
1	Nazara Pte Ltd, Singapore	Bestar Assurance PAC	Subsidiary	As at and for the years ended March 31, 2016, 2015 and 2014
		Ernst & Young LLP	Subsidiary	As at and for the six month period ended September 30, 2017 and as at and for the year ended March 31, 2017
2	Nazara Technologies, Mauritius,	Clarkson & Associates	Subsidiary	As at and for the six month period ended September 30, 2017 and as at and for the years ended March 31, 2017, 2016, 2015 and 2014
3	Nzmobile (Nigeria) Limited, Nigeria	Rosewater Partners	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017, 2016 and 2015 and as at March 31, 2014 and for the period from May 15, 2013 to March 31, 2014
4	Nzmobile Kenya Limited, Kenya	Baker Tilly Merali's	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017, 2016 and 2015, and as at March 31, 2014 and for the period from June 4, 2013 to March 31, 2014
5	Nzmobile Zambia Limited, Zambia	CMI Solutions	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017,

				2016 and 2015 and as at March 31, 2014 and for the period from May 27, 2013 to March 31, 2014
6	Nazara Uganda Limited, Uganda	Abet & Company	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017, 2016 and 2015, and as at March 31, 2014 and for the period from October 31, 2013 to March 31, 2014
7	Nazara Bangladesh Ltd, Bangladesh	Ahmed Zaker & Co.	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the year ended March 31, 2017, as at March 31, 2016 and for the period from July 1, 2015 to March 31, 2016, and as at June 30, 2015 and for the period from July 24, 2014 to June 30, 2015,
8	Master Mind Sports Ltd, United Kingdom (acquired during the six month period ended September 30, 2017)	Harshit Khandwala	Associate	As at September 30, 2017 and for the period from July 1, 2017 to September 30, 2017
9	Nazara Technologies FZ LLC, Dubai	Ernst & Young, Dubai	Subsidiary	As at and for the six month period ended September 30, 2017 and as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013
10	Nazara Europe Limited, United Kingdom	Kingston Smith LLP	Subsidiary	As at August 2, 2016 and for the period from April 1, 2016 to August 2, 2016. As at and for the years ended March 31, 2015, 2014 and 2013
		Unaudited	Subsidiary	As at and for the years ended March 31, 2016

6. For the purpose of our examination, we have relied on:

a) Auditors' Report on the Consolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and Consolidated financial statements of the Company as at for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 as referred in paragraph 5 above issued by us dated January 17, 2018, November 30, 2017 and November 24, 2016, January 4, 2018, January 4, 2018 and January 4, 2018, respectively .

b) As indicated in auditors report on consolidated interim financial statements as at and for the six month period ended September 30, 2017 and consolidated financial statements as at for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 referred to in paragraph 6 (a) above, we did not audit financial statements of certain subsidiaries, whose share of total assets, total revenues and net cash inflows / (outflows) included in the Restated Consolidated Summary Statements, for the relevant years is tabulated below:

(Rs. In Million)

Period ended / Years ended	Number of subsidiaries	Total assets	Total revenues	Net cash (outflow) / inflows
September 30, 2017	8	1,513.30	517.58	281.13
March 31, 2017	8	1,585.56	1,127.96	(20.98)
March 31, 2016	9	1,011.23	942.07	470.08
March 31, 2015	9	572.60	633.69	236.68
March 31, 2014	8	159.85	254.34	77.82
March 31, 2013	2	42.31	96.86	(4.15)

These financial statements, prepared in accordance with accounting principles generally accepted in their respective countries, have been audited by other auditors as listed in paragraph 5 above under generally accepted auditing standards applicable in their respective countries and whose audit reports have been furnished to us. Our opinion in so far as it relates to the amounts included in these Restated Consolidated Summary Statements are based solely on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

The consolidated financial statements for the year ended March 31, 2016 included the following amounts relating to one subsidiary Nazara Europe Limited, 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 opinion, in so far as it relates to the amounts related to such subsidiary as at and for the year ended March 31, 2016, included in these Restated Consolidated Summary Statements, are based solely on the management certified accounts:

(Rs million)

As at and for the period/ year ended	**Total Assets**	**Total Revenue**	**Cash Inflow / (Outflow)**
March 31, 2016	0.95	NIL	0.21

The consolidated interim financial statements for the six month period ended September 30, 2017 included the Group's share of loss of Rs. 0,32 million in respect of its associate Master Mind Sports Limited, whose financial statements for the three month period ended September 30, 2017 have been audited by H S Saluja & Co, whose report have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Consolidated Summary Statements are based on solely on the reports of other auditor.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Company contained in Restated Consolidated Summary Statements which as stated in Para 2.1 of Annexure V to this report have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV – Restated Consolidated Summary Statement of Material Adjustments and Regroupings, read with paragraph 10 below:

a) The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at for the six months period ended September 30, 2017 and as at each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report.

b) The Restated Consolidated Summary Statement of Profit and Loss of the Company for six months period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015 2014 and 2013 examined by us, as set out in Annexure II to this report.

c) The Restated Consolidated Summary Statement of Cash Flows of the Company for the six months period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report.

d) Based on the above and according to the information and explanations given to us, we further report these Restated Consolidated Summary Statements:

i) have been made after incorporating adjustments for the for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

iii) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Consolidated Summary Statements;

iv) There are no qualifications in the auditors' reports on the audited consolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and audited consolidated financial statements of the Company as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 which require any adjustments to the Restated Consolidated Summary Statements;

v) Other audit qualifications included in the auditors' report on the consolidated financial statements as at and for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Consolidated Summary Statements.

The comparative financial information in respect of statement for the corresponding year ended March 31, 2012, is not audited by us.

8. We have not audited any financial statements of the Group and its associate as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group and its associate as of any date or for any period subsequent to September 30, 2017.

Other Financial Information:

9. At the Company’s request, we have also examined the following restated consolidated financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group and its associate as at and for the six month period ended September 30, 2017 and as at and for the years ended March 31, 2017, 2016, 2015, 2014, and 2013.

  i. Restated Consolidated Statement of Share Capital, as Annexure VI,
  ii. Restated Consolidated Statement of Reserves and Surplus, as Annexure VII,
  iii. Restated Consolidated Statement of Long-term provisions, as Annexure VIII,
  iv. Restated Consolidated Statement of Trade payables, as Annexure IX,
  v. Restated Consolidated Statement of Other Current Liabilities, as Annexure X,
  vi. Restated Consolidated Statement of Short-term Provisions, as Annexure XI,
  vii. Restated Consolidated Statement of Property plant and equipment and Intangible Assets, as Annexure XII,
  viii. Restated Consolidated Statement of Non-current Investments, as Annexure XIII,
  ix. Restated Consolidated Statement of Deferred tax asset, as Annexure XIV,
  x. Restated Consolidated Statement of Long-term loans and Advances, as Annexure XV,
  xi. Restated Consolidated Statement of Other non-current assets, as Annexure XVI,
  xii. Restated Consolidated Statement of Current Investments, as Annexure XVII,
  xiii. Restated Consolidated Statement of Trade Receivables, as Annexure XVIII,
  xiv. Restated Consolidated Statement of Cash and Bank Balance, as Annexure XIX,
  xv. Restated Consolidated Statement of Short-term loans and advances, as Annexure XX,
  xvi. Restated Consolidated Statement of Other current assets, as Annexure XXI,
  xvii. Restated Consolidated Statement of Revenue from operations, as Annexure XXII,
  xviii. Restated Consolidated Statement of Other Income, as Annexure XXIII,
  xix. Restated Consolidated Statement of Employee benefits expense, as Annexure XXIV,
  xx. Restated Consolidated Statement of Other expenses, as Annexure XXV,
  xxi. Restated Consolidated Statement of Accounting Ratios, as Annexure XXVI,
  xxii. Consolidated Capitalization Statement, as Annexure XXVII,
  xxiii. Consolidated Statement of Dividend Paid, as Annexure XXVIII,
  xxiv. Restated Consolidated Statement of Related Party Transactions, as Annexure XXIX
  xxv. Restated Consolidated Statement of Other Disclosures, as Annexure XXX

10. According to the information and explanations given to us, in our opinion, the Restated Consolidated Summary Statements and the abovementioned restated consolidated financial information contained in Annexures IV to XXX accompanying this report, read with Summary of Significant Accounting Policies disclosed in Para 2.1 of Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of the Companies, Maharashtra in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: January 17, 2018

Annexure I – Restated consolidated summary statement of assets and liabilities

(Rupees in million, unless otherwise stated)

Particulars	Annexure	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity and liabilities							
Shareholders' funds							
Share capital	VI	19.89	19.89	19.89	19.89	20.34	20.34
Reserves and surplus	VII	2,097.24	2,144.31	1,564.87	1,073.60	652.79	361.81
		2,117.13	**2,164.20**	**1,584.76**	**1,093.49**	**673.13**	**382.15**
Non-current liabilities							
Long-term provisions	VIII	13.69	13.05	11.68	8.49	7.07	5.03
		13.69	**13.05**	**11.68**	**8.49**	**7.07**	**5.03**
Current liabilities							
Trade payable	IX						
Outstanding dues to micro enterprises and small enterprises		-	-	-	-	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises		307.41	240.16	261.65	247.75	92.16	90.04
Other current liabilities	X	85.73	158.07	136.09	72.04	14.43	8.09
Short-term provisions	XI	59.62	7.34	4.71	3.75	2.21	1.41
		452.76	**405.57**	**402.45**	**323.54**	**108.80**	**99.54**
Total		**2,583.58**	**2,582.82**	**1,998.89**	**1,425.52**	**789.00**	**486.72**
Assets							
Non-current assets							
Fixed assets							
Property, plant and equipment	XII	9.26	10.28	15.17	5.21	5.84	6.54
Intangible assets	XII	5.77	8.04	4.53	5.57	5.98	8.29
Intangible assets under development		2.80	1.40	3.60	-	-	-
Non-current investments	XIII	44.59	38.05	24.00	22.65	-	-
Deferred tax assets (net)	XIV	36.44	42.46	18.28	9.94	1.97	3.86
Long term loans and advances	XV	62.28	61.29	45.28	23.97	7.85	8.70
Other non current assets	XVI	1.73	1.68	1.57	-	51.73	114.37
		162.87	**163.20**	**112.43**	**67.34**	**73.37**	**141.76**
Current assets							
Current investments	XVII	736.90	656.31	528.15	327.83	173.85	75.00
Trade receivables	XVIII	365.71	259.50	334.35	211.58	121.00	129.07
Cash and bank balances	XIX	859.85	1,138.31	763.43	538.39	284.10	93.15
Short-term loans and advances	XX	33.78	34.32	35.21	26.57	9.11	3.65
Other current assets	XXI	424.47	331.18	225.32	253.81	127.57	44.09
		2,420.71	**2,419.62**	**1,886.46**	**1,358.18**	**715.63**	**344.96**
Total		**2,583.58**	**2,582.82**	**1,998.89**	**1,425.52**	**789.00**	**486.72**

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 IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Annexure II - Restated consolidated summary statement of profits and losses

(Rupees in million, unless otherwise stated))

Particulars	Annexure	For the six month ended September 30, 2017	For the year ended				
			March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Income							
Revenue from operations	XXII	838.93	1,901.58	2,111.63	1,529.75	873.58	542.14
Other income	XXIII	48.06	87.60	78.43	47.77	27.70	19.08
Total income		**886.99**	**1,989.18**	**2,190.06**	**1,577.52**	**901.28**	**561.22**
Expenses							
Purchase of content		45.06	107.32	111.05	70.56	58.76	71.47
Advertising cost		236.88	529.43	653.20	402.18	194.10	103.63
Employee benefit expenses	XXIV	152.43	238.64	232.38	135.76	118.77	93.95
Other expenses	XXV	136.67	404.13	358.84	213.59	133.70	99.59
Depreciation and amortisation expense	XII	5.95	11.58	9.50	7.95	7.99	9.08
Total expenses		**576.99**	**1,291.10**	**1,364.97**	**830.04**	**513.32**	**377.72**
Restated profit before tax		**310.00**	**698.08**	**825.09**	**747.48**	**387.96**	**183.50**
Tax expenses							
Current tax		106.66	129.90	188.21	164.47	96.61	54.13
Deferred tax charge / (credit)		4.57	(29.02)	(8.33)	(7.95)	1.90	(2.58)
Total tax expense		**111.23**	**100.88**	**179.88**	**156.52**	**98.51**	**51.55**
Restated profit for the period before share of profit/(loss) from associate		**198.77**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**
Share of (loss) from associate		(0.32)	-	-	-	-	-
Restated profit for the period/year		**198.45**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**

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 IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure III - Restated consolidated summary statement of cash flows

(Rupees in million, unless otherwise stated)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash flow from operating activities						
Profit before tax, as restated	310.00	698.08	825.09	747.48	387.96	183.50
Adjustment to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	5.95	11.58	9.50	7.95	7.99	9.08
Expenses on employee stock option scheme	47.53	22.85	-	-	-	-
(Gain)/loss on write off of fixed assets	-	(0.13)	0.37	-	-	0.47
Bad debts	3.51	12.76	6.86	7.81	3.49	6.18
Provision for doubtful debts	7.74	39.36	27.60	16.17	10.79	3.58
Investment Written Off	-	6.70	-	-	-	-
Unrealised foreign exchange loss	17.43	103.09	34.38	1.75	0.91	0.14
Provision for doubtful debts written back	-	-	-	(1.07)	(3.79)	-
Liabilities written back / provision no longer required	(23.56)	(7.20)	(12.38)	(12.86)	-	(2.07)
Net gain on sale of current investments	(5.77)	(26.13)	(16.97)	(4.35)	(1.59)	-
Interest income	(18.43)	(51.79)	(40.99)	(24.71)	(20.67)	(17.00)
Dividend income	-	(0.37)	(3.51)	(3.49)	(0.78)	-
Operating profit before working capital changes	**344.40**	**808.80**	**829.95**	**734.68**	**384.31**	**183.88**
Movements in working capital :						
Increase / (decrease) in trade payables	89.04	(8.41)	23.03	166.23	3.64	42.26
Increase in long-term provisions	0.61	1.43	3.02	1.33	1.96	1.47
Increase / (decrease) in short term provisions	0.20	2.00	(0.35)	0.15	0.34	(0.13)
Increase / (decrease) in other current liabilities	(41.18)	21.92	27.55	27.56	6.73	(29.25)
(Increase) / decrease in trade receivables	(120.17)	5.41	(133.58)	(114.19)	(3.20)	(67.80)
(Increase) / decrease in loans and advances	(0.54)	0.58	(15.69)	(15.17)	(7.46)	41.08
(Increase) / decrease in other current assets	(99.94)	(116.46)	19.22	(126.56)	(72.22)	21.53
Cash generated from operations	172.42	715.27	753.15	674.03	314.10	193.04
Direct taxes paid (net of refunds)	(88.95)	(147.34)	(161.77)	(154.29)	(93.68)	(50.33)
Net cash flow from operating activities (A)	**83.47**	**567.93**	**591.38**	**519.74**	**220.42**	**142.71**
Cash flows from investing activities						
Purchase of fixed assets, including intangible assets under development	(4.07)	(8.13)	(22.38)	(6.85)	(4.81)	(7.01)
Proceeds from disposal of property, plant and equipment	-	0.23	0.05	-	-	-
Purchase of current investments	(361.50)	(505.07)	(927.85)	(506.48)	(260.48)	(65.00)
Proceeds from redemption/maturity of current investments	368.47	403.02	744.52	356.85	163.22	-
Purchase of non current investments	(87.54)	(21.77)	-	(22.15)	-	-
Investment in bank deposits (having original maturity of more than three months)	(306.12)	(1,454.14)	(71.38)	(138.20)	(198.09)	(206.59)
Redemption/maturity of bank deposits (having original maturity of more than three months)	506.98	997.34	175.50	202.67	129.45	214.24
Interest received	21.96	43.62	33.53	26.99	11.71	11.56
Dividends received from current investments	-	0.37	3.51	3.49	0.78	-
Net cash flow from/ (used in) investing activities (B)	**138.18**	**(544.53)**	**(64.50)**	**(83.68)**	**(158.22)**	**(52.80)**
Cash flows from financing activities						
Buyback of shares	-	-	-	(133.93)	-	(79.68)
Dividend paid on equity shares	(300.38)	-	(198.92)	-	-	-
Tax on equity shares dividend	-	-	(0.29)	-	-	-
Tax on buyback of shares	-	-	(3.91)	(26.46)	-	-
Net cash flow used in financing activities (C)	**(300.38)**	**-**	**(203.12)**	**(160.39)**	**-**	**(79.68)**
Net increase in cash and cash equivalents (A + B + C)	**(78.77)**	**23.40**	**323.76**	**275.67**	**62.20**	**10.23**
Effect of exchange differences on cash & cash equivalents held in foreign currency	0.04	(69.38)	7.70	(6.01)	(0.30)	0.50
Cash and cash equivalents at the beginning of the period/year	648.37	694.35	362.89	93.23	31.33	20.60
Cash and cash equivalents at the end of the period/year	**569.64**	**648.37**	**694.35**	**362.89**	**93.23**	**31.33**
Components of cash and cash equivalents						
Cash in hand	0.25	0.01	0.10	0.05	0.02	0.00*
Balances with bank	569.39	603.07	314.06	195.39	93.21	31.33
Deposit with original maturity of less than 3 months	-	45.29	380.19	167.45	-	-
Total cash and cash equivalents	**569.64**	**648.37**	**694.35**	**362.89**	**93.23**	**31.33**

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 IV and V.

* Amount is less than 0.01 million

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Annexure IVA - Notes on material adjustments

1. Below mentioned is the summary of results of adjustments made in the audited consolidated financial statements of the respective years and its impact on the restated consolidated summary statement of profit and loss and restated consolidated summary statement of assets and liabilities:

(Rupees in million, unless otherwise stated)

	Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I.	**Profit after tax (as per audited financial statements)**	**198.45**	**595.28**	**645.24**	**604.40**	**277.90**	**135.95**
II.	**Restatement adjustments:**						
	Depreciation impact due to change of accounting policy (Refer Note A below)	-	-	-	-	-	(3.05)
	Income tax related to earlier years (Refer Note B below)	-	1.92	4.42	(6.34)	-	(1.94)
	Reversal of liability for expenses recorded in the earlier year (Refer Note C below)	-	-	-	(17.50)	17.50	-
	Total	**-**	**1.92**	**4.42**	**(23.84)**	**17.50**	**(4.99)**
III.	**Deferred tax adjustments**						
	Deferred tax impact on above adjustments (Refer Note D below)	-	-	(4.45)	10.40	(5.95)	0.99
	Total	**-**	**-**	**(4.45)**	**10.40**	**(5.95)**	**0.99**
IV.	**Total adjustments (II+III)**	**-**	**1.92**	**(0.03)**	**(13.44)**	**11.55**	**(4.00)**
V.	**Restated profit/(loss) after tax (I+IV)**	**198.45**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**

Notes:

A) During the year ended March 31, 2013 , the holding company has changed (with retrospective effect) its method of providing depreciation on fixed assets, other than leasehold improvements, from the Written Down Value ('WDV') method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line Method (SLM). This change in depreciation method 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 opening reserves of March 31, 2012.

B) The Statement of Profit and Loss for the financial year ended March 31, 2013 includes amount written back with regards to Income tax provision which was in excess and has been appropriately adjusted in the opening reserves.
During the year ended March 31, 2017 and March 31, 2016, the group has recorded tax provision of Rs. 1.92 million and Rs. 4.42 million, respectively for the year ended March 31, 2015 which has now been recorded in the relevant year.

C) During the year ended March 31, 2015, the group has reversed liability of Rs. 17.5 million created in the year ended March 31, 2014. This amount has been adjusted to respective years to which it relates in the restated consolidated summary statements.

D) Deferred tax has been computed on adjustments made as detailed above and have been adjusted to the respective years to which they relate.

2. Adjustments made in the opening balance of surplus in the statement of profits and losses as at March 31, 2012

Particulars	(Amount in Rupees)
Surplus in the statement of profit and loss as at April 1, 2012 as per audited financial statements	**180.19**
Adjustments:	
Depreciation impact due to change of accounting policy (Refer Note A above)	3.05
Deferred tax impact on depreciation (Refer Note D above)	(0.99)
Income tax related to earlier years (Refer Note B above)	1.94
Surplus in the statement of profit and loss as at April 1, 2012 (as restated)	**184.19**

3. Adjustment made in the reserves and surplus

During the year ending March 31, 2016, the education cess of Rs. 3.91 million forming part of tax on buy back of shares completed during the year ended March 31, 2015 was adjusted against Surplus in the statement of profit and loss by the holding company. This amount has been adjusted to the year to which it relates in the restated consolidated summary statements.

Annexure IVB - Non adjusting items

Other matter included in the audittor's report on the consolidated financial statements for for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements are as follows:

Comparative figures (i.e. figures for March 31, 2012) have not been audited by us as they are not required to be included in the proposed Initial Public Offerings ('IPO') document to be issued by the Company.

Annexure IVC - Material regrouping

Appropriate adjustments have been made in the restated consolidated summary statements of assets and liabilities, profits and losses and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the regroupings as per the audited consolidated financial statements of the Company for six months period ended September 30, 2017 prepared in accordance with Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

Annexure V - Notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate information

Nazara Technologies Limited ('Parent' or 'Holding Company') was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/download of games/other contents through telecom consumer base in India and worldwide and digital advertising services. The Holding Company along with its subsidiary companies is hereinafter collectively referred to as the 'Group'.

On 13th December 2017, the Company has converted from Private Company to Public Company. Accordingly, the name of the Company has now changed to Nazara Technologies Limited.

2. Basis of preparation

The restated consolidated summary statement of assets and liabilities of the Group and its associate as at September 30, 2017 , March 31, 2017, 2016, 2015, 2014 and 2013 and the related restated consolidated summary statement of profits and losses and related restated consolidated summary statement of cash flows for the six month period ended September 30, 2017 and for the year ended March 31, 2017, 2016, 2015, 2014 and 2013 herein collectively referred to as ("Restated Consolidated Summary Statements") have been compiled by the management from the audited consolidated financial statements for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 respectively, which were prepared under generally accepted accounting principles in India (Indian GAAP) and approved by the Board of Directors of the Group at that relevant time.

The Restated Consolidated Summary statements have been prepared specifically for the 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.

These Restated Consolidated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared 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 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the relevant provisions of 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.

The Restated Consolidated Summary Statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

The Group has prepared the consolidated financial statements in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard 21 and Accounting Standard 25 notified under the Companies Act, 1956 (the "Act") and as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India as applicable. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies have been consistently applied by the Group and are consistent with those adopted in the preparation of interim consolidated financial statement for the period ended September 30, 2017.

The Group includes the share of loss of associate company for the period ended September 30, 2017 in which the Group has significant influence and which is neither a subsidiary nor a joint venture, which are accounted under "Equity Method" in accordance with Accounting standard (AS) 23 on Accounting for Investment in Associates, as per which the share of loss of associate company has been restricted to the cost of investment.

These consolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 in addition to the Revised Schedule VI to the Companies Act, 1956.

List of subsidiary companies and associates included in the 'Restated Consolidated Summary Statements' are as follows:

Name	Country of Incorporation	% of ownership interest					
		Sep 17	Mar 17	Mar 16	Mar 15	Mar 14	Mar 13
Subsidiaries							
Nazara Technologies FZ LLC	Dubai	100%	100%	100%	100%	100%	100%
Nazara Europe Limited (Liquidated w.e.f. 02 Aug, 2016)	United Kingdom	-	-	100%	100%	100%	100%
Nazara Pte Ltd	Singapore	100%	100%	100%	100%	100%	100%
Nazara Pro Gaming Private Limited	India	100%	-	-	-	-	-
Step-down subsidiaries							
Subsidiaries of Nazara Pte Ltd							
Nazara Technologies	Mauritius	100%	100%	100%	100%	100%	-
Nazara Bangladesh Limited $	Bangladesh	100%	100%	100%	100%	100%	-
Subsidiaries of Nazara Technologies							
Nazara Zambia Limited $	Zambia	99.98%	99.98%	99.98%	99.98%	99.98%	-
Nzmobile Nigeria Limited $	Nigeria	99.90%	99.90%	99.90%	99.90%	99.90%	-
Nzmobile Kenya Limited $	Kenya	99.90%	99.90%	99.90%	99.90%	99.90%	-
Nazara Uganda Limited $	Uganda	99%	99%	99%	99%	99%	-
Associates of Nazara Pte Ltd							
Mastermind Sports Limited (w.e.f 05 April, 2016)	United Kingdom	23.34%	17%	-	-	-	-

$ Includes beneficial ownership.

2.1. Summary of significant accounting policies

a. Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

The Group identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated statement of profit or loss during the reporting period in which they are incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realisable value. Any write-down is recognised in the consolidated statement of profit and loss.

c. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Group has used the following useful lives to provide depreciation on its property, plant and equipment.

Property, plant and equipment	For the period ended September 2017 and for each of the years ended March 31, 2017, 2016 and 2015		For each of the years ended March 31, 2014 and 2013	
	Useful lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	Useful lives estimated by the management from April 1, 2014 onwards	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31, 2014	Depreciation rates as per useful lives as estimated by the management till March 31, 2014
Furniture and fixtures	10 years	5 years	16 years	5 years
Computer and Printers	3 years	3 years	6 years	3 years
Office equipments	5 years	3 to 4 years	7 years	3 years
Motor Car	8 years	3 years	11 years	3 years

Based on the internal technical evaluation, the Group has considered useful lives as mentioned above instead of the revised useful life as prescribed under Schedule II of the Companies Act, 2013.

The Group depreciates leasehold improvements is amortized over the economic useful life of asset or three years whichever is lower. Reassessment of the useful life is undertaken by the management every year.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life i.e. 3 years.

The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed 10 years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds 10 years, the Group amortises the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 Net profit or loss for the period, prior period items and changes in accounting policies.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

e. Impairment of fixed assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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 the risks specific to the asset.

f. Leases

Where the Group is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

g. Investments

Investments, which are readily realisable 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the consolidated financial statements 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 consolidated statement of profit and loss.

h. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

i. Income from services

- Revenue from subscription/download of games/other contents is recognised in the period in which services are rendered as per the contract with operators and content distributors.
- Revenue from advertising services is recognised in the period in which advertisings are displayed.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head “other income” in the consolidated statement of profit and loss.

iii. Dividends

Dividend income is recognised when the Group’s right to receive dividend is established by the reporting date.

i. Foreign currency translation

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.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

j. Translation of foreign operations

Translation of foreign subsidiaries are done in accordance with AS-11 (Revised) “The effect of changes in foreign exchange rates”. The financial statements of integrated 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 non-integral foreign operation is translated at the closing rate.

Exchange gain / loss arising on conversion are recognised under foreign currency translation reserve.

k. 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 used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects 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 reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group 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.

l. Provisions

A provision is recognised when the Company 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 of the amount of obligation. Provisions except for provision for decommission, restoration and similar liabilities that are recognised as cost of Property, Plant and Equipment 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.

m. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised 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 recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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.

o. 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 Group 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.

p. Corporate Social responsibility

Corporate social responsibility expense is recognised as it is incurred by the Group or when Group has entered into any legal or constructive obligation for incurring such an expense.

q. Segment reporting

i. Identification of segments

The Group operating businesses are organised and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

ii. Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

iii. Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

iv. Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

r. Retirement and other employee benefits

The Parent Company has retirement benefits in the form of provident fund, a defined contribution scheme. The Parent Company has no obligation, other than the contribution payable to the provident fund. The Parent Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

The costs of providing benefits under gratuity benefit plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for a plan using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the consolidated statement of profit and loss.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Parent Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

s. Derivative instruments

Premium/discount in respect of forward foreign exchange contract to hedge an underlying recorded asset or liability is recognised over the life of the contracts. Exchange differences on such contracts are recognised in the consolidated statement of profit and loss in the year in which the exchange rate changes. Any profit or loss on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

t. 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.

Annexure VI - Restated consolidated Statement of Share Capital

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount
Share capital												
Authorised shares												
Equity shares of Rs 10/- each (refer note 1 below)	2,198,796	21.99	2,198,796	21.99	2,198,796	21.99	1,325,000	13.25	1,325,000	13.25	1,325,000	13.25
Preference shares of Rs 10/- each (refer note 2 below)	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	2,125,000	21.25	2,125,000	21.25	2,125,000	21.25
	3,450,000	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**
Issued, subscribed and paid-up												
Equity shares of Rs 10/- each fully paid	1,989,246	19.89	1,989,246	19.89	1,989,246	19.89	**738,042**	7.38	783,442	7.83	783,442	7.83
0.01% optionally convertible participating preference shares (OCPPS) of Rs. 10/- each fully paid up		-		-		-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
	1,989,246	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**2,034,646**	**20.34**	**2,034,646**	**20.34**

(a) Reconcilation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**
At the beginning of the year	1,989,246	19.89	1,989,246	19.89	738,042	7.38	783,442	7.83	783,442	7.83	867,938	8.68
Buy-back during the year (refer note 3 below)	-	-	-	-	-	-	(45,400)	(0.45)	-	-	(84,496)	(0.85)
Conversion of OCPPS (refer note 4 below)	-	-	-	-	1,251,204	12.51	-	-	-	-	-	-
Outstanding at the end of the year	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**738,042**	**7.38**	**783,442**	**7.83**	**783,442**	**7.83**

OCPPS

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**
At the beginning of the year	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
Issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Conversion into equity shares	-	-	-	-	(1,251,204)	(12.51)	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51

Notes:

1) Authorised share capital of the equity shares of the Company was increased by Rs. 8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.

2) Authorised share capital of the preference shares of the Company was reduced by Rs. 8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.

3) During the year ended March 31, 2013, the Company has bought-back 84,496 shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs. 7.88 million has been utilised from the securities premium. Further during the year ended March 31, 2015, the company has bought-back 0.05 million shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs.4.55 milliom has been utilised from the securities premium. (Refer Annexure VII)

4) During the year ended March 31, 2016, the Company has converted 1.25 million OCPPS of Rs 10 each into 1,251,204 equity shares of Rs 10 each pursuant to resolution passed in Board Meeting on March 30,2016. The Board of Directors of the Company at their board meeting held on March 30, 2016 have allotted one equity share for every one OCPPS.

Annexure VI - Restated consolidated Statement of Share Capital

(b) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class
Equity shares of Rs 10 each fully paid												
Mitter Infotech LLP	558,356	28.1%	558,356	28.07%	558,356	28.07%	558,356	75.65%	598,357	76.38%	700,087	89.36%
West Bridge Venture II Investment Holdings	1,352,944	68.0%	1,352,944	68.01%	1,352,944	68.01%	101,740	13.79%	101,740	12.99%	-	-
Emerging Investment Limited	-	-	-	-	-	-	44,065	5.97%	47,209	6.03%	47,209	6.03%
OCPPS of Rs 10 each fully paid												
West Bridge Venture II Investment Holdings	-	-	-	-	-	-	1,251,204	100.00%	1,251,204	100.00%	1,251,204	100.00%

As per records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownerships of shares.

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company, ulitmate holding company and their subsidiaries/associates are as below:

Name of the shareholder	September 30, 2017 Amount	March 31, 2017 Amount	March 31, 2016 Amount	March 31, 2015 Amount	March 31, 2014 Amount	March 31, 2013 Amount
West Bridge Venture II Investment Holdings, the holding company from March 30, 2016	13.53	13.53	13.53	-	-	-
	-	-	-	-	-	-
Mitter Infotech LLP, the holding firm till March 29, 2016	-	5.58	5.58	5.58	5.98	7.00

Note 1 : Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 12 (1) of Annexure XXX)

(d) Terms/rights attached to equity shares

1. Voting rights

   Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

   The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

   In the event the Company proposes to make preferential issue of shares then **'**West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

   In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

   In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

   In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

   In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

Annexure VI - Restated consolidated Statement of Share Capital

6. Liquidation Preference:

In the Event of "Liquidation Event" as defined in shareholders agreement, equity shareholders will be entitled to receive consideration or proceed on a pro rata basis in the proportions of their ownership in the total paid up capital of the company on a fully diluted basis as defined in the AOA of the Company, after distribution of all preferential amounts.

"Liquidation event" shall (except for the issue of shares under an IPO) be deemed to include the following:-

(a) Commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or

(b) The consummation of a consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its Shareholders, collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities, or

(c) Sale or transfer of more than 50% [fifty percent] of the then outstanding Shares by the Shareholders, such that the Shareholders, which shall include the Investor, prior to any such transaction, retain after such transaction less than 50% of voting power of the Company

(d) The sale of, transfer of or creation of an encumbrance of any nature whatsoever or the appointment of a receiver in any proceedings, in more than 50% of the value of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the Company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever in more than 50% of the value of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in one or a series of transactions), which has not been vacated within 15 days of the passing of such order by the court. Subsection (d) would not apply to a case of consolidation, merger, reorganisation or other similar transaction referred to in sub-section (b)

7. Other Rights:

Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation/ amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) Terms of conversion/redemption of (OCPPS)

Till March 29, 2016 , the Company had only one series of preference shares having par value of Rs 10 each.The preference shares were held by the investor. The following were the rights and preferences attached to preference shares.

1. Voting rights

   The preference shareholders shall have right to vote on as converted to equity share basis.

2. Right as to dividend

   The preference shares will carry a fixed rate of dividend at the rate of 0.01% calculated on a fully diluted basis i.e. on as an if converted basis, is identically the same percentage rate as the dividend declared by the Company on its equity shares.

3. Redemption and conversion rights:

   The preference shareholders investor have right to redeeem any time after expiry of 5 years from closing date i.e., 5th September, 2005 at the option of the preference shareholder at the fair market value as determined by an independent valuer.

   Further, the preference shareholders have right to convert at any time in the ratio of 1:1 subject to adjustment of stock splits, bonus, dividends , recapitalisation and other similar events.

   Apart from above, the investor have the right of first offer, right of first refusal, tag along rights, drag along rights as mentioned in paragraph 3, 4 and 5 of Annexure VI (d) as preference shareholders.

   On March 30 2016, as indicated in annexure VI (a) above, the Company had converted 1,251,204 optionally convertible participating preference shares of Rs 10 each into 1,251,204 equity shares of Rs 10 each, hence there are no outstanding OCPPS as at March 31, 2016, 2017 and September 30, 2017.

(f) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company. (refer note 1 of Annexure XXX).

(g) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Equity shares bought back at the beginning of the year	129,896	129,896	129,896	84,496	84,496	-
Equity shares bought back by the Company	-	-	-	45,400	-	84,496
	129,896	129,896	129,896	129,896	84,496	84,496

Note -

The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

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 IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)
Annexure VII - Restated consolidated Statement of Reserves and Surplus

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Reserves and surplus						
Securities premium account						
Balance as per last financial statements	-	-	-	45.45	45.45	124.29
Less:-utilised for buyback of shares (refer note 1 below)	-	-	-	(45.45)	-	(78.84)
Closing balance	-	-	-	-	45.45	45.45
Surplus in the statement of profit and loss						
Balance as per last financial statements	2,115.28	1,518.08	1,072.09	604.34	315.30	184.19
Add: amount transferred from surplus balance in the statement of profit and loss	198.45	597.20	645.21	590.96	289.45	131.95
Less:- utilised for buyback of shares (refer note 1 below)	-	-	-	(88.02)	-	-
Less :- transferred to Statutory Reserve					(0.41)	
Less:- transfer to capital redemption reserve account (refer note 1 below)	-	-	-	(0.46)	-	(0.84)
Less:- tax on buyback of shares (refer note 1 below and note 3 to Annnexure IVA)	-	-	-	(30.36)	-	-
Less:- utilised for dividend distribution	(300.38)	-	(198.93)	-	-	-
Add/ Less : Due to Rate Difference				(4.37)		
Less:- tax on dividend distributed	-	-	(0.29)	-	-	-
Closing balance	2,013.35	2,115.28	1,518.08	1,072.09	604.34	315.30
Capital redemption reserve account						
Balance as per last financial statements	1.30	1.30	1.30	0.84	0.84	-
Add:- transferred from surplus in the statement of profit and loss (refer note 1 below)	-	-	-	0.46	-	0.84
Closing balance	1.30	1.30	1.30	1.30	0.84	0.84
Employee stock options outstanding						
Balance as per last financial statements	22.85	-	-	-	-	-
Add:- options granted	47.53	22.85	-	-	-	-
Closing balance	70.38	22.85	-	-	-	-
Statutory Reserve						
Balance as per last financial statement	0.45	0.45	0.45	0.41	-	-
Add:- transferred from surplus in the statement of profit and loss	-	-	-	-	0.41	-
Add/ Less : Due to Rate Difference	-	-	-	0.04	-	-
Closing balance	0.45	0.45	0.45	0.45	0.41	
Foreign currency translation reserve						
Balance as per last financial statements	4.43	45.04	(0.24)	1.75	0.22	0.19
Add:- addition during the year (net)	7.33	(40.61)	45.28	(7.17)	1.53	0.03
Add/ Less : Due to Rate Difference	-	-	-	5.18	-	-
Closing balance	11.76	4.43	45.04	(0.24)	1.75	0.22
	2,097.24	**2,144.31**	**1,564.87**	**1,073.60**	**652.79**	**361.81**

Notes:

1) During the year ended March 31, 2013, the holding company has bought-back 84,496 shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs. 78.83 million has been utilised from the securities premium and the holding company has transferred Rs.0.84 million from surplus in the statement of profit and loss to capital redemption reserve account.

   During the year ended March 31, 2015, the holding company has bought-back 45,400 shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs. 4.55 million and Rs.88.02 million has been utilised from the securities premium and surplus in the statement of profit and loss respectively. Further, the holding company has transferred Rs.0.45 million from surplus in the statement of profit and loss to capital redemption reserve account and Rs. 30.36 million has been utilised from surplus in the statement of profit and loss towards tax on buyback of shares.

2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate .

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 IV and V.

Annexure VIII - Restated consolidated Statement of Long-term provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits						
Provision for gratuity (Refer Note 3 of Annexure XXX)	13.69	13.05	11.68	8.49	7.07	5.03
	13.69	**13.05**	**11.68**	**8.49**	**7.07**	**5.03**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

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 IV and V.

Annexure IX - Restated consolidated statement of Trade Payables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade payable						
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 7 in Annexure XXX for details of dues to micor and small enterprises)	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	307.41	240.16	261.65	247.75	92.16	90.04
	307.41	**240.16**	**261.65**	**247.75**	**92.16**	**90.04**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

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 IV and V.

Annexure X - Restated consolidated statement of Other Current Liabilities

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Other current liabilities						
Employee payables	25.19	31.35	18.68	12.08	3.79	1.83
Payable for capital expenditure	2.00	2.03	2.09	0.07	-	1.03
Deferred revenue	7.67	10.78	29.87	14.65	-	0.21
Other payables						
Statutory liabilities	5.67	5.87	4.08	7.28	1.63	0.24
Tax deducted at source	45.20	108.04	81.37	37.96	9.01	4.78
	85.73	**158.07**	**136.09**	**72.04**	**14.43**	**8.09**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
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 IV and V.

Annexure XI - Restated consolidated statement of Short-term Provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Short-term provisions						
Provision for compensated absences	3.91	3.71	1.71	1.83	1.68	1.34
Provision for income tax (net of advance tax)	55.71	3.63	3.00	1.92	0.53	0.07
	59.62	**7.34**	**4.71**	**3.75**	**2.21**	**1.41**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
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 IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XII -Restated consolidated Statement of Fixed Assets (Property plant and equipment and Intangible Assets)

Gross Block

(Rupees in million, unless otherwise stated)

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	11.27	1.56	1.28	1.09	4.08	19.28	16.28	-	-	16.28	35.56
Additions	2.07	0.44	0.49	-	-	3.00	0.40	-	3.64	4.04	7.04
Disposal	(2.07)	(0.20)	(0.73)	-	-	(3.00)	(0.41)	-	-	(0.41)	(3.41)
#Foreign exchange adjustments	0.00*	0.01	-	-	0.03	0.04	0.00*	-	-	0.00*	0.04
As at March 31, 2013	**11.27**	**1.81**	**1.04**	**1.09**	**4.11**	**19.32**	**16.27**	**-**	**3.64**	**19.91**	**39.23**
Additions	1.86	0.81	-	0.57	-	3.24	1.57	-	-	1.57	4.81
Disposal	-	(0.03)	-	-	-	(0.03)	-	-	-	-	(0.03)
#Foreign exchange adjustments	0.10	0.03	0.00*	-	0.06	0.19	0.02	-	-	0.02	0.21
As at March 31, 2014	**13.23**	**2.62**	**1.04**	**1.66**	**4.17**	**22.72**	**17.86**	**-**	**3.64**	**21.50**	**44.22**
Additions	2.22	0.68	0.06	-	-	2.96	3.88	-	-	3.88	6.84
Disposal	-	-	-	-	-	-	(7.99)	-	-	(7.99)	(7.99)
#Foreign exchange adjustments	0.06	0.01	0.00*	0.03	0.03	0.13	0.00*	-	-	0.00*	0.13
As at March 31, 2015	**15.51**	**3.31**	**1.10**	**1.69**	**4.20**	**25.81**	**13.75**	**-**	**3.64**	**17.39**	**43.20**
Additions	14.74	1.07	0.46	-	-	16.27	2.52	-	-	2.52	18.79
Disposal	(1.25)	(0.35)	-	-	(0.67)	(2.27)	(0.25)	-	-	(0.25)	(2.52)
#Foreign exchange adjustments	0.08	0.03	0.00*	0.03	0.04	0.18	0.01	-	-	0.01	0.19
As at March 31, 2016	**29.08**	**4.06**	**1.56**	**1.72**	**3.57**	**39.99**	**16.03**	**-**	**3.64**	**19.67**	**59.66**
Additions	0.43	0.63	-	2.01	-	3.07	-	7.20	-	7.20	10.27
Disposal	(0.57)	(0.51)	-	(0.61)	(3.57)	(5.26)	(0.02)	-	-	(0.02)	(5.28)
#Foreign exchange adjustments	0.00*	0.00*	0.00*	(0.01)	-	(0.01)	0.00*	-	-	0.00*	(0.01)
As at March 31, 2017	**28.94**	**4.18**	**1.56**	**3.11**	**-**	**37.79**	**16.01**	**7.20**	**3.64**	**26.85**	**64.64**
Additions	-	-	-	2.67	-	2.67	-	-	-	-	2.67
Disposal	0.00*	0.00*	0.00*	(0.02)	-	(0.02)	-	-	-	-	(0.02)
At September 30, 2017	**28.94**	**4.18**	**1.56**	**5.76**	**-**	**40.44**	**16.01**	**7.20**	**3.64**	**26.85**	**67.29**

Depreciation

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	4.72	0.29	0.62	0.05	3.61	9.29	8.97	-	-	8.97	18.26
Charge for the year	4.53	0.75	0.19	0.42	0.14	6.03	2.95	-	0.10	3.05	9.08
Disposals	(1.75)	(0.20)	(0.59)	-	-	(2.54)	(0.41)	-	-	(0.41)	(2.95)
#Foreign exchange adjustments	0.00*	0.00*	0.00*	-	0.00*	0.00*	0.00*	-	-	0.00*	0.00*
As at March 31, 2013	**7.50**	**0.84**	**0.22**	**0.47**	**3.75**	**12.78**	**11.51**	**-**	**0.10**	**11.61**	**24.39**
Charge for the year	2.47	0.72	0.22	0.53	0.15	4.09	2.69	-	1.21	3.90	7.99
Disposals	-	(0.02)	-	-	-	(0.02)		-	-	-	(0.02)
#Foreign exchange adjustments	0.01	0.00*	0.00*	0.00*	0.02	0.03	0.00*	-	-	-	0.03
As at March 31, 2014	**9.98**	**1.54**	**0.44**	**1.00**	**3.92**	**16.88**	**14.20**	**-**	**1.31**	**15.51**	**32.39**
Charge for the year	2.17	0.69	0.23	0.39	0.17	3.65	3.09	-	1.21	4.30	7.95
Disposals	-	-	-	-	-	-	(7.99)	-	-	(7.99)	(7.99)
#Foreign exchange adjustments	0.04	0.01	0.00*	0.00*	0.02	0.07	0.00*	-	0.00*	0.00*	0.07
As at March 31, 2015	**12.19**	**2.24**	**0.67**	**1.39**	**4.11**	**20.60**	**9.30**	**-**	**2.52**	**11.82**	**32.42**
Charge for the year	4.68	0.77	0.31	0.21	-	5.97	2.41	-	1.12	3.53	9.50
Disposals	(0.96)	(0.34)	-	-	(0.56)	(1.86)	(0.21)	-	-	(0.21)	(2.07)
#Foreign exchange adjustments	0.05	0.02	0.00*	0.02	0.02	0.11	0.00*	-	-	-	0.11
As at March 31, 2016	**15.96**	**2.69**	**0.98**	**1.62**	**3.57**	**24.82**	**11.50**	**-**	**3.64**	**15.14**	**39.96**
Charge for the year	6.12	0.88	0.24	0.66	-	7.90	2.35	1.33	-	3.68	11.58
Disposals	(0.57)	(0.50)	-	(0.55)	(3.57)	(5.19)	(0.01)	-	-	(0.01)	(5.20)
#Foreign exchange adjustments	0.00*	0.00*	0.00*	(0.02)	-	(0.02)	0.00*	-	-	-	(0.02)
As at March 31, 2017	**21.51**	**3.07**	**1.22**	**1.71**	**-**	**27.51**	**13.84**	**1.33**	**3.64**	**18.81**	**46.32**
Charge for the year	2.80	0.37	0.09	0.42	-	3.67	1.07	1.21	-	2.27	5.95
Disposals	-	-	-	-	-	-	-	-	-	-	-
#Foreign exchange adjustments	0.00*	0.00*	0.00*	0.00*	-	0.00*	-	-	-	0.00*	0.00*
As at September 30,2017	**24.31**	**3.44**	**1.31**	**2.13**	**-**	**31.18**	**14.91**	**2.54**	**3.64**	**21.08**	**52.27**

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Net block

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at March 31, 2013	3.77	0.97	0.82	0.62	0.36	6.54	4.76	-	3.53	8.29	14.83
As at March 31, 2014	3.25	1.08	0.60	0.66	0.25	5.84	3.66	-	2.32	5.98	11.82
As at March 31, 2015	3.32	1.07	0.43	0.30	0.09	5.21	4.45	-	1.12	5.57	10.78
As at March 31, 2016	13.12	1.37	0.58	0.10	-	15.17	4.53	-	-	4.53	19.70
As at March 31, 2017	7.43	1.11	0.34	1.40	-	10.28	2.17	5.87	-	8.04	18.32
As at September 30, 2017	4.63	0.74	0.25	3.63	-	9.26	1.10	4.66	-	5.77	15.03

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
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 IV and V.

represents exchange difference resulting from translation of fixed assets relating to non-integral operations.

* Amount is less than 0.01 million

Annexure XIII - Restated consolidated statement of Non-current Investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Non-current investment												
Trade investment (at cost) (unquoted)												
Investment in associate												
Mastermind Sports Limited (including goodwill of Rs 20,849,902) - Equity shares of USD 0.01 each	72,389	21.22	-	-	-	-	-	-	-	-	-	-
Add: post acquisition share of (loss) for the period ended on 30th Sep, 2017	-	(0.32)	-	-	-	-	-	-	-	-	-	-
	72,389	20.90	-	-	-	-	-	-	-	-	-	-
Investment in others												
Hashcube Inc - Convertible preference shares of USD 0.00001 each	2,451,546	23.69	2,451,546	23.49	2,451,546	24.00	2,451,546	22.65	-	-	-	-
Mastermind Sports Limited (including goodwill of Rs 20,849,902) - Equity shares of USD 0.01 each	-	-	50,116	14.56	-	-	-	-	-	-	-	-
	2,523,935	**44.59**	**2,501,662**	**38.05**	**2,451,546**	**24.00**	**2,451,546**	**22.65**	-	-	-	-

Notes:

The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

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 IV and V.

Annexure XIV - Restated consolidated statement of Deferred tax assets (net)

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred tax assets						
Provision for doubtful debts	13.53	10.85	4.16	0.09	0.40	1.29
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	19.48	28.41	5.52	3.24	0.10	1.92
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	2.43	1.57	1.03	2.16	1.47	0.65
Impact of revenue offered to tax but recorded in the statement of profit and loss in the subsequent year	1.00	1.63	7.57	4.45	-	-
	36.44	**42.46**	**18.28**	**9.94**	**1.97**	**3.86**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
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 IV and V.

Annexure XV - Restated consolidated statement of long term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(Unsecured, considered good)						
Security deposits	15.72	14.70	12.83	2.78	4.90	4.10
Capital advance	-	-	-	1.30	-	-
Advance income -tax (net of provision for tax)	46.56	46.59	32.45	19.89	2.95	4.60
Total	**62.28**	**61.29**	**45.28**	**23.97**	**7.85**	**8.70**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

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 IV and V.

Annexure XVI - Restated consolidated statement of other non current assets

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise						
Non-current bank balances (refer annexure XIX)	1.65	1.65	1.50	-	49.10	109.50
Others						
Interest accrued on fixed deposits	0.08	0.03	0.07	-	2.63	4.87
	1.73	**1.68**	**1.57**	**-**	**51.73**	**114.37**

Note:

1) The fixed deposit aggregating to Rs 1.65 million as at September 30, 2017 and March 31, 2016 and Rs 1.50 million as at March 31, 2016 is under lien to bank for issuing bank guarantee.

2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

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 IV and V.

Annexure XVII - Restated consolidated statement of current investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount
1 Current investments (valued at lower of cost and fair value, unless stated otherwise)												
a. Investments in mutual funds (unquoted)												
SBI MF SDFS 367 Days	-	-	-	-	-	-	-	-	-	-	999,990	10.00
HDFC FMP 370D July 2013	-	-	-	-	-	-	-	-	1,000,000	10.00	-	-
SBI SDFS A 16 366 Days-Regular-Growth	-	-	-	-	-	-	-	-	2,250,000	22.50	-	-
SDFS - A 3 420 Days -Regular- Growth	-	-	-	-	-	-	4,031,085	40.31	4,031,085	40.31	-	-
SBI Magnum Gilt - Long Term Plan (G)	-	-	-	-	-	-	685,086	20.00	-	-	-	-
Franklin India Income Builder Account	-	-	-	-	-	-	207,276	10.00	-	-	-	-
SBIMF-Magnum income fund	1,577,816	45.82	1,756,450	51.01	1,757,450	51.01	1,756,450	51.01	1,756,450	51.01	2,248,626	65.00
BNP paribas flexi debt fund	828,972	20.00	828,972	20.00	828,972	20.00	414,993	10.00	-	-	-	-
SBI ultra short term fund	-	-	12,830	25.95	23,994	44.92	67,815	121.48	-	-	-	-
SDFS 17 months - series 1	-	-	-	-	1,003,037	10.03	1,003,037	10.03	1,003,037	10.03	-	-
SDFS 18 months - series XII	-	-	-	-	2,504,000	25.00	2,500,000	25.00	2,500,000	25.00	-	-
SBI dynamic bond fund	-	-	-	-	1,751,096	30.00	1,167,986	20.00	-	-	-	-
ICICI prudential gilt fund	670,604	34.63	670,604	34.63	848,326	40.00	212,054	10.00	-	-	-	-
Kotak gilt investment regular growth	627,212	32.71	627,212	32.71	837,909	40.00	209,563	10.00	-	-	-	-
SBI short term fund	1,210,302	20.00	1,210,302	20.00	1,210,302	20.00	-	-	-	-	-	-
SBI corporate bond	2,858,784	70.00	2,858,784	70.00	850,008	20.00	-	-	-	-	-	-
SBI debt fund series B – 33	2,000,000	20.00	2,000,000	20.00	2,000,000	20.00	-	-	1,500,000	15.00	-	-
SBI regular saving fund	3,470,651	90.00	3,470,651	90.00	2,009,765	50.00	-	-	-	-	-	-
Birla sunlife saving fund	269	0.09	-	-	-	-	-	-	-	-	-	-
Birla sunlife saving fund	-	-	-	-	86,812	25.00	-	-	-	-	-	-
ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.07	-	-	-	-	-	-
IIFL cash opportunities fund	6,435,543	69.58	4,700,293	49.72	2,850,436	29.99	-	-	-	-	-	-
Birla sun life dynamic bond fund	399,552	10.00	339,552	10.00	-	-	-	-	-	-	-	-
Birla sun life short term opportunities fund	368,370	10.00	368,370	10.00	-	-	-	-	-	-	-	-
BNP paribas medium term income fund	783,447	10.00	783,447	10.00	-	-	-	-	-	-	-	-
DSP black rock income opportunities fund	372,250	10.00	372,250	10.00	-	-	-	-	-	-	-	-
IDFC super saver income fund short term	641,350	20.00	641,350	20.00	-	-	-	-	-	-	-	-
L&T income opportunities fund	1,722,655	30.00	1,722,655	30.00	-	-	-	-	-	-	-	-
Reliance short term fund	853,250	25.00	853,250	25.00	-	-	-	-	-	-	-	-
SBI treasury advantage fund	18,977	32.17	18,977	32.17	-	-	-	-	-	-	-	-
Tata short term bond fund	351,136	10.00	351,136	10.00	-	-	-	-	-	-	-	-
Aditya Birla Sun Life Corporate Bond Fund regualar growth	799,316	10.00	-	-	-	-	-	-	-	-	-	-
Reliance Corporate Bond Fund-Growth Plan	732,295	10.00	-	-	-	-	-	-	-	-	-	-
UTI short term income fund	1,075,645	20.00	1,075,645	20.00	-	-	-	-	-	-	-	-
	27,798,396	**600.00**	**24,662,730**	**591.19**	**18,727,096**	**473.02**	**12,255,345**	**327.83**	**14,040,572**	**173.85**	**3,248,616**	**75.00**
b. Investments in debentures (quoted)												
IIFL Wealth Finance market linked debentures	-	-	100	10.00	-	-	-	-	-	-	-	-
2000 6.38% debentures in Emirates NBD	2,000	13.87	-	-	-	-	-	-	-	-	-	-
2000 5.75% debentures Tata Motor	2,000	14.36	-	-	-	-	-	-	-	-	-	-
2000 4.88% debentures Jubliant Pharma Ltd	2,000	13.38	-	-	-	-	-	-	-	-	-	-
2000 4.50% debentures GlenMark	2,000	13.25	-	-	-	-	-	-	-	-	-	-
2000 5.25% debentures JSW Steel	2,000	13.51	-	-	-	-	-	-	-	-	-	-
2000 5.30% debentures Marble II	2,000	13.40	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	12,000	**81.77**	**100**	**10.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
c. Investments in tax free bonds (quoted)												
7.39% HUDCO tax free bond series IIA	7,007	7.01	7,007	7.01	7,007	7.01	-	-	-	-	-	-
7.39% HUDCO bond tax free bond series IIA	7,529	7.53	7,529	7.53	7,529	7.53	-	-	-	-	-	-
7.35% IRFC tax free bond series IIA	5,878	5.88	5,878	5.88	5,878	5.88	-	-	-	-	-	-
7.35% NABARD tax free bond series IIA	5,010	5.01	5,010	5.01	5,010	5.01	-	-	-	-	-	-
7.35% NHAI tax free bond series IIA	29,704	14.28	29,704	14.28	29,704	14.28	-	-	-	-	-	-
7.39% NHAI tax free bond series IIA	15,419	15.42	15,419	15.41	15,419	15.42	-	-	-	-	-	-
	70,547	**55.13**	**70,547**	**55.12**	**70,547**	**55.13**	**-**	**-**	**-**	**-**	**-**	**-**
	27,880,943	**736.90**	**24,733,377**	**656.31**	**18,797,643**	**528.15**	**12,255,345**	**327.83**	**14,040,571.80**	**173.85**	**3,248,616**	**75.00**
Notes:												
Aggregate net assest value of unquoted investments in mutual fund based on NAV declared by mutual fund		683.78	-	652.74	-	504.43	-	346.18	-	178.78	-	76.49
Aggregate market value of quoted investments in debentures		80.89	-	10.77	-	-	-	-	-	-	-	-
Aggregate market value of quoted investments in tax free bonds		63.40	-	62.30	-	56.22	-	-	-	-	-	-

Note:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate .

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 IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XVIII - Restated consolidated statement of Trade receivables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, considered good	76.41	42.81	22.58	9.64	2.72	7.00
Unsecured, considered doubtful	15.74	23.44	6.62	2.67	10.73	3.79
	92.15	66.25	29.20	12.31	13.45	10.79
Less: Provision for doubtful debts	(15.74)	(23.44)	(6.62)	(2.67)	(10.73)	(3.79)
	76.41	42.81	22.58	9.64	2.72	7.00
Outstanding for a period less than six months from the date they are due for payment						
Unsecured, considered good	289.30	216.69	311.77	201.94	118.28	122.07
Considered doubtful	22.89	49.84	-	-	-	-
	312.19	266.53	311.77	201.94	118.28	122.07
Provision for doubtful debts	(22.89)	(49.84)	-	-	-	-
	289.30	216.69	311.77	201.94	118.28	122.07
Total	**365.71**	**259.50**	**334.35**	**211.58**	**121.00**	**129.07**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
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 IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XIX - Restated consolidated statement of Cash and Bank balances

(Rupees in million, unless otherwise stated)

	Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
a.	**Cash and cash equivalents**						
	Cash in hand	0.25	0.01	0.10	0.05	0.02	0.00*
	Balances with banks:						
	- On current accounts	569.39	603.07	314.06	195.39	93.21	31.33
	- Deposits with original maturity of less than three months	-	45.29	380.19	167.45	-	-
	Total (A)	569.64	648.37	694.35	362.89	93.23	31.33
b.	**Other bank balances**						
	Deposits with remaining maturity for more than 3 months but less than 12 months	290.21	489.94	69.08	175.50	190.87	61.82
	Deposits with remaining maturity for more than 12 months	1.65	1.65	1.50	-	49.10	109.50
		291.86	491.59	70.58	175.50	239.97	171.32
	Amount disclosed under non- current assets (Refer Annexure XVI)	(1.65)	(1.65)	(1.50)	-	(49.10)	(109.50)
	Total (B)	290.21	489.94	69.08	175.50	190.87	61.82
	Cash and bank balances (A+B)	**859.85**	**1,138.31**	**763.43**	**538.39**	**284.10**	**93.15**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate .

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 IV and V.

* Amount is less than 0.01 million

Annexure XX - Restated consolidated statement of short term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good						
Security deposits	1.50	0.69	1.74	3.30	-	-
Advances recoverable in cash or kind	1.00	0.94	0.81	19.87	7.74	2.79
Loan to Moonglab technologies private limited (Refer Note 12 (4) (iii) to Annexure XXX)	2.50	-	-	-	-	-
Advance to vendors	9.48	13.86	15.27	-	-	-
Other loans and advances	-	-	-	-	-	-
Prepaid expenses	13.83	15.39	11.01	-	-	-
VAT receivable	1.66	-	-	-	-	-
Service tax receivable	3.81	3.44	6.38	3.40	1.37	0.86
Total	33.78	34.32	35.21	26.57	9.11	3.65

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
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 IV and V.

Annexure XXI - Restated consolidated statement of other current assets

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Others						
Interest accured on fixed deposits and bonds	11.02	13.76	7.28	13.81	15.98	5.66
Unbilled revenue						
Considered good	374.47	314.07	218.04	240.00	111.59	38.43
Considered doubtful	6.55	4.44	-	-	-	-
	381.02	318.51	218.04	240.00	111.59	38.43
Less: Provision for doubtful unbilled revenue	(6.55)	(4.44)	-	-	-	-
	374.47	314.07	218.04	240.00	111.59	38.43
Forward contract receivable	38.98	3.35	-	-	-	-
Total	**424.47**	**331.18**	**225.32**	**253.81**	**127.57**	**44.09**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
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 IV and V.

Annexure XXII - Restated consolidated statement of Revenue from operations

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue from subscription/ download of games/other contents	807.70	1,861.75	2,082.10	1,529.75	873.58	542.14
Revenue from advertising services	31.23	39.83	29.53	-	-	-
Revenue from operations	**838.93**	**1,901.58**	**2,111.63**	**1,529.75**	**873.58**	**542.14**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate
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 IV and V.

Annexure XXIII - Restated consolidated statement of other income

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	Recurring / Non - recurring	Related/ Not related to business activities
Interest income								
- on bank deposits	16.12	47.74	40.38	24.71	20.67	17.00	Recurring	Non related
- on tax free bonds	2.04	4.05	0.95	-	-	-	Recurring	Non related
- Current investments	0.28	-	-	-	-	-	Recurring	Non related
Dividend income on current investments	-	0.37	3.51	3.49	0.78	-	Recurring	Non related
Net gain on sale of current investments	5.77	26.13	16.97	4.35	1.59	-	Recurring	Non related
Sundry balances written back (net)	23.56	7.20	12.38	12.86	-	2.08	Non-recurring	Related
Provision for doubtful debts written back	-	-	-	1.08	3.79	-	Non-recurring	Related
Other income	0.29	2.11	4.24	1.28	0.87	0.00*	Non-recurring	Non related
Total	**48.06**	**87.60**	**78.43**	**47.77**	**27.70**	**19.08**		

Notes :

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate

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 IV and V.

3) The classification of other income as recurring/non recurring and related /not related to business activity is based on the current operations and business activity of the holding company as determined by the management.

* Amount is less than 0.01 million

Annexure XXIV - Restated consolidated statement of employee benefits expenses

(Rupees in million, unless otherwise stated)

Particulars	**For the six months ended September 30, 2017**	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**	**For the year ended March 31, 2014**	**For the year ended March 31, 2013**
Salaries, bonus and allowances	99.16	203.15	218.72	131.56	114.30	89.85
Expense on employee stock option scheme (refer note 1 of Annexure XXX)	47.53	22.85	-	-	-	-
Contribution to provident and other funds	4.36	9.39	8.26	2.00	1.43	1.45
Gratuity expenses (refer note 3 Annexure XXX)	0.99	1.91	4.08	1.36	2.00	1.34
Staff welfare expenses	0.39	1.34	1.32	0.84	1.04	1.31
Total	**152.43**	**238.64**	**232.38**	**135.76**	**118.77**	**93.95**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate.
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 IV and V.

Annexure XXV - Restated consolidated statement of other expenses

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Content management charges	0.69	2.02	0.86	0.81	5.96	11.04
Revenue share on subscription/download of games/other contents	13.91	59.25	105.57	66.75	11.70	-
Consumables for development and testing	0.46	0.44	0.84	0.55	0.80	0.72
Rent expenses	18.82	36.64	45.59	18.04	14.54	12.32
Rates and taxes	3.97	10.12	6.04	2.05	2.88	0.65
Insurance charges	1.11	2.71	2.94	1.74	1.21	0.64
Repairs and maintenance	3.24	6.48	5.87	2.49	1.91	1.38
Corporate social responsibility expenditure (refer note 8 of Annexure XXX)	0.01	4.75	2.99	-	-	-
Sales promotion and business development	5.08	10.27	10.46	7.83	6.91	6.34
Brokerage and discounts	-	-	1.78	0.05	0.33	0.35
Travelling and conveyance	11.35	26.05	27.53	19.85	19.08	13.46
Communication expenses	1.30	3.17	3.52	3.40	3.77	3.83
Printing and stationery	0.24	0.48	0.66	0.45	0.59	0.48
Legal and professional fees	18.65	38.60	41.27	39.11	30.07	26.26
Server charges	11.29	23.59	18.72	15.99	8.71	4.28
IT and call centre outsourcing	-	-	0.05	0.15	0.16	2.27
Bad debts written off	3.51	12.76	6.86	7.81	3.49	6.18
Provision for doubtful debts	7.74	39.36	27.60	16.17	10.79	3.58
Payment to auditors (refer note 1 below)	1.50	4.04	1.57	1.67	1.68	2.17
Loss on exchange fluctuation (net)	27.91	105.11	37.48	3.49	2.33	0.41
Liquidation Damages	-	-	-	-	2.50	-
Miscellaneous expenses	3.79	8.10	6.40	2.85	2.58	2.29
Loss on fixed assets discarding off	-	-	-	-	-	0.47
Bank charges	1.70	2.64	3.23	1.85	0.68	0.43
Investment Written Off	-	6.70	-	-	-	-
Interest expenses	0.40	0.85	1.01	0.49	1.03	0.04
	136.67	**404.13**	**358.84**	**213.59**	**133.70**	**99.59**

Notes:

1) **Payments to auditors**

As auditor						
Audit fees	1.50	3.70	1.40	1.43	1.40	1.30
Reimbursement of expenses	-	0.09	0.03	-	0.04	0.02
Certification services	-	0.25	0.15	0.24	0.21	0.16
Other Matters	-	-	-	-	0.04	0.70
	1.50	**4.04**	**1.58**	**1.67**	**1.69**	**2.18**

2) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate.

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 IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XXVI - Restated consolidated statement of Accounting Ratios

(Rupees in million, unless otherwise stated)

Particulars		For the six month ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Basic earnings per share (Refer Note 1(a) below)	B/C	99.76	300.21	866.19	774.23	369.45	158.03
Diluted earnings per share (Refer Note 1(b) below)	A/D	98.99	289.90	307.99	278.73	135.33	60.36
Return on net worth (Refer Note 1(c) below)	A/E	9.37%	27.59%	40.71%	54.04%	43.00%	34.53%
Net asset value per equity share (Refer Note 1(d) below)	E/F	1,064.29	1,087.95	796.66	1,481.61	859.21	487.79
Accounting ratios after giving the effect of bonus and subdivision of shares (please refer note 5) -							
Basic earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(a) and 5 below)	B/G	7.98	24.02	69.30	61.94	29.56	12.64
Diluted earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(b) and 5 below)	A/H	7.92	23.19	24.64	22.30	10.83	4.83
Net asset value per equity share , after giving the impact of bonus and subdivision of equity shares (refer note 1(d) and 5 below)	E/I	85.14	87.04	63.73	118.53	68.74	39.02
Net profit after tax, as restated, attributable to equity shareholders	A	198.45	597.20	645.21	590.96	289.45	131.95
Effect of Preference dividend on preference shares including dividend distribution tax		-	-	0.00*	0.00*	0.00*	0.00*
Net profit for calculation of Basic EPS	B	198.45	597.20	645.21	590.96	289.45	131.95
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share	C	1,989,246	1,989,246	744,879	763,292	783,442	835,006
Effect of dilution:							
Stock option granted under ESOP		15,553	70,784	105,667	105,667	104,231	99,925
Optionally convertible preference shares		-	-	1,244,367	1,251,204	1,251,204	1,251,204
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share	D	**2,004,799**	**2,060,030**	**2,094,913**	**2,120,163**	**2,138,877**	**2,186,135**
Net worth at the end of the period/year	E	2,117.13	2,164.20	1,584.76	1,093.49	673.14	382.16
Face value per share		10.00	10.00	10.00	10.00	10.00	10.00
Total number of equity shares outstanding at the end of the period/year.	F	1,989,246	1,989,246	1,989,246	738,042	783,442	783,442
Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for basic earning per share (refer note 5 below)	G	24,865,575	24,865,575	9,310,988	9,541,150	9,793,025	10,437,575
Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for diluted earning per share (refer note 5 below)	H	25,059,988	25,750,371	26,186,410	26,502,038	26,735,959	27,326,684
Total number of equity shares outstanding at the end of the period/year, after giving the impact of bonus and subdivision of equity shares, used for net asset value per share (refer note 5 below)	I	24,865,575	24,865,575	24,865,575	9,225,525	9,793,025	9,793,025

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = $\frac{\text{Net Profit after tax (after preference dividend and related tax), as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$

(b) Diluted earnings per share (Rs.) = $\frac{\text{Net Profit after tax (after preference dividend and related tax), as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the period/year}}$

(c) Return on net worth (%) = $\frac{\text{Net Profit after tax, as restated}}{\text{Net worth at the end of the period/year}}$

(d) Net asset value per equity share (Rs.) = $\frac{\text{Net worth at the end of the period/year, as restated}}{\text{Total number of equity shares outstanding at the end of period/year}}$

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 the 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 the total number of days during the period/year.

3) Earnings per share calculations are done in accordance with Accounting Standard 20 ‘Earnings Per Share’ notified under section 133 of the Companies Act 2013, read together along with paragraph 7 of the Companies (Accounts)

Rules, 2014 (“AS-20”).

4) Net worth for ratios mentioned in note 1(c) and 1(d) is = Paid up share capital + Reserves and surplus (including Capital Redemption Reserve, Securities Premium, Stock options outstanding and surplus in statement of Profit and loss).

5) On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

The Earnings per share calculations have also been presented in accordance with AS-20, after giving effect to the split and bonus, mentioned above. (Refer Note 12(3) of Annexure XXX)

6) The figures disclosed above are based on the restated consolidated summary statements of assets and liabilities and profits and losses of the Company.

7) 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 IV and V.

8) Ratios for the six month period ended September 30, 2017 are not annualised.

* Amount is less than 0.01 million

Annexure XXVII - Consolidated capitalisation statement as at September 30, 2017

(Rupees in million, unless otherwise stated)

Particulars	**Pre-issue as at September 30, 2017**	**As adjusted for issue (Refer note 1 below)**
Debt (A)	**-**	**-**
Shareholders' funds		
Share capital	19.89	19.89
Reserves and surplus, as restated:		
Capital Redemption reserve	1.30	1.30
Employee stock options outstanding	70.38	70.38
Statutory reserve	0.45	0.45
Foreign currency translation reserve	11.76	11.76
Surplus in the statement of profit and loss	2,013.35	2,013.35
Total shareholders' funds (B)	**2,117.13**	**2,117.13**
Total Debt/ equity (A/B)	**-**	**-**

Notes:

1) The Company is proposing to have an initial public offering through offer for sale. Hence there will be no change in the shareholder's fund post issue.
2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate company.
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 IV and V.

Annexure XXVIII – Consolidated statement of Dividend Paid

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Equity Share Capital						
Issued number of shares on which dividend has been paid	1,989,246	-	1,989,246	-	-	-
Face value per share (Rs.)	10.00	-	10.00	-	-	-
Rate of dividend	1510%	-	1000%	-	-	-
Amount of dividend per share (Rs.)	151.00	-	100.00	-	-	-
Total amount of dividend (Rs in million)	300.38	-	198.93	-	-	-
Total dividend tax (Rs in million)	-	-	0.29	-	-	-

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the group and its associate 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 IV and V.

Annexure XXIX – Restated consolidated statement of related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 is as under:

	Names of related parties and related party relationship	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
a.	**Related parties where control exists**						
	Ultimate holding company	West Bridge Venture LLC	West Bridge Venture LLC	West Bridge Venture LLC (from 30th March, 2016)	-	-	-
	Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016) Mitter Infotech LLP (till 29th March, 2016)	Mitter Infotech LLP	Mitter Infotech LLP	Mitter Infotech LLP (formerly Mitter Infotech Pvt Ltd)
b.	**Related parties with whom transactions have taken place during the year**						
	Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	-	-	Neerja International Fashions Ltd
	Key management personnel	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Managing Director	Vikash Mittersain - Managing Director
		Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Director and Chief Executive Officer	Nitish Mittersain - Director and Chief Executive Officer
	Associate of subsidiary	Mastermind Sports Limited (from 22nd May 2017)	-	-	-	-	-

c. Note 1 : Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 12 (1) of Annexure XXXI)

Annexure XXIX – Restated consolidated statement of related party disclosures

c. Details of related party transactions during the year and balances outstanding as at year end

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Holding Company							
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Buyback of equity shares at Premium	-	-	-	118.00	-	71.25
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Dividend paid	84.31	-	55.84	-	-	-
West Bridge Venture II Investment Holdings	Dividend paid	204.29	-	135.29	-	-	-
Key management personnel							
Vikash Mittersain	Remuneration	2.26	4.90	4.67	4.42	3.00	3.00
Vikash Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Vikash Mittersain	Rent paid on their behalf	-	4.75	-	-	-	-
Vikash Mittersain	Recovery of rent paid on their behalf	-	4.75	-	-	-	-
Nitish Mittersain	Remuneration	12.15	30.56	34.38	21.01	20.00	10.00
Nitish Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Nitish Mittersain	Rent paid on their behalf	3.62	3.30	4.13	-	-	-
Nitish Mittersain	Recovery of rent paid on their behalf	3.00	3.30	3.80	-	-	-
Associate of subsidiary							
Mastermind Sports Limited	Cost of content	0.12	-	-	-	-	-

d. Balance payables at year end

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Key management personnel							
Vikash Mittersain	Employee payables	-	0.14	-	0.05	-	-
Nitish Mittersain	Employee payables	1.38	6.00	10.00	0.36	-	-
Associate of subsidiary							
Mastermind Sports Limited	Other payables	0.12	-	-	-	-	-

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the group and its associate 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 IV and V.

3) Remuneration to the key managerial personnel doesn't include provision made for gratuity and compensated absences as they are determine on actuarial basis for the Company as a whole.

4) During the year ended March 31, 2016, 1,251,204 convertible preference shares held by West Bridge Venture II Investment Holdings has been converted into equity shares on 1:1 ratio basis.

* Amount is less than 0.01 million

Annexure XXX - Other disclosures to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows

1) Employee stock option plans

During the period / year ended 30th September 2017 and 31st March 2017, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September, 2005
Date of board approval	17th September, 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

The details of activities under ESOP 2005 scheme have been summarised below:

Particulars	September 30, 2017 No.	March 31, 2017 No.	March 31, 2016 No.	March 31, 2015 No .	March 31, 2014 No.	March 31, 2013 No.
Outstanding at the beginning of the year	-	108,537	108,537	108,537	108,537	108,537
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	-	-	108,537	108,537	108,537	108,537
Cancelled during the year (refer note below)	-	108,537	-	-	-	-
Exercisable at the end of the year	-	-	108,537	108,537	108,537	108,537
Weighted average fair value of options granted on the date of grant	-	-	-	-	-	-

Pursuant to the board resolution passed on 24th November 2016, 108,537.00 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The details of activity under the scheme 2016 are summerised below:

Particulars	Six month period ended 30-September- 2017 No.	31-March-2017 No.	31-March-2016 No.
Outstanding at the beginning of the year	59,411	-	-
Granted during the year	-	59,411	-
Forfeited during the year	-	-	-
Exercised during the year	-	-	-
Expired during the year	-	-	-
Outstanding at the end of the year	59,411	59,411	-
Exercisable at the end of the year	-	-	-
Weighted average fair value of options granted on the date of grant	2,583	2583	

Subsequent to 30th September, 2017, the shareholders of the Company have approved for subdivision of shares and bonus, accordingly the number of shares and exercise price would be modified to that extent.

The fair value of stock options granted during the year ended 31st March 2017 is Rs 2,583. The black scholes valuation model has been used for computing the fair value considering the following inputs:

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Expected volatility	25%	25%	-	-	-	-
Risk free interest rate	6.27%	6.27%	-	-	-	-
Weighted average share price	4,524	4,524	-	-	-	-
Exercise price	2,929	Rs 2,929	-	-	-	-
Expected life of options granted in the years	3.5 years	3.5 years	-	-	-	-

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Had the compensation cost been determined in a manner consistent with fair value approach, the Group net income and earning per share as reported would have changed to amount indicated below:

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Net profit for calculation of basic EPS	198.45	597.20	-	-	-	-
Add: ESOP cost using the intrinsic value method	47.53	22.85				
Less: ESOP cost using the fair value method	(76.94)	(37.00)	-	-	-	-
Proforma profit	169.04	583.05	-	-	-	-
Earning per share						
Basic						
As reported	99.76	300.21	-	-	-	-
proforma	84.98	293.10	-	-	-	-
Diluted						
As reported	98.99	289.90	-	-	-	-
proforma	84.32	283.03	-	-	-	-
Earning per share of the considering bonus issue and sub division of shares (Refer Note 14(2) of Annexure XXX) -						
Basic						
As reported	7.98	24.02	-	-	-	-
proforma	6.80	23.45	-	-	-	-
Diluted						
As reported	7.92	23.19	-	-	-	-
proforma	6.75	22.64	-	-	-	-

2) Derivative instruments and unhedged foreign currency exposure

A. Derivative instruments as at year end

Particulars	Purpose	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Forward contract to buy USD	Hedge of trade payable	USD 0.65	USD 0.05	-	-	-	-

B. Amounts receivable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
		Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.
USD	Cash and bank balances	1.33	86.71	3.92	253.45	0.65	43.26	0.25	15.76	0.02	1.20	-	-
	Trade receivable	2.50	163.30	1.18	76.37	9.81	648.99	0.94	58.79	0.40	23.91	0.19	10.51
	Other current assets	1.62	106.11	1.66	107.63	0.40	26.53	0.26	16.39	0.06	3.68	-	-
	Security deposits	0.03	2.20	0.00*	0.26	0.00*	0.26	-	-	-	-	-	-
	Non-current investments	0.69	44.92	0.59	38.05	0.36	24.00	-	-	-	-	-	-
AED	Cash and bank balances	19.52	347.02	13.30	234.34	7.03	126.59	7.24	123.00	4.12	67.19	0.28	4.20
	Trade receivable	3.84	68.33	2.51	44.13	3.17	57.13	0.95	16.22	1.40	22.83	2.31	34.13
	Other current assets	4.48	79.57	7.62	134.21	3.51	63.19	5.76	97.92	1.85	30.08	-	-
	Security deposits	0.02	0.32	0.02	0.32	0.03	0.50	0.03	0.42	0.02	0.37	0.03	0.44
	Non-current investments	4.60	81.79	-	-	-	-	-	-	-	-	-	-
GBP	Cash and bank balances	0.00*	0.08	-	-	0.00*	0.95	0.00*	0.74	0.03	2.54	0.00*	0.08
	Trade receivable	-	-	-	-	-	-	-	-	0.00*	1.11	0.00*	1.10

EURO	Trade receivable	-	-	-	-	-	-	-	-	0.00*	0.07	0.00*	0.02
	Other current assets	1.08	83.65	-	-	-	-	-	-	-	-	-	-
NGN	Cash and bank balances	395.36	71.76	906.38	186.60	436.46	144.14	168.38	52.32	29.94	10.78	-	-
	Trade receivable	157.18	28.53	64.56	13.29	140.94	46.54	34.65	10.77	0.08	0.03	-	-
	Other current assets	327.14	59.38	89.16	18.36	48.26	106.26	41.19	12.80	8.93	3.21	-	-
KES	Cash and bank balances	499.25	313.88	650.65	401.44	536.95	344.31	187.50	124.26	0.12	0.08	-	-
	Trade receivable	5.34	3.35	11.45	7.07	10.94	7.02	5.58	3.70	5.46	3.72	-	-
	Other current assets	28.88	18.15	22.90	14.13	49.41	31.69	26.99	17.89	1.91	1.30	-	-
ZMW	Cash and bank balances	0.46	3.11	1.10	7.33	0.32	1.85	0.22	1.83	0.00*	0.07	-	-
	Trade receivable	0.24	1.60	-	-	0.22	1.26	0.02	0.17	0.11	1.10	-	-
	Other current assets	0.63	4.24	0.41	2.70	0.04	0.25	0.04	0.32	0.01	0.14	-	-
UGX	Cash and bank balances	258.56	4.65	575.87	10.16	371.18	7.20	356.69	7.39	10.51	0.24	-	-
	Trade receivable	52.44	0.94	35.31	0.62	35.95	0.70	39.81	0.83	-	-	-	-
	Other current assets	152.10	2.74	92.36	1.63	41.83	0.81	2.90	0.06	95.49	2.22	-	-
BDT	Cash and bank balances	24.92	19.66	0.10	0.08	0.49	0.40	-	-	-	-	-	-
	Trade receivable	5.91	4.66	20.86	16.49	-	-	-	-	-	-	-	-
	Other current assets	21.14	16.67	21.85	17.28	-	-	-	-	-	-	-	-
			1,617.32		**1,585.94**		**1,683.83**		**561.58**		**175.87**		**50.48**

C . Amounts payable in foreign currency on account of the following:

Currency	**Particulars**	**30-Sep-17**		**31-Mar-17**		**31-Mar-16**		**31-Mar-15**		**31-Mar-14**		**31-Mar-13**	
		Amt in FC	**Amt in Rs.**	**Amt in FC**	**Amt in Rs.**	**Amt in FC**	**Amt in Rs.**	**Amt in FC**	**Amt in Rs.**	**Amt in FC**	**Amt in Rs.**	**Amt in FC**	**Amt in Rs.**
USD	Trade payable	1.47	96.21	1.17	75.91	2.25	149.25	2.55	160.31	0.45	28.32	0.46	25.08
	Advance to Customer	-	-	-	-	-	-	-	-	-	-	0.00*	0.21
AED	Trade payable	2.50	44.47	2.29	40.33	1.07	19.22	1.11	18.94	1.44	23.49	0.96	14.21
GBP	Trade payable	-	-	-	-	-	-	0.00*	0.37	0.00*	0.79	0.00*	0.83
	Other payable	-	-	-	-	-	-	-	-	0.00*	1.34	0.00*	0.78
EUR	Trade payable	0.03	1.98	-	-	-	-	-	-	-	-	0.00*	0.10
NGN	Trade payable	55.56	10.08	8.60	1.77	681.75	229.40	7.38	2.29	2.43	0.87	-	-
KES	Trade payable	116.57	73.29	107.28	66.19	625.13	407.29	13.16	8.72	0.79	0.53	-	-
ZMW	Trade payable	0.91	6.12	0.00*	0.08	0.96	5.66	0.04	0.35	0.02	0.15	-	-
UGX	Trade payable	104.85	1.89	17.06	0.30	607.85	12.07	10.65	0.22	10.14	0.24	-	-
BDT	Trade payable	0.37	0.29	0.17	0.13	0.25	0.20	0.05	0.04	-	-	-	-
			234.33		**184.71**		**823.09**		**191.24**		**55.73**		**41.21**

3) Defined benefit plans (gratuity)

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. This benefit is unfunded.

Statement of profit and loss

Net employee benefit expense recognised in the employee cost

Particulars	**September 30, 2017**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost on benefit obligation	0.34	0.68	0.45	0.49	0.34	0.31
Net actuarial (gain)/loss recognised in the year	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Net benefit expense	**0.66**	**1.43**	**3.33**	**0.40**	**1.02**	**0.64**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	**September 30, 2017**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Opening defined benefit obligation	10.09	8.79	5.63	5.27	4.24	3.60
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost	0.34	0.68	0.45	0.49	0.34	0.31
Benefit paid	(0.30)	(0.14)	(0.18)	(0.03)	-	-
Actuarial (gain)/loss on obligation	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Closing defined benefit obligation	**10.45**	**10.08**	**8.78**	**5.64**	**5.26**	**4.24**

The principal assumptions used in determining gratuity for the company's plans are shown below:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Discount rate (per annum)	6.73%	6.77%	7.72%	7.98%	9.29%	8.00%
Rate of increase in compensation levels	10%	10%	10%	10%	10%	10%
Employee turnover	15%	15%	15%	10%	10%	10%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factor such as supply and demand factors in the employee market.

Amounts for the current and previous four periods are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	10.45	10.09	8.79	5.63	5.27	4.24
Experience adjustments on plan liabilities	(0.31)	(1.45)	(2.00)	(1.38)	0.46	(0.76)

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2013 Rs 0.79 million (31st March 2012 Rs 0.21 million) and gratuity expense during the year 31st March 2013: Rs 0.70 million (31st March 2012: Rs 0.19 million)

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2014 Rs 1.80 million and gratuity expense during the year 31st March 2014: Rs 0.98 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2015 Rs 2.85 million and gratuity expense during the year 31st March 2015: Rs 0.96 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2016 Rs 2.89 million and gratuity expense during the year 31st March 2016: Rs 0.74 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2017: Rs 2.96 million and gratuity expense during the year 31st March 2017: Rs 0.48 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 30th September 2017: Rs 3.24 million and gratuity expense during the six month period ended 30th September 2017: Rs 0.32 million

4) **Commitments**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Estimated accounts of contracts remaining to be executed on capital account and not provided for (net of advances)	1.40	2.80	14.30	10.50	-	-
Other commitments						
Cost of content	33.07	53.28	111.74	39.72	19.47	19.95
Legal and professional fees	1.25	10.85	9.35	4.32	3.39	2.60
Advertising cost	5.00	5.00	-	-	-	-
Other commitments	0.98	1.65	0.88	0.33	-	0.97
Total	**41.70**	**73.58**	**136.27**	**54.87**	**22.86**	**23.52**

5) Segment information

A. Description of segments and principal activities

The primary segment reporting format is determined to be business segments as the Company's risks and rates of return are affected predominantly according to nature of services. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of services provided with each segment representing a strategic business unit that offers different services and serves different markets.

1. Subscription/download of games/other contents business

2. Freemium business comprising of advertising services

During the year ended March 31, 2013 to March 31, 2015, the Company was operating in single business segment of subscription/download of games/other contents. From the year ended March 31, 2016, the Company has two business segment, as follows -

B. Segment information

Particulars	30-Sep-2017			31-Mar-2017			31-Mar-2016			31-Mar-2015	31-Mar-2014	31-Mar-2013
	Subscription/ download of games/other contents	Freemium business	Total	Subscription/ download of games/other contents	Freemium business	Total	Subscription/ download of games/other contents	Freemium business	Total	Subscription/ download of games/other contents	Subscription/ download of games/other contents	Subscription/ download of games/other contents
Revenue	807.70	31.23	838.93	1,861.75	39.83	1,901.58	2,082.10	29.53	2,111.63	1,529.75	873.58	542.14
Results												
Segment results	376.68	(24.80)	351.88	842.79	(67.76)	775.03	917.39	(73.26)	844.13	699.71	360.26	164.42
Unallocated corporate expense	-	-	(90.26)	-	-	(164.55)	-	-	(97.47)	-	-	-
Operating profit	-	-	261.62	-	-	610.48	-	-	746.66	699.71	360.26	164.42
Other income	-	-	48.06	-	-	87.60	-	-	78.43	47.77	27.70	19.08
Income tax	-	-	111.23	-	-	100.88	-	-	179.88	156.52	98.51	51.55
Net profit	-	-	198.45	-	-	597.20	-	-	645.21	590.96	289.45	131.95
Other information												
Segment assets	1,736.58	39.87	1,776.45	1,689.54	20.58	1,710.12	1,246.40	19.63	1,266.03	1,425.52	789.00	486.73
Unallocated corporate assets	-	-	807.16	-	-	872.71	-	-	732.88	-	-	-
Total assets	-	-	2,583.61	-	-	2,582.83	-	-	1,998.91	1,425.52	789.00	486.73
Segment liabilities	346.50	22.92	369.42	364.38	11.02	375.40	369.09	3.85	372.94	332.03	115.87	104.57
Unallocated corporate liabilities	-	-	97.03	-	-	43.18	-	-	41.19	-	-	-
Total liabilities	-	-	466.45	-	-	418.58	-	-	414.13	332.03	115.87	104.57
Depreciation	-	-	5.95	-	-	11.58	-	-	9.50	7.95	7.99	9.08
Non cash expense - other than depreciation	-	-	-	-	-	-	-	-	-	-	-	-

Geographical segments:

The Group's operations are principally based on distribution of group by geographical areas.

Revenue

The following table shows the distribution of the Company's revenue by geographical market.

Region	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
India	175.18	616.84	977.75	761.87	523.65	401.35
Middle east	255.21	345.04	355.64	319.05	218.59	94.06
Africa	221.39	568.51	442.67	254.76	25.35	-
Rest of the world	187.15	371.19	335.57	194.07	105.99	46.73
Total	**838.93**	**1,901.58**	**2,111.63**	**1,529.75**	**873.58**	**542.14**

The following table shows the carrying amount of segment assets by geographical area in which assets are located -

Region	Carrying amount of segment assets					
	As at 30-September-2017	As at 31-March-2017	As at 31-March-2016	As at 31-March-2015	As at 31-March-2014	As at 31-March-2013
India	875.53	897.71	913.44	791.32	590.37	416.84
Middle east	664.95	418.31	230.82	240.70	123.70	41.12
Africa	670.62	893.26	621.25	243.51	22.39	-
Rest of the world	289.51	284.51	182.67	120.17	47.62	20.30
Total	**2,500.61**	**2,493.79**	**1,948.18**	**1,395.70**	**784.08**	**478.26**

The following table shows the addition to segment assets by geographical area in which assets are located -

Region	Addition to fixed assets and intangible assets					
	For the six months period ended 30-September-2017	For the year ended 31-March-2017	For the year ended 31-March-2016	For the year ended 31-March-2015	For the year ended 31-March-2014	For the year ended 31-March-2013
India	2.67	8.17	18.32	6.65	3.41	2.26
Middle east	-	2.10	0.07	0.18	0.82	1.13
Africa	-	-	-	0.02	-	-
Rest of the world	-	-	0.40	-	0.58	3.64
Total	**2.67**	**10.27**	**18.79**	**6.85**	**4.81**	**7.03**

6) **Leases**

Operating lease: Company as lessee

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.

Future minimum rentals payable under non-cancellable operating leases are as follows

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Within one year	-	1.25	20.27	35.82	2.61	-
After one year but not more than five years	-	-	-	75.25	-	-
More than five years	-	-	-	-	-	-
Total	-	**1.25**	**20.27**	**111.07**	**2.61**	**-**

7) **Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

8) **Corporate social responsibilities**

As per section 135 pf the Companies Act 2013 and rules therein, the Company is required to spend at least 2 % of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015
Gross amount required to be spent during the year	3.15	7.34	5.50	3.88
Amount spent during the year				
i) Construction/acquisition of any asset	-	2.00	2.00	-
ii) On purposes other than (i) above	0.00*	2.75	0.99	-
Total amount spent during the year	**-**	**4.75**	**2.99**	**-**

9) **Specified bank note disclosure**

The details of Specified Bank Notes (SBN's) held and transacted during the period from November 8, 2016 to December 30, 2016 pursuant to the requirement of Notification G.S.R 308 dated March 30, 2017 as mentioned below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	0.84	0.00*	0.84
(+) Permitted receipts	-	0.28	0.28
(-) Permitted payments	-	(0.28)	(0.28)
(-) Amount deposited in banks	(0.84)	-	(0.84)
Closing cash in hand as on 30th December, 2016	-	0.00*	0.00*

10) **(a) Statement of net assets attributable to owner**

Name of the entity in the Group	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
(A) Holding company												
Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)	40.28%	852.73	39.16%	847.41	47.45%	751.91	57.69%	630.83	81.38%	547.81	93.29%	356.50
(B) Subsidiaries												
Nazara Technologies FZ LLC, Dubai	25.08%	530.98	16.93%	366.39	12.80%	202.83	19.68%	215.22	14.20%	95.59	6.64%	25.37
Nazara Europe Ltd, England (Dissolved on 2nd August, 2016)		-		-	0.06%	0.95	0.07%	0.79	0.37%	2.48	0.07%	0.28
Nazara Pte Ltd, Singapore	7.14%	151.17	7.87%	170.37	7.29%	115.57	5.95%	65.10	0.63%	4.26		-
Nazara Pro Gaming Technologies Private Limited (from 16th May, 2017)	0%	0.11		-		-		-		-		-
(C) Stepdown subsidiaries		-		-		-		-		-		-
Nazara Technologies, Mauritius	6.35%	134.52	9.77%	211.43	(0.24%)	(3.73)	(2.01%)	(22.12)	0.20%	1.32		-
Nzmobile Nigeria Limited, Nigeria	7.37%	155.95	10.99%	237.88	12.75%	201.98	6.46%	70.68	2.12%	14.25		-
Nzmobile Kenya Limited, Kenya	11.71%	248.48	13.03%	281.95	18.94%	303.97	11.28%	123.39	0.60%	4.06		-
Nazara Zambia Limited, Zambia	0.01%	0.19	0.36%	7.68	0.18%	2.82	0.17%	1.88	0.17%	1.15		-
Nazara Uganda Limited, Uganda	0.21%	4.52	0.49%	10.53	0.52%	8.27	0.70%	7.69	0.33%	2.22		-
Nazara Bangladesh Limited, Bangladesh	1.83%	38.83	1.41%	30.58	0.01%	0.20	0.00%	0.04		-		-
(D) Associate of subsidiary												
Mastermind Sports Limited (from 22nd May, 2017)	(0.02%)	(0.32)		-		-		-		-		-
Total	**100.00%**	**2,117.16**	**100.00%**	**2,164.22**	**100.00%**	**1,584.77**	**100.00%**	**1,093.50**	**100.00%**	**673.14**	**100.00%**	**382.15**

(b) Consolidated statement of profit and loss attributable to owner -

Name of the entity in the Group	30-Sep-17		31-Mar-2017		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Share in profit/ (loss)		Share in profit		Share in profit		Share in profit		Share in profit		Share in profit	
	As % of consolidated profit	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount
(A) Holding company												
Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)	(16.49%)	(32.77)	13.02%	77.54	19.16%	123.63	41.71%	246.48	66.11%	191.35	82%	107.96
(B) Subsidiaries												
Nazara Technologies FZ LLC, Dubai	50.06%	99.35	26.05%	155.08	30.94%	199.60	29.19%	172.50	34.72%	100.49	18%	23.70
Nazara Europe Ltd, England	-	-	(0.04%)	(0.25)	0.02%	0.14	-0.27%	(1.61)	0.71%	2.05	0%	0.30
Nazara Pte Ltd, Singapore	20.91%	41.50	12.67%	77.33	12.04%	77.69	4.12%	24.33	-1.32%	(3.83)	0%	-
Nazara Pro Gaming Private Limited	-	-		-		-		-		-		-
(C) Stepdown subsidiaries												
Nazara Technologies, Mauritius	52.04%	103.29	46.60%	277.41	36.74%	237.05	25.24%	149.14	(0.11%)	(0.31)		-
Nzmobile Nigeria Limited, Nigeria	(13.59%)	(26.97)	(6.95%)	(41.38)	-0.64%	(4.11)	0.07%	0.41	(0.08%)	(0.23)		-
Nzmobile Kenya Limited, Kenya	6.70%	13.30	8.31%	49.46	2.46%	15.85	0.08%	0.47	-0.05%	(0.13)		-
Nazara Zambia Limited, Zambia	0.37%	0.72	(0.00%)	(0.02)	-0.30%	(1.96)	-0.09%	(0.53)	0.04%	0.11		-
Nazara Uganda Limited, Uganda	0.13%	0.26	(0.16%)	(0.97)	-0.39%	(2.51)	-0.03%	(0.18)	-0.02%	(0.05)		-
Nazara Bangladesh Limited, Bangladesh	0.04%	0.08	0.50%	3.00	-0.03%	(0.16)	-0.01%	(0.04)	-	-		-
(D) Associate of subsidiary												
Mastermind Sports Ltd (from 22nd May, 2017)	0.16%	(0.32)		-		-		-		-		-
Total	**100%**	**198.44**	**100%**	**597.20**	**100%**	**645.22**	**100%**	**590.97**	**100%**	**289.45**	**100%**	**131.96**

11) On 2nd August 2016, Nazara Europe Limited has been dissolved. Nazara Europe Limited has remitted Rs 0.63 million to the Nazara Technologies Private Limited.
* Amount is less than 0.01 million

12. Significant events subsequent to 30th September, 2017 -

1. West Bridge Venture II Investment Holding ('West Bridge') held 68.01% of the total equity capital of the Company and was the holding company as of 30th September 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2. On 15th December 2017, the Company increased its authorized equity share capital from Rs 21,987,960 (2,198,796 shares of Rs 10/- each) to Rs 137,487,960 (13,748,796 shares of Rs 10/- each).

3. On 28th December 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each. Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

   The Earnings per share calculations have also been presented in accordance with Accounting Standard 20 "Earning per Share" notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4. The Company has made the following investments after September 30, 2017:

   i. In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing 3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and by acquiring 3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

      Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL"), German eSports Company for Rs. 265.30 million to part fund this acquisition.

   ii. In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited ("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid. The Company borrowed Rs 300 million to fund this transaction.

   iii. On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. On December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

   iv. In November 2017, the Company has invested Rs 4.01 million for a 4 % stake in Halaplay Technologies Private Limited ('Halaplay'), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5. In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

   * Amount is less than 0.01 million

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Auditors' Report on the restated Unconsolidated summary statement of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017and each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 of Nazara Technologies Limited (collectively, the "Restated Unconsolidated Summary Statements")

January 17, 2018

To
The Board of Directors
Nazara Technologies Limited
51-57, Maker Chambers 3,
Nariman Point, Mumbai 400021, Maharashtra, India

Dear Sirs,

1. We have examined the attached Restated Unconsolidated Summary Statements of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited) ('the Company') as at and for six month period ended September 30, 2017 and as at and for each of the years ended March 31, 2017,2016, 2015, 2014, and 2013, annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with the proposed Initial Public Offer ("IPO").

   The Restated Unconsolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

   a. Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"); and

   b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, 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 (the "ICDR Regulations").

Management's Responsibility for the Restated Unconsolidated Summary Statements

2. The preparation of the Restated Unconsolidated Summary Statements, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Unconsolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Unconsolidated Summary Statements taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated October 25, 2017, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

   b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and

   c. the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

4. The Company proposes to make an IPO which comprise an offer for sale made by certain shareholders' of existing equity shares of Rs,10 each, at such premium, arrived at by the book building process (referred to as the "Offer"), as may be decided Board of Directors of the Company.

Restated Unconsolidated Summary Statements as per audited Unconsolidated financial statements:

5. The Restated Unconsolidated Summary Statements have been compiled by the management from the audited unconsolidated interim financial statements of the Company as at and for the six months ended September 30, 2017 and audited unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India ("Indian GAAP"), which have been approved by the Board of Directors at their meetings held on January 17, 2018, November 21, 2017, November 24, 2016, August 26, 2015, June 27, 2014 and July 31, 2013 respectively.

6. For the purpose of our examination, we have relied on Auditors' Reports on the unconsolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and unconsolidated financial statements of the Company as at for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 as referred in Para 5 above issued by us dated January 17, 2018, November 21, 2017, November 24, 2016, August 26, 2015, June 27, 2014 and July 31, 2013 , respectively.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Company contained in Restated Unconsolidated Summary Statements which as stated in Para 2.1 of Annexure V to this report have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV – Restated Unconsolidated Summary Statement of Material Adjustments and Regroupings:

   a) The Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report.

   b) The Restated Unconsolidated Summary Statement of Profit and Loss of the Company for six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015 2014 and 2013 examined by us, as set out in Annexure II to this report.

   c) The Restated Unconsolidated Summary Statement of Cash Flows of the Company for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report.

   d) Based on the above and according to the information and explanations given to us, we further report these Restated Unconsolidated Summary Statements:

      i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

      ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

      iii) do not contain any extra-ordinary items that need to be disclosed separately in the Restated unconsolidated Summary Statements;

iv) There are no qualifications in the auditors' reports on the audited unconsolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and unconsolidated financial statements of the Company as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, which require any adjustments to the Restated Unconsolidated Summary Statements;

v) Other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order, 2003, as applicable, on the unconsolidated financial statements for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements, are as follows:

(a) Clause (ix) (a)

Undisputed statutory dues provident fund, investors education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, cess and other material statutory dues have generally been regularly deposited with appropriate authorities *though there has been a slight delay in a few cases.* The provisions relating to excise duty and customs duty are not applicable to the Company.

(b) Clause (ix) (b)

According to information and explanations given to us, no undisputed amounts payable in respect of provident fund, investors education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date of they became payable, except for the following dues of service tax and income tax, which has not been deposited till March 31, 2013. The provisions relating to excise duty and customs duty are not applicable to the Company.

Name of the statute	Nature of the dues	Amount Rs.	Period to which the amounts relates	Due date	Date of payment
Service Tax Act	Interest on delayed payment of service tax	202,092	April 2011 to March 2012	6^{th} of every month	June 24, 2013
Income Tax Act	Interest on delayed payment of TDS	823,551	April 2010 to March 2011	6^{th} of every month	June 24, 2013
Income Tax Act	Interest on delayed payment of TDS	513,773	April 2011 to March 2012	6^{th} of every month	June 24, 2013

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2017.

Other Financial Information:

9. At the Company's request, we have also examined the following restated unconsolidated financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014, and 2013.

   i. Restated Unconsolidated Statement of Share Capital, as Annexure VI,
   ii. Restated Unconsolidated Statement of Reserves and Surplus, as Annexure VII,
   iii. Restated Unconsolidated Statement of Long-term provisions, as Annexure VIII,
   iv. Restated Unconsolidated Statement of Trade payables, as Annexure IX,
   v. Restated Unconsolidated Statement of Other Current Liabilities, as Annexure X,
   vi. Restated Unconsolidated Statement of Short-term Provisions, as Annexure XI,
   vii. Restated Unconsolidated Statement of Property plant and equipment and Intangible Assets, as Annexure XII,
   viii. Restated Unconsolidated Statement of Non-current Investments, as Annexure XIII,
   ix. Restated Unconsolidated Statement of Deferred tax asset, as Annexure XIV,
   x. Restated Unconsolidated Statement of Long-term loans and Advances, as Annexure XV,
   xi. Restated Unconsolidated Statement of Other non-current assets, as Annexure XVI,
   xii. Restated Unconsolidated Statement of Current Investments, as Annexure XVII,
   xiii. Restated Unconsolidated Statement of Trade Receivables, as Annexure XVIII,
   xiv. Restated Unconsolidated Statement of Cash and Bank Balance, as Annexure XIX,
   xv. Restated Unconsolidated Statement of Short-term loans and advances, as Annexure XX,
   xvi. Restated Unconsolidated Statement of Other current assets, as Annexure XXI,
   xvii. Restated Unconsolidated Statement of Revenue from operations, as Annexure XXII,
   xviii. Restated Unconsolidated Statement of Other Income, as Annexure XXIII,
   xix. Restated Unconsolidated Statement of Employee benefits expense, as Annexure XXIV,
   xx. Restated Unconsolidated Statement of Other expenses, as Annexure XXV,
   xxi. Restated Unconsolidated Statement of Accounting Ratios, as Annexure XXVI,
   xxii. Unconsolidated Capitalization Statement, as Annexure XXVII,
   xxiii. Unconsolidated Statement of Dividend Paid, as Annexure XXVIII,
   xxiv. Restated Unconsolidated Statement of Related Party Transactions, as Annexure XXIX,
   xxv. Restated Unconsolidated Statement of Tax shelters, as Annexure XXX,
   xxvi. Restated Unconsolidated Statement of Other Disclosures, as Annexure XXXI,

10. According to the information and explanations given to us, in our opinion, the Restated Unconsolidated Summary Statements and the abovementioned restated unconsolidated financial information contained in Annexures IV to XXXI accompanying this report, read with Summary of Significant Accounting Policies disclosed in Para 2 of Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of the Companies, Maharashtra in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure I – Restated unconsolidated summary statement of assets and liabilities

(Rupees in million, unless otherwise stated)

Particulars	Annexure	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity and liabilities							
Shareholders' funds							
Share capital	VI	19.89	19.89	19.89	19.89	20.34	20.34
Reserves and surplus	VII	850.65	833.70	732.74	610.83	528.17	336.80
		870.54	**853.59**	**752.63**	**630.72**	**548.51**	**357.14**
Non-current liabilities							
Long-term provisions	VIII	10.45	10.09	8.79	5.63	5.27	4.24
		10.45	**10.09**	**8.79**	**5.63**	**5.27**	**4.24**
Current liabilities							
Trade payable	IX						
Outstanding dues to micro enterprises and small enterprises		-	-	-	-	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises		119.00	97.44	166.37	176.98	63.47	75.44
Other current liabilities	X	34.18	38.50	58.89	37.64	10.93	6.89
Short-term provisions	XI	54.18	3.71	1.71	1.83	1.68	1.34
		207.36	**139.65**	**226.97**	**216.45**	**76.08**	**83.67**
Total		**1,088.34**	**1,003.33**	**988.39**	**852.80**	**629.86**	**445.05**
Assets							
Non-current assets							
Fixed assets							
Property, plant and equipment	XII	8.13	8.75	14.86	4.32	4.27	5.12
Intangible assets	XII	5.79	8.06	4.54	5.54	5.89	8.13
Intangible assets under development		2.80	1.40	3.60	-	-	-
Non-current investments	XIII	0.79	0.69	0.69	0.69	0.69	0.64
Deferred tax assets	XIV	32.66	19.42	14.36	10.04	1.97	3.86
Long term loans and advances	XV	31.13	33.67	19.31	10.70	6.21	8.26
Other non current assets	XVI	1.73	1.68	1.57	-	51.73	114.37
		83.03	**73.67**	**58.93**	**31.29**	**70.76**	**140.38**
Current assets							
Current investments	XVII	655.14	656.33	528.16	327.83	173.85	75.00
Trade receivables	XVIII	135.44	116.16	183.88	145.20	91.16	93.83
Cash and bank balances	XIX	20.63	79.58	102.44	219.61	202.00	88.87
Short-term loans and advances	XX	43.69	31.23	26.23	21.19	5.16	2.88
Other current assets	XXI	150.41	46.35	88.75	107.68	86.93	44.09
		1,005.31	**929.65**	**929.46**	**821.51**	**559.11**	**304.68**
Total		**1,088.34**	**1,003.32**	**988.39**	**852.80**	**629.86**	**445.05**

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 IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Annexure II - Restated unconsolidated summary statement of profits and losses

(Rupees in million, unless otherwise stated)

Particulars	Annexure	For the six month ended	For the year ended				
		September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Income							
Revenue from operations	XXII	321.36	773.62	1,169.56	896.06	619.24	445.29
Other income	XXIII	310.72	36.15	241.48	34.91	27.74	19.90
Total income		**632.08**	**809.77**	**1,411.04**	**930.97**	**646.98**	**465.19**
Expenses							
Purchase of content		30.03	54.19	41.91	11.76	12.72	46.61
Advertising cost		69.43	236.38	510.11	308.07	169.36	101.48
Employee benefit expenses	XXIV	126.56	199.23	197.67	99.17	78.66	67.62
Other expenses	XXV	69.68	194.74	213.95	132.24	89.80	81.38
Depreciation and amortisation expense	XII	5.56	10.78	9.09	6.94	7.08	8.67
Total expenses		**301.26**	**695.32**	**972.73**	**558.18**	**357.62**	**305.76**
Restated profit before tax		**330.82**	**114.46**	**438.31**	**372.79**	**289.36**	**159.43**
Tax expenses							
Current tax		74.26	41.41	121.52	134.37	96.10	54.06
Deferred tax charge / (credit)		(13.24)	(5.06)	(4.33)	(8.06)	1.89	(2.58)
Total tax expense		**61.02**	**36.35**	**117.19**	**126.31**	**97.99**	**51.48**
Restated profit for the period / year		**269.80**	**78.11**	**321.12**	**246.48**	**191.37**	**107.95**

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 IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Annexure III - Restated unconsolidated summary statement of cash flows

(Rupees in million, unless otherwise stated)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash flow from operating activities						
Profit before tax, as restated	330.82	114.46	438.31	372.79	289.36	159.43
Adjustment to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	5.56	10.78	9.10	6.94	7.08	8.67
Expenses on employee stock option scheme	36.06	17.33	-	-	-	-
(Gain) / loss on write off of fixed assets	-	0.00*	0.00*	-	-	0.47
Bad debts	-	-	0.86	0.58	0.55	4.04
Provision for doubtful debts	7.74	31.35	-	0.16	1.18	3.58
Provision for doubtful debts written back	-	-	(0.26)	(1.08)	(3.79)	-
Liabilities written back / provision no longer required	-	(3.05)	(11.64)	(1.28)	-	(2.07)
Unrealised foreign exchange loss	(0.05)	0.18	0.06	0.73	0.72	0.12
Net gain on sale of current investments	(5.77)	(26.13)	(16.97)	(4.35)	(1.59)	-
Gain on liquidation of subsidiary	-	(0.62)	-	-	-	-
Interest income	(2.15)	(4.24)	(8.31)	(23.67)	(20.73)	(17.83)
Dividend income	(302.52)	(0.37)	(201.03)	(3.49)	(0.78)	-
Operating profit before working capital changes	69.69	139.69	210.12	347.33	272.00	156.41
Movements in working capital :						
Increase / (decrease) in trade payables	21.32	(64.90)	0.62	113.94	(8.36)	34.12
Increase in long-term provisions	0.37	1.29	3.16	0.37	1.02	0.90
Increase / (decrease) in short term provisions	0.20	2.00	(0.12)	0.15	0.34	(0.13)
Increase / (decrease) in other current liabilities	(4.32)	(20.39)	25.14	22.81	4.04	(17.14)
(Increase) / decrease in trade receivables	(26.51)	37.94	(39.73)	(53.57)	0.42	(41.34)
(Increase) / decrease in loans and advances	(0.08)	(1.53)	(13.43)	(15.11)	(3.16)	41.38
(Increase) / decrease in other non current assets	-	-	0.00*	-	-	-
(Increase) / decrease in other current assets	(103.26)	42.11	19.36	(23.80)	(32.53)	21.53
Cash generated from operations	(42.59)	136.21	205.12	392.12	233.77	195.73
Direct taxes paid (net of refunds)	(22.40)	(53.68)	(122.05)	(137.42)	(92.28)	(50.33)
Net cash flow from operating activities (A)	**(64.99)**	**82.53**	**83.07**	**254.70**	**141.49**	**145.40**
Cash flows from investing activities						
Purchase of fixed assets, including intangible assets under development	(4.07)	(5.96)	(22.28)	(6.65)	(3.99)	(5.88)
Acquisition of shares in subsidiary	(0.10)	-	-	-	-	-
Proceeds from disposal of property, plant and equipment	-	0.00*	0.05	-	-	-
Purchase of current investments	(361.50)	(505.07)	(927.85)	(506.48)	(260.49)	(65.00)
Proceeds from redemption/maturity of current investments	368.47	403.02	744.52	356.85	163.22	-
Purchase of non-current investments	-	-	-	-	(0.05)	-
Proceeds from liquidation of subsidiary	-	0.63	-	-	-	-
Investment in bank deposits (having original maturity of more than three months)	-	(1.65)	(1.50)	(138.20)	(198.09)	(206.59)
Redemption / maturity of bank deposits (having original maturity of more than three months)	1.50	-	175.50	202.67	129.45	214.24
Interest received	1.32	2.45	7.82	26.99	11.76	12.39
Dividend received from subsidiary company	302.52	-	197.52	-	-	-
Dividends received from current investments	-	0.37	3.51	3.49	0.78	-
Net cash flow from / (used in) investing activities (B)	**308.14**	**(106.21)**	**177.29**	**(61.33)**	**(157.41)**	**(50.84)**
Cash flows from financing activities						
Buyback of shares	-	-	-	(133.93)	-	(79.68)
Dividend paid on equity shares	(300.38)	-	(198.92)	-	-	-
Tax on equity dividend paid	-	-	(0.29)	-	-	-
Tax on buyback of shares	-	-	(3.91)	(26.46)	-	-
Net cash flow used in financing activities (C)	**(300.38)**	**-**	**(203.12)**	**(160.39)**	**-**	**(79.68)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(57.23)**	**(23.69)**	**57.24**	**32.98**	**(15.92)**	**14.88**
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.22)	(0.67)	1.09	-	-	-
Cash and cash equivalents at the beginning of the period / year	78.08	102.44	44.11	11.13	27.05	12.17
Cash and cash equivalents at the end of the period / year	**20.63**	**78.08**	**102.44**	**44.11**	**11.13**	**27.05**
Components of cash and cash equivalents						
Cash in hand	0.25	-	-	-	-	-
Balances with bank	20.38	78.08	77.44	44.11	11.13	27.05
Deposit with original maturity of less than 3 months	-	-	25.00	-	-	-
Total cash and cash equivalents	**20.63**	**78.08**	**102.44**	**44.11**	**11.13**	**27.05**

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 IV and V.

* Amount is less than 0.01 million

As per our report of even date
For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Annexure IVA - Notes on material adjustments

1. Below mentioned is the summary of results of adjustments made in the audited unconsolidated financial statements of the respective years and its impact on the restated unconsolidated summary statement of profit and loss and restated unconsolidated summary statement of assets and liabilities:

(Rupees in million, unless otherwise stated)

	Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I.	**Profit after tax (as per audited financial statements)**	269.80	78.11	321.15	258.00	179.82	111.95
II.	**Restatement adjustments:**						
	Depreciation impact due to change of accounting policy (refer note A below)	-	-	-	-	-	(3.05)
	Income tax related to earlier years (refer note B below)	-	-	4.42	(4.42)	-	(1.94)
	Reversal of liability for expenses recorded in the earlier year (refer note C below)	-	-	-	(17.50)	17.50	-
	Total	**-**	**-**	**4.42**	**(21.92)**	**17.50**	**(4.99)**
III.	**Deferred tax adjustments**						
	Deferred tax impact on above adjustments (refer note D below)	-	-	(4.45)	10.40	(5.95)	0.99
	Total	**-**	**-**	**(4.45)**	**10.40**	**(5.95)**	**0.99**
IV.	**Total adjustments (II+III)**	**-**	**-**	**(0.03)**	**(11.52)**	**11.55**	**(4.00)**
V.	**Restated profit after tax (I+IV)**	**269.80**	**78.11**	**321.12**	**246.48**	**191.37**	**107.95**

Notes:

A) During the year ended March 31, 2013, the Company has changed (with retrospective effect) its method of providing depreciation on fixed assets, other than leasehold improvements, from the Written Down Value ('WDV') method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line Method (SLM). This change in depreciation method has been identified as change in accounting policy.
For the purpose of restated unconsolidated summary statements, this change in accounting policy has been appropriately adjusted in the opening reserves of March 31, 2012.

B) The Statement of profit and loss for the financial year ended March 31, 2013 includes income tax provision written back which was in excess and has been appropriately adjusted in the opening reserves.
During the year ended March 31, 2016, the Company has recorded tax provision of Rs.4.42 million for the year ended March 31, 2015 which has now been recorded in the relevant year.

C) During the year ended March 31, 2015, the Company has reversed liability of Rs.17.5 million created in the year ended March 31, 2014. This amount has been adjusted to respective years to which it relates in the restated unconsolidated summary statements.

D) Deferred tax has been computed on adjustments made as detailed above and have been adjusted to the respective years to which they relate.

2. **Adjustments made in the opening balance of surplus in the statement of profits and losses as at March 31, 2012**

Particulars	**(Amount in Rupees)**
Surplus in the statement of profit and loss as at April 1, 2012 as per audited financial statements	179.40
Adjustments:	
Depreciation impact due to change of accounting policy (refer note A above)	3.05
Deferred tax impact on depreciation (refer note D above)	(0.99)
Income tax related to earlier years (refer note B above)	1.94
Surplus in the statement of profit and loss as at April 1, 2012 (as restated)	**183.40**

3. **Adjustment made in the reserves and surplus**
During the year ending March 31, 2016, the education cess of Rs. 3.91 million forming part of tax on buy back of shares completed during the year ended March 31, 2015 was adjusted against surplus in the statement of profit and loss. This amount has been adjusted to the year to which it relates in the restated unconsolidated summary statements.

Annexure IVB - Non adjusting items

Other audit qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2003 (as amended), on the unconsolidated financial statements for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements are as follows:

I. For the year ended March 31, 2013

i. **Clause (ix)(a)**

Undisputed statutory dues provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, 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. The provisions relating to excise duty and custom duty are not applicable to the Company.

ii. **Clause (ix)(b)**

According to the iformation and explanation given to us, no undisputed amounts payable in respect of provident fund, investors education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except for the following dues of service tax and income tax, which has not been deposited till date of the audit report on the financial statements for the year ended March 31, 2013. The provisions relating to excise duty and customs duty are not applicable to the company.

Name of the Statute	Nature of the dues	Amount (Rs) million	Period to which amount relates	Due Date	Date of payment
Finance Act, 1994	Interest on delayed payment of service tax	0.20	April 2011 to March 2012	6th of every month	24-Jun-13
Income Tax Act, 1961	Interest on delayed payment of tds	0.82	April 2010 to March 2011	7th of every month	24-Jun-13
Income Tax Act, 1961	Interest on delayed payment of tds	0.51	April 2011 to March 2012	7th of every month	24-Jun-13

Annexure IVC - Material regroupings

The restated unconsolidated summary statements have been prepared based on the presentation requirements specified under Schedule III of the Companies Act, 2013, which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956 which was followed for the preparation of the financial statements for the year March 31, 2013.

Appropriate adjustments have been made in the restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the regroupings as per the audited unconsolidated financial statements of the Company for six months period ended September 30, 2017 prepared in accordance with Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

Annexure V - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate information

Nazara Technologies Limited (the 'Company') incorporated on December 8, 1999 as a Private Company is primarily engaged in providing subscription/ download of games/other contents through telecom consumer base in India and worldwide and digital advertising services.

On 13th December 2017, the Company has converted from Private Company to Public Company. Accordingly, the name of the Company has now changed to Nazara Technologies Limited.

2. Basis of preparation

The restated unconsolidated summary statement of assets and liabilities of the Company as at September 30, 2017 , March 31, 2017, 2016, 2015, 2014 and 2013 and the related restated unconsolidated summary statement of profits and losses and related restated unconsolidated summary statement of cash flows for the six month period ended September 30, 2017 and for the year ended March 31, 2017, 2016, 2015, 2014 and 2013 herein collectively referred to as ("Restated Unconsolidated Summary Statements") have been compiled by the management from the audited unconsolidated financial statements for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 respectively, which were prepared under generally accepted accounting principles in India (Indian GAAP) and approved by the Board of Directors of the Company at that relevant time.

The Restated Unconsolidated Summary Statements have been prepared specifically for the 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.

The 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 read with rule 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.

The Company has prepared the unconsolidated financial statements to comply in all material respects with the accounting standards specified under the Companies Act, 1956 (the "Act") and as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India as applicable. The unconsolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those adopted in the preparation of interim unconsolidated financial statement for the period ended September 30, 2017.

These unconsolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 and the Revised Schedule VI to the Companies Act, 1956, as applicable.

These statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

2.1. Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realisable value. Any write-down is recognised in the statement of profit and loss.

c. Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Property, plant and equipment	For the period ended September 2017 and for each of the years ended March 31, 2017, 2016 and 2015		For each of the years ended March 31 and 2014	
	Useful lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	Useful lives estimated by the management from April 1, 2014 onwards	Useful lives as per Schedule XIV of Companies Act, 1956 till March 31, 2014	Depreciation rates as per useful lives as estimated by the management till March 31, 2014
Furniture and fixtures	10 years	5 years	16 years	5 years
Computer and Printers	3 years	3 years	6 years	3 years
Office equipments	5 years	3 years	7 years	3 years
Motor Car	8 years	3 years	11 years	3 years

Leasehold improvements is amortized over the economic useful life of asset or three years whichever is lower.

Based on the internal technical evaluation, the Company has considered depreciation rates and useful lives as mentioned above instead of the useful life as prescribed under Schedule II of the Companies Act, 2013.

Reassessment of the useful life is undertaken by the management every year.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life i.e. 3 years. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed 10 years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds 10 years, the Company amortises the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

e. Impairment of fixed assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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 the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f. Lease

Where the Company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

g. Investments

Investments, which are readily realisable 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements 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.

h. 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.

i. Income from services

- Revenue from subscription/download of games/ other contents is recognised in the period in which services are rendered as per the contract with operators and content distributors.
- Revenue from advertising services is recognised in the period in which advertisements are displayed.

ii. Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head 'other income' in the statement of profit and loss.

iii. Dividends

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

i. Foreign currency translation

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. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting 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 recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

j. 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. Deferred income taxes reflects 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 reporting 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 supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date the Company re-assesses un-recognised 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.

k. Provisions

A provision is recognised when the Company 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 of the amount of obligation. Provisions except for provision for decommission, restoration and similar liabilities that are recognised as cost of Property, Plant and Equipment 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.

l. 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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

m. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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.

n. 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.

o. Segment reporting

The Company is exclusively engaged in the business of mobile value added services (VAS). Accordingly, in terms of AS 17 on Segment Reporting, its operations are considered to constitute one single primary segment. The Secondary segments are geographical areas by location of customers.

p. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

The Company operates one defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for a plan using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

Long term compensated absences are provided on actuarial valuation carried out by an independent actuary at the year end, which is calculated using projected unit credit method and charged to the statement of profit and loss.

q. 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.

r. Corporate Social responsibility

Corporate social responsibility expense is recognized as it is incurred by the Company or when Company has entered into any legal or constructive obligation for incurring such an expense.

Annexure VI - Restated unconsolidated statement of Share capital

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Share capital												
Authorised shares												
Equity shares of Rs 10/- each (refer note 1 below)	2,198,796	21.99	2,198,796	21.99	2,198,796	21.99	1,325,000	13.25	1,325,000	13.25	1,325,000	13.25
Preference shares of Rs 10/- each (refer note 2 below)	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	2,125,000	21.25	2,125,000	21.25	2,125,000	21.25
	3,450,000	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**
Issued, subscribed and paid-up												
Equity shares of Rs 10/- each fully paid	1,989,246	19.89	1,989,246	19.89	1,989,246	19.89	738,042	7.38	783,442	7.83	783,442	7.83
0.01% optionally convertible participating preference shares (OCPPS) of Rs. 10/- each fully paid up	-	-	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
	1,989,246	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**2,034,946**	**20.34**	**2,034,946**	**20.34**

(a) Reconcilation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	1,989,246	19.90	1,989,246	19.90	738,042	7.39	783,442	7.84	783,442	7.84	867,938	8.68
Buy-back during the year (refer note 3 below)	-	-	-	-	-	-	(45,400)	(0.45)	-	-	(84,496)	(0.84)
Conversion of OCPPS (refer note 4 below)	-	-	-	-	1,251,204	12.51	-	-	-	-	-	-
Outstanding at the end of the year	**1,989,246**	**19.90**	**1,989,246**	**19.90**	**1,989,246**	**19.90**	**738,042**	**7.39**	**783,442**	**7.84**	**783,442**	**7.84**

OCPPS

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
Issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Conversion into equity shares	-	-	-	-	(1,251,204)	(12.51)	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51

Notes:

1) Authorised share capital of the equity shares of the Company was increased by Rs.8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.

2) Authorised share capital of the preference shares of the Company was reduced by Rs.8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.

3) During the year ended March 31, 2013, the Company has bought-back 0.08m shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs.78.83 million has been utilised from the securities premium. Further during the year ended March 31, 2015, the company has bought-back 0.05 million shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs.4.55 million has been utilised from the securities premium. (refer Annexure VII)

4) During the year ended March 31, 2016, the Company has converted 1.25 million OCPPS of Rs 10 each into 1,251,204 equity shares of Rs 10 each pursuant to resolution passed in Board Meeting on March 30,2016. The Board of Directors of the Company at their board meeting held on March 30, 2016 have allotted one equity share for every one OCPPS.

Annexure VI - Restated unconsolidated statement of share capital

(b) Details of shareholders holding more than 5% shares in the Company **(Rupees in million, unless otherwise stated)**

Name of the Shareholder	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class	No. of Shares held	% of holding in the class
Equity shares of Rs 10 each fully paid												
Mitter Infotech LLP	558,356	28.07%	558,356	28.07%	558,356	28.07%	558,356	75.65%	598,357	76.38%	700,087	89.36%
West Bridge Venture II Investment Holdings	1,352,944	68.01%	1,352,944	68.01%	1,352,944	68.01%	101,740	13.79%	101,740	12.99%	-	-
Emerging Investment Limited	-	-	-	-	-	-	44,065	5.97%	47,209	6.03%	47,209	6.03%
OCPPS of Rs 10 each fully paid												
West Bridge Venture II Investment Holdings	-	-	-	-	-	-	1,251,204	100.00%	1,251,204	100.00%	1,251,204	100.00%

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its holding company, ulitmate holding company and their subsidiaries / associates are as below:

Name of the shareholder	September 30, 2017 Amount	March 31, 2017 Amount	March 31, 2016 Amount	March 31, 2015 Amount	March 31, 2014 Amount	March 31, 2013 Amount
West Bridge Venture II Investment Holdings, the holding company from March 30, 2016	13.53	13.53	13.53	-	-	-
Mitter Infotech LLP, the holding firm till March 29, 2016	5.58	5.58	5.58	5.58	5.98	7.00

Note 1 : Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 14 (1) of Annexure XXXI)

(d) Terms / rights attached to equity shares

1. Voting rights

Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

Annexure VI - Restated unconsolidated statement of share capital

6. Liquidation Preference:

In the Event of "Liquidation Event" as defined in shareholders agreement, equity shareholders will be entitled to receive consideration or proceed on a pro rata basis in the proportions of their ownership in the total paid up capital of the company on a fully diluted basis as defined in the AOA of the Company, after distribution of all preferential amounts.

"Liquidation event" shall (except for the issue of shares under an IPO) be deemed to include the following:-
(a) Commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or

(b) The consummation of a consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its Shareholders, collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities, or

(c) Sale or transfer of more than 50% [fifty percent] of the then outstanding Shares by the Shareholders, such that the Shareholders, which shall include the Investor, prior to any such transaction, retain after such transaction less than 50% of voting power of the Company

(d) The sale of, transfer of or creation of an encumbrance of any nature whatsoever or the appointment of a receiver in any proceedings, in more than 50% of the value of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the Company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever in more than 50% of the value of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in one or a series of transactions), which has not been vacated within 15 days of the passing of such order by the court. Subsection (d) would not apply to a case of consolidation, merger, reorganisation or other similar transaction referred to in sub-section (b)

7. Other Rights:
Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation / amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) Terms of conversion / redemption of (OCPPS)

Till March 29, 2016 , the Company had only one series of preference shares having par value of Rs 10 each.The preference shares were held by the investor. The following were the rights and preferences attached to preference shares.

1. Voting rights
The preference shareholders shall have right to vote on as converted to equity share basis.

2. Right as to dividend
The preference shares will carry a fixed rate of dividend at the rate of 0.01% calculated on a fully diluted basis i.e. on as an if converted basis, is identically the same percentage rate as the dividend declared by the Company on its equity shares.

3. Redemption and conversion rights:
The preference shareholders investor have right to redeeem any time after expiry of 5 years from closing date i.e., 5th September, 2005 at the option of the preference shareholder at the fair market value as determined by an independent valuer.

Further, the preference shareholders have right to convert at any time in the ratio of 1:1 subject to adjustment of stock splits, bonus, dividends , recapitalisation and other similar events.

Apart from above, the investor have the right of first offer, right of first refusal, tag along rights, drag along rights as mentioned in paragraph 3, 4 and 5 of Annexure VI (d) as preference shareholders.

On March 30 2016, as indicated in annexure VI (a) above, the Company had converted 1,251,204 optionally convertible participating preference shares of Rs 10 each into 1,251,204 equity shares of Rs 10 each, hence there are no outstanding OCPPS as at March 31, 2016, 2017 and September 30, 2017.

(f) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company. (refer note 4 of Annexure XXXI).

(g) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Equity shares bought back at the beginning of the year	129,896	129,896	129,896	84,496	84,496	-
Equity shares bought back by the Company	-	-	-	45,400	-	84,496
	129,896	129,896	129,896	129,896	84,496	84,496

Note -

The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure VII - Restated unconsolidated statement of reserves and surplus

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Reserves and surplus						
Securities premium account						
Balance as per last financial statements	-	-	-	45.45	45.45	124.29
Less:- utilised for buyback of shares (refer note 1 below)	-	-	-	(45.45)	-	(78.84)
Closing balance	-	-	-	-	45.45	45.45
Surplus in the statement of profit and loss						
Balance as per last financial statements	809.54	731.44	609.53	481.88	290.51	183.40
Add: amount transferred from surplus balance in the statement of profit and loss	269.80	78.11	321.12	246.48	191.37	107.95
Less:- utilised for buyback of shares (refer note 1 below)	-	-	-	(88.02)	-	-
Less:- transfer to capital redemption reserve account (refer note 1 below)	-	-	-	(0.45)	-	(0.84)
Less:- tax on buyback of shares (refer note 1 below and note 3 to Annnexure IVA)	-	-	-	(30.36)	-	-
Less:- utilised for dividend distribution	(300.38)	-	(198.92)	-	-	-
Less:- tax on dividend distributed	-	-	(0.29)	-	-	-
Closing balance	778.97	809.54	731.44	609.53	481.88	290.51
Capital redemption reserve account						
Balance as per last financial statements	1.30	1.30	1.30	0.84	0.84	-
Add:- transferred from surplus in the statement of profit and loss (refer note 1 below)	-	-	-	0.46	-	0.84
Closing balance	1.30	1.30	1.30	1.30	0.84	0.84
Employee stock options outstanding						
Balance as per last financial statements	22.85	-	-	-	-	-
Add:- options granted	47.53	22.85	-	-	-	-
Closing balance	70.38	22.85	-	-	-	-
	850.65	**833.70**	**732.74**	**610.83**	**528.17**	**336.80**

Notes:

1) During the year ended March 31, 2013, the Company has bought-back 84,496 shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs.78.83 million has been utilised from the securities premium and the Company has transferred Rs.0.84 million from surplus in the statement of profit and loss to capital redemption reserve account.

   During the year ended March 31, 2015, the Company has bought-back 45,400 shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs.4.55 million and Rs.88.02 million has been utilised from the securities premium and surplus in the statement of profit and loss respectively. Further, the Company has transferred Rs.0.45 million from surplus in the statement of profit and loss to capital redemption reserve account and Rs.30.36 million has been utilised from surplus in the statement of profit and loss towards tax on buyback of shares.

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 IV and V.

Annexure VIII - Restated unconsolidated statement of long-term provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits						
Provision for gratuity (refer note 7 of Annexure XXXI)	10.45	10.09	8.79	5.63	5.27	4.24
	10.45	**10.09**	**8.79**	**5.63**	**5.27**	**4.24**

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 IV and V.

Annexure IX - Restated unconsolidated statement of trade payables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade payables						
- Total outstanding dues of micro enterprises and small enterprises (refer note 11 in Annexure XXXI for details of dues to micro and small enterprises)	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	119.00	97.44	166.37	176.98	63.47	75.44
- Trade payables to related entities	-	-	-	-	-	0.00*
	119.00	**97.44**	**166.37**	**176.98**	**63.47**	**75.44**

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 IV and V.
3) Following are the amount due to related parties:

(Amount in Rupees)

Particulars	Relationship	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Nazara Europe Limited	Subsidiary	-	-	-	-	-	0.00*
Total		-	-	-	-	-	-

* Amount is less than 0.01 million

Annexure X - Restated unconsolidated statement of other current liabilities

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Other current liabilities						
Employee payables	25.08	25.46	17.91	8.38	0.97	0.63
Payable for capital expenditure	2.00	2.00	2.09	0.07	-	1.03
Deferred revenue	2.90	5.23	21.87	13.09	-	0.21
Other payables						
Tax deducted at source	1.65	4.36	14.75	11.81	9.73	4.78
Statutory liabilities	2.55	1.45	2.27	4.29	0.23	0.24
	34.18	**38.50**	**58.89**	**37.64**	**10.93**	**6.89**

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 IV and V.

Annexure XI - Restated unconsolidated statement of short-term provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Short-term provisions						
Provision for compensated absences	3.92	3.71	1.71	1.83	1.68	1.34
Provision for income tax (net of advance tax)	50.26	-	-	-	-	-
	54.18	**3.71**	**1.71**	**1.83**	**1.68**	**1.34**

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 IV and V.

Annexure XII -Restated Unconsolidated statement of fixed assets (property, plant and equipment and intangible assets)

Gross Block **(Rupees in million, unless otherwise stated)**

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	11.16	1.33	1.28	1.09	3.56	18.42	16.26	-	-	16.26	34.68
Additions	1.23	0.39	0.44	-	-	2.06	0.20	-	3.64	3.84	5.90
Disposal	(2.08)	(0.20)	(0.73)	-	-	(3.01)	(0.41)	-	-	(0.41)	(3.42)
As at March 31, 2013	**10.31**	**1.52**	**0.99**	**1.09**	**3.56**	**17.47**	**16.05**	**-**	**3.64**	**19.69**	**37.16**
Additions	1.63	0.79	-	-	-	2.42	1.57	-	-	1.57	3.99
Disposal	-	(0.03)	-	-	-	(0.03)	-	-	-	-	(0.03)
As at March 31, 2014	**11.94**	**2.28**	**0.99**	**1.09**	**3.56**	**19.86**	**17.62**	**-**	**3.64**	**21.26**	**41.12**
Additions	2.16	0.54	0.06	-	-	2.76	3.87	-	-	3.87	6.63
Disposal	-	-	-	-	-	-	(8.00)	-	-	(8.00)	(8.00)
As at March 31, 2015	**14.10**	**2.82**	**1.05**	**1.09**	**3.56**	**22.62**	**13.49**	**-**	**3.64**	**17.13**	**39.75**
Additions	14.71	1.00	0.46	-	-	16.17	2.52	-	-	2.52	18.69
Disposal	(0.07)	-	-	-	-	(0.07)	-	-	-	-	(0.07)
As at March 31, 2016	**28.74**	**3.82**	**1.51**	**1.09**	**3.56**	**38.72**	**16.01**	**-**	**3.64**	**19.65**	58.37
Additions	0.34	0.63	-	-	-	0.97	-	7.20	-	7.20	8.17
Disposal	(0.57)	(0.50)	-	-	(3.56)	(4.63)	-	-	-	-	(4.63)
As at March 31, 2017	**28.51**	**3.95**	**1.51**	**1.09**	**-**	**35.06**	**16.01**	**7.20**	**3.64**	**26.85**	61.91
Additions	-	-	-	2.67	-	2.67	-	-	-	-	2.67
Disposal	-	-	-	-	-	-	-	-	-	-	-
At September 30, 2017	**28.51**	**3.95**	**1.51**	**3.76**	**-**	**37.73**	**16.01**	**7.20**	**3.64**	**26.85**	**64.58**

Depreciation / Amortisation

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	4.71	0.26	0.62	0.05	3.56	9.20	8.96	-	-	8.96	18.16
Charge for the year	4.38	0.68	0.18	0.42	-	5.66	2.91	-	0.10	3.01	8.67
Disposals	(1.73)	(0.20)	(0.59)	-	-	(2.52)	(0.41)	-	-	(0.41)	(2.93)
As at March 31, 2013	**7.36**	**0.74**	**0.21**	**0.47**	**3.56**	**12.34**	**11.46**	**-**	**0.10**	**11.56**	**23.90**
Charge for the year	2.06	0.58	0.21	0.42	-	3.27	2.60	-	1.21	3.81	7.08
Disposals	-	(0.03)	-	-	-	(0.03)	-	-	-	-	(0.03)
As at March 31, 2014	**9.42**	**1.29**	**0.42**	**0.89**	**3.56**	**15.58**	**14.06**	**-**	**1.31**	**15.37**	**30.95**
Charge for the year	1.72	0.58	0.22	0.20	-	2.72	3.01	-	1.21	4.22	6.94
Disposals	-	-	-	-	-	-	(8.00)	-	-	(8.00)	(8.00)
As at March 31, 2015	**11.14**	**1.87**	**0.64**	**1.09**	**3.56**	**18.30**	**9.07**	**-**	**2.52**	**11.59**	**29.89**
Charge for the year	4.57	0.70	0.30		-	5.57	2.40	-	1.12	3.52	9.09
Disposals	(0.01)	-	-		-	(0.01)	-	-	-	-	(0.01)
As at March 31, 2016	**15.70**	**2.57**	**0.94**	**1.09**	**3.56**	**23.86**	**11.47**	**-**	**3.64**	**15.11**	**38.97**
Charge for the year	6.06	0.80	0.22		-	7.08	2.35	1.33	0.01	3.69	10.77
Disposals	(0.57)	(0.50)	-	-	(3.56)	(4.63)	-	-	(0.01)	(0.01)	(4.64)
As at March 31, 2017	**21.19**	**2.87**	**1.16**	**1.09**	**-**	**26.31**	**13.82**	**1.33**	**3.64**	**18.79**	**45.10**
Charge for the year	2.78	0.35	0.08	0.08	-	3.29	1.07	1.20	-	2.27	5.56
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at September 30,2017	**23.97**	**3.22**	**1.24**	**1.17**	**-**	**29.60**	**14.89**	**2.53**	**3.64**	**21.06**	**50.66**

Net block

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at March 31, 2013	2.95	0.78	0.78	0.62	-	5.13	4.59	-	3.54	8.13	13.26
As at March 31, 2014	2.52	0.99	0.57	0.20	-	4.28	3.56	-	2.33	5.89	10.17
As at March 31, 2015	2.96	0.95	0.41	-	-	4.32	4.42	-	1.12	5.54	9.86
As at March 31, 2016	13.04	1.25	0.57	-	-	14.86	4.54	-	-	4.54	19.40
As at March 31, 2017	7.32	1.08	0.35	-	-	8.75	2.19	5.87	-	8.06	16.81
As at September 30, 2017	4.54	0.73	0.27	2.59	-	8.13	1.12	4.67	-	5.79	13.92

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 IV and V.

Annexure XIII - Restated unconsolidated statement of non-current investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Non-current investment												
Trade investment (at cost) (unquoted)												
Investment in subsidiaries												
Equity shares of Nazara Technologies FZ LLC of AED 10 each	5,000	0.64	5,000	0.64	5,000	0.64	5,000	0.64	5,000	0.64	5,000	0.64
Equity shares of Nazara Europe Limited of GBP 1 each	-	-	-	-	100	0.00*	100	0.00*	100	0.00*	100	0.00*
Equity shares of Nazara Pte Limited of SGD 1 each	1,000	0.05	1,000	0.05	1,000	0.05	1,000	0.05	1,000	0.05	-	-
Equity shares of Nazara Pro Gaming Private Limited of Rs 10 each	10,000	0.10	-	-	-	-	-	-	-	-	-	-
	16,000	**0.79**	**6,000**	**0.69**	**6,100**	**0.69**	**6,100**	**0.69**	**6,100**	**0.69**	**5,100**	**0.64**

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 IV and V.

* Amount is less than 0.01 million

Annexure XIV - Restated unconsolidated statement of deferred tax assets

(Rupees in million, unless otherwise stated)

Particulars	**As at September 30, 2017**	**As at March 31, 2017**	**As at March 31, 2016**	**As at March 31, 2015**	**As at March 31, 2014**	**As at March 31, 2013**
Deferred tax assets						
Provision for doubtful debts	13.53	10.85	4.16	0.09	0.40	1.29
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	15.70	5.37	1.60	3.34	0.10	1.92
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	2.43	1.57	1.03	2.16	1.47	0.65
Impact of revenue offered to tax but recorded in the statement of profit and loss in the subsequent year	1.00	1.63	7.57	4.45	-	-
	32.66	**19.42**	**14.36**	**10.04**	**1.97**	**3.86**

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 IV and V.

Annexure XV - Restated unconsolidated statement of long term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(Unsecured, considered good)						
Security deposits	13.20	14.12	12.06	2.36	4.53	3.66
Capital advance	-	-	-	1.30	-	-
Advance income-tax (net of provision for tax)	17.93	19.55	7.25	7.04	1.68	4.60
	31.13	**33.67**	**19.31**	**10.70**	**6.21**	**8.26**

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 IV and V.

Annexure XVI - Restated unconsolidated statement of other non current assets

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise						
Non-current bank balances (refer annexure XIX)	1.65	1.65	1.50	-	49.10	109.50
Others						
Interest accrued on fixed deposits	0.08	0.03	0.07	-	2.63	4.87
	1.73	**1.68**	**1.57**	**-**	**51.73**	**114.37**

Note:

1) The fixed deposit aggregating to Rs 1.65 million as at September 30, 2017 and March 31, 2016 and Rs 1.5 million as at March 31, 2016 is under lien to bank for issuing bank guarantee.
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 IV and V.

Annexure XVII - Restated unconsolidated statement of current investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs
Current investment (valued at lower of cost and fair value, unless stated otherwise)												
a. Investments in mutual funds (unquoted)												
SBI MF SDFS 367 days	-	-	-	-	-	-	-	-	-	-	999,990	10.00
HDFC FMP 370D July 2013	-	-	-	-	-	-	-	-	1,000,000	10.00	-	-
SBI SDFS A 16 366 days-regular-growth	-	-	-	-	-	-	-	-	2,250,000	22.50	-	-
SDFS - A 3 420 days -regular- growth	-	-	-	-	-	-	4,031,085	40.31	4,031,085	40.31	-	-
SBI magnum gilt - long term plan (G)	-	-	-	-	-	-	685,087	20.00	-	-	-	-
Franklin india income builder account	-	-	-	-	-	-	207,276	10.00	-	-	-	-
SBIMF-Magnum income fund	1,577,816	45.82	1,756,450	51.01	1,756,450	51.01	1,756,450	51.01	1,756,450	51.01	2,248,626	65.00
BNP paribas flexi debt fund	828,972	20.00	828,972	20.00	828,972	20.00	414,993	10.00	-	-	-	-
SBI ultra short term fund	-	-	12,830	25.95	23,994	44.92	67,815	121.48	-	-	-	-
SDFS 17 months - series 1	-	-	-	-	1,003,037	10.03	1,003,037	10.03	1,003,037	10.03	-	-
SDFS 18 months - series XII	-	-	-	-	2,500,000	25.00	2,500,000	25.00	2,500,000	25.00	-	-
SBI dynamic bond fund	-	-	-	-	1,751,096	30.00	1,167,986	20.00	-	-	-	-
ICICI prudential gilt fund	670,604	34.63	670,604	34.63	848,326	40.00	212,054	10.00	-	-	-	-
Kotak gilt investment regular growth	627,212	32.71	627,212	32.71	837,909	40.00	209,563	10.00	-	-	-	-
SBI short term fund	1,210,302	20.00	1,210,302	20.00	1,210,302	20.00	-	-	-	-	-	-
SBI corporate bond	2,858,784	70.00	2,858,784	70.00	850,008	20.00	-	-	-	-	-	-
SBI debt fund series B – 33	2,000,000	20.00	2,000,000	20.00	2,000,000	20.00	-	-	1,500,000	15.00	-	-
SBI regular saving fund	3,470,651	90.00	3,470,651	90.00	2,009,765	50.00	-	-	-	-	-	-
Birla sunlife saving fund	269	0.09	-	-	-	-	-	-	-	-	-	-
Birla sunlife saving fund	-	-	-	-	86,812	25.00	-	-	-	-	-	-
ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.07	-	-	-	-	-	-
IIFL cash opportunities fund	6,435,543	69.58	4,700,293	49.72	2,850,436	29.99	-	-	-	-	-	-
Birla sun life dynamic bond fund	399,552	10.00	339,552	10.00	-	-	-	-	-	-	-	-
Birla sun life short term opportunities fund	368,370	10.00	368,370	10.00	-	-	-	-	-	-	-	-
BNP paribas medium term income fund	783,447	10.00	783,447	10.00	-	-	-	-	-	-	-	-
DSP black rock income opportunities fund	372,250	10.00	372,250	10.00	-	-	-	-	-	-	-	-
IDFC super saver income fund short term	641,350	20.00	641,350	20.00	-	-	-	-	-	-	-	-
L&T income opportunities fund	1,722,655	30.00	1,722,655	30.00	-	-	-	-	-	-	-	-
Reliance short term fund	853,250	25.00	853,250	25.00	-	-	-	-	-	-	-	-
SBI treasury advantage fund	18,977	32.17	18,977	32.17	-	-	-	-	-	-	-	-
Tata short term bond fund	351,136	10.00	351,136	10.00	-	-	-	-	-	-	-	-
Aditya birla sun life corporate bond fund regualar growth	799,316	10.00	-	-	-	-	-	-	-	-	-	-
Reliance corporate bond fund-growth plan	732,295	10.00	-	-	-	-	-	-	-	-	-	-
UTI short term income fund	1,075,645	20.00	1,075,645	20.00	-	-	-	-	-	-	-	-
	27,798,396	**600.00**	**24,662,730**	**591.19**	**18,722,096**	**473.02**	**12,255,345**	**327.83**	**14,040,572**	**173.85**	**3,248,616**	**75.00**
b. Investments in debentures (quoted)												
IIFL wealth finance market linked debentures	-	-	100	10.00	-	-	-	-	-	-	-	-
	-	**-**	**100**	**10.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
c. Investments in tax free bonds (quoted)												
7.39% HUDCO tax free bond series IIA	7,007	7.01	7,007	7.01	7,007	7.01	-	-	-	-	-	-
7.39% HUDCO bond tax free bond series IIA	7,529	7.53	7,529	7.53	7,529	7.53	-	-	-	-	-	-
7.35% IRFC tax free bond series IIA	5,878	5.88	5,878	5.88	5,878	5.88	-	-	-	-	-	-
7.35% NABARD tax free bond series IIA	5,010	5.01	5,010	5.01	5,010	5.01	-	-	-	-	-	-
7.35% NHAI tax free bond series IIA	29,704	14.29	29,704	14.29	29,704	14.29	-	-	-	-	-	-
7.39% NHAI tax free bond series IIA	15,419	15.42	15,419	15.42	15,419	15.42	-	-	-	-	-	-
	70,547	**55.14**	**70,547**	**55.14**	**70,547**	**55.14**	**-**	**-**	**-**	**-**	**-**	**-**
	27,868,943	**655.14**	**24,733,377**	**656.33**	**18,792,643**	**528.16**	**12,255,345**	**327.83**	**14,040,572**	**173.85**	**3,248,616**	**75.00**
Notes:												
Aggregate net assest value of unquoted investments in mutual fund based on NAV declared by mutual fund		683.78	-	652.74	-	504.43	-	346.18	-	178.78	-	76.49
Aggregate market value of quoted investments in debentures		-	-	10.77	-	-	-	-	-	-	-	-
Aggregate market value of quoted investments in tax free bonds		63.40	-	62.30	-	56.22	-	-	-	-	-	-

Note:

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 IV and V.

Annexure XVIII - Restated unconsolidated statement of trade receivables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Outstanding for a period exceeding six months fom the date they are due for payment						
Unsecured, considered good	27.75	2.11	1.50	1.51	2.73	6.95
Unsecured, considered doubtful	12.04	12.04	-	0.26	1.18	3.79
	39.79	14.15	1.50	1.77	3.91	10.74
Provision for doubtful debts	(12.04)	(12.04)	-	(0.26)	(1.18)	(3.79)
	27.75	2.11	1.50	1.51	2.73	6.95
Outstanding for a period less than six months from the date they are due for payment						
Unsecured, considered good	107.69	114.05	182.38	143.69	88.43	86.88
Unsecured, considered doubtful	22.89	17.24				
	130.58	131.29	182.38	143.69	88.43	86.88
Provision for doubtful debts	(22.89)	(17.24)	-	-	-	-
	107.69	114.05	182.38	143.69	88.43	86.88
	135.44	**116.16**	**183.88**	**145.20**	**91.16**	**93.83**

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 IV and V.

Annexure XIX - Restated unconsolidated statement of cash and bank balances

(Rupees in million, unless otherwise stated)

	Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
a.	**Cash and cash equivalents**						
	Cash in hand	0.25	-	-	-	-	-
	Balances with banks:						
	- On current accounts	20.38	78.08	77.44	44.11	11.13	27.05
	- Deposits with original maturity of less than three months	-	-	25.00	-	-	-
	Total (A)	20.63	78.08	102.44	44.11	11.13	27.05
b.	**Other bank balances**						
	Deposits with remaining maturity for more than 3 months but less than 12 months	-	1.50	-	175.50	190.87	61.82
	Deposits with remaining maturity for more than 12 months	1.65	1.65	1.50	-	49.10	109.50
		1.65	3.15	1.50	175.50	239.97	171.32
	Amount disclosed under non-current assets (refer Annexure XVI)	(1.65)	(1.65)	(1.50)	-	(49.10)	(109.50)
	Total (B)	-	1.50	-	175.50	190.87	61.82
	Cash and bank balances (A+B)	**20.63**	**79.58**	**102.44**	**219.61**	**202.00**	**88.87**

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 IV and V.

Annexure XX - Restated unconsolidated statement of short term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good						
Security deposits	1.50	0.69	1.74	3.30	-	-
Advances recoverable in cash or kind	1.01	0.84	0.81	14.49	3.79	2.01
Advances recoverable from subsidiary company (refer note 14(4)(iii) of Annexure XXXI below)	16.99	5.52	-	-	-	-
Loan to Moonglab Technologies Private Limited	2.50	-	-	-	-	-
Advance to vendors	6.14	10.74	12.52	-	-	-
Other loans and advances						
Prepaid expenses	11.74	10.00	4.77	-	-	-
Service tax receivable	3.81	3.44	6.39	3.40	1.37	0.87
	43.69	**31.23**	**26.23**	**21.19**	**5.16**	**2.88**

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 IV and V.

Annexure XXI - Restated unconsolidated statement of other current assets

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unbilled revenue						
Considered good	147.38	44.12	88.31	94.76	70.96	38.43
Considered doubtful	4.17	2.08	-	-	-	-
	151.55	46.20	88.31	94.76	70.96	38.43
Provision for doubtful unbilled revenue	(4.17)	(2.08)	-	-	-	-
	147.38	44.12	88.31	94.76	70.96	38.43
Interest accured on fixed deposits and bonds	3.03	2.23	0.44	12.92	15.98	5.67
	150.41	**46.35**	**88.75**	**107.68**	**86.94**	**44.10**

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 IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)
Annexure XXII - Restated unconsolidated statement of revenue from operations

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue from subscription/ download of games/other contents	290.12	733.79	1,140.03	896.06	619.24	445.29
Revenue from advertising services	31.24	39.83	29.53	-	-	-
	321.36	**773.62**	**1,169.56**	**896.06**	**619.24**	**445.29**

Notes:
1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXIII - Restated unconsolidated statement of other income

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	Recurring / Non - recurring	Related / Not related to business activities
Interest income on								
- Bank deposits	0.11	0.19	7.37	23.67	20.67	17.00	Recurring	Non related
- Tax free bonds	2.04	4.05	0.95	-	-	-	Recurring	Non related
- Loan given to subsidiary	-	-	-	-	0.06	0.83	Non-recurring	Non related
Dividend income on								
- Investment in subsidiaries	302.52	-	197.52	-	-	-	Non-recurring	Non related
- Current investments	-	0.37	3.51	3.49	0.78	-	Recurring	Non related
Net gain on sale of current investments	5.77	26.13	16.97	4.35	1.59	-	Recurring	Non related
Sundry balances written back	-	-	11.64	1.28	-	2.07	Non-recurring	Related
Gain on liquidation of subsidiary	0.06	0.62	-	-	-	-	Non-recurring	Non related
Provision for doubtful debts written back	-	3.05	0.26	1.08	3.79	-	Non-recurring	Related
Other income	0.22	1.74	3.26	1.04	0.85	-	Non-recurring	Non related
	310.72	**36.15**	**241.48**	**34.91**	**27.74**	**19.90**		

Notes :

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.
3) The classification of other income as recurring/non recurring and related / not related to business activity is based on the current operations and business activity of the Company as determined by the management.

Annexure XXIV - Restated unconsolidated statement of employee benefits expenses

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Salaries, bonus and allowances	85.08	169.83	184.79	96.13	75.36	64.40
Expenses on employee stock option scheme (refer note 4 of Annexure XXXI)	36.06	17.34	-	-	-	-
Contribution to provident and other funds	4.36	9.39	8.26	2.00	1.43	1.45
Gratuity expenses (refer note 7 Annexure XXXI)	0.67	1.43	3.34	0.40	1.02	0.64
Staff welfare expenses	0.39	1.24	1.28	0.64	0.85	1.13
	126.56	**199.23**	**197.67**	**99.17**	**78.66**	**67.62**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XXV - Restated unconsolidated statement of other expenses

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Content management charges	0.69	2.02	0.86	0.61	5.96	11.04
Revenue share on subscription/download of games/ other contents	13.91	59.24	105.57	66.75	11.70	-
Consumables for development and testing	0.18	0.44	0.66	0.55	0.80	0.72
Rent expenses	17.68	34.02	39.92	13.02	9.70	8.90
Rates and taxes	1.29	7.47	4.55	0.92	2.43	0.23
Insurance charges	0.72	1.76	1.79	0.88	0.68	0.45
Repairs and maintenance	3.09	5.48	4.63	1.72	1.13	1.10
Corporate social responsibility expenditure (refer note 12 of Annexure XXXI)	0.01	4.75	2.99	-	-	-
Sales promotion and business development	4.14	5.51	-	5.52	4.62	4.43
Brokerage and discounts	-	-	1.78	0.05	0.33	0.35
Travelling and conveyance	6.53	9.30	11.10	4.66	12.10	9.89
Communication expenses	0.65	1.41	1.53	1.45	2.02	1.96
Printing and stationery	0.23	0.46	0.54	0.43	0.53	0.36
Legal and professional fees	4.22	11.93	18.87	15.91	18.06	22.64
Server charges	4.78	8.39	9.39	13.78	8.71	3.99
IT and call center outsourcing	-	-	0.05	0.15	0.16	2.27
Bad debts written off	-	-	0.86	0.58	0.55	4.04
Provision for doubtful debts	7.74	31.35	-	0.16	1.18	3.58
Payment to auditors (refer note 1 below)	1.50	4.04	1.58	1.67	1.68	2.27
Loss on exchange fluctuation (net)	-	0.54	1.07	0.42	1.74	0.27
Liquidation Damages	-	-	-	-	2.50	-
Miscellaneous expenses	1.95	4.94	4.53	2.19	1.91	2.12
Loss on fixed assets discarding off	-	-	-	-	-	0.47
Bank charges	0.32	0.89	0.67	0.33	0.29	0.26
Interest expenses	0.05	0.80	1.01	0.49	1.02	0.04
	69.68	**194.74**	**213.95**	**132.24**	**89.80**	**81.38**

Notes:

1) **Payments to auditors**

As auditor						
Audit fees	1.50	3.70	1.40	1.43	1.40	1.30
Reimbursement of expenses	-	0.09	0.03	-	0.04	0.02
Certification services	-	0.25	0.15	0.24	0.21	0.20
Other matters		-	-	-	0.04	0.76
	1.50	**4.04**	**1.58**	**1.67**	**1.69**	**2.28**

2) The figures 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 IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XXVI - Restated unconsolidated statement of accounting ratios

(Rupees in million, unless otherwise stated)

Particulars		For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Basic earnings per share (refer note 1(a) below)	B/C	135.63	39.26	431.11	322.91	244.26	129.28
Diluted earnings per share (refer note 1(b) below)	A/D	134.49	37.89	153.29	116.25	89.47	49.38
Return on net worth (refer note 1(c) below)	A/E	30.99%	9.15%	42.67%	39.08%	34.89%	30.23%
Net asset value per equity share (refer note 1(d) below)	E/F	437.62	429.10	378.35	854.59	700.14	455.87
Accounting ratios after giving the effect of bonus and subdivision of shares (please refer note 5) -							
Basic earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(a) and 5 below)	B/G	10.85	3.14	34.49	25.83	19.54	10.34
Diluted earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(b) and 5 below)	A/H	10.76	3.03	12.26	9.30	7.16	3.95
Net asset value per equity share , after giving the impact of bonus and subdivision of equity shares (refer note 1(d) and 5 below)	E/I	35.01	34.33	30.27	68.37	56.01	36.47
Net profit after tax, as restated, attributable to equity shareholders	A	269.80	78.10	321.12	246.48	191.37	107.95
Effect of preference dividend on preference shares including dividend distribution tax		-	-	0.00*	0.00*	0.00*	0.00*
Net profit for calculation of basic EPS	B	269.80	78.10	321.12	246.48	191.37	107.95
Weighted average number of equity shares outstanding during the period / year, used for basic earnings per share	C	1,989,246	1,989,246	744,879	763,292	783,442	835,006
Effect of dilution:							
Stock option granted under ESOP		16,859	71,720	105,667	105,730	104,231	99,925
Optionally convertible preference shares		-	-	1,244,367	1,251,204	1,251,204	1,251,204
Weighted average number of equity shares outstanding during the period / year, used for diluted earnings per share	D	2,006,105	2,060,966	2,094,913	2,120,226	2,138,877	2,186,135
Net worth at the end of the period / year	E	870.54	853.59	752.63	630.72	548.52	357.15
Face value per share		10	10	10	10	10	10
Total number of equity shares outstanding at the end of the period / year.	F	1,989,246	1,989,246	1,989,246	738,042	783,442	783,442

Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for basic earning per share (refer note 5 below)	G	24,865,575	24,865,575	9,310,988	9,541,150	9,793,025	10,437,575
Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for diluted earning per share (refer note 5 below)	H	25,076,309	25,762,069	26,186,410	26,502,828	26,735,959	27,326,684
Total number of equity shares outstanding at the end of the period / year, after giving the impact of bonus and subdivision of equity shares, used for net asset value per share (refer note 5 below)	I	24,865,575	24,865,575	24,865,575	9,225,525	9,793,025	9,793,025

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = Net Profit after tax (after preference dividend and related 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 (after preference dividend and related tax), as restated, attributable to equity shareholders / Weighted average number of diluted equity shares outstanding during the period/year

(c) Return on net worth (%) = Net Profit after tax, as restated / Net worth at the end of the period/year

(d) Net asset value per equity share (Rs.) = Net worth at the end of the period/year, as restated / Total number of equity shares outstanding at the end of 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 the 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 the total number of days during the period/year.

3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' notified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016

4) Net worth for ratios mentioned in note 1(c) and 1(d) is = Paid up share capital + Reserves and surplus (including Capital Redemption Reserve, Securities Premium, Stock options outstanding and surplus in statement of Profit and loss).

5) On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

   The Earnings per share calculations have also been presented in accordance with AS-20, after giving effect to the split and bonus, mentioned above. (Refer Note 14(2) of Annexure XXXI)

6) The figures disclosed above are based on the restated unconsolidated summary statements of assets and liabilities and profits and losses 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 IV and V.

8) Ratios for the six month period ended September 30, 2017 are not annualised.

* Amount is less than 0.01 million

Annexure XXVII - Unconsolidated capitalisation statement as at September 30, 2017

(Rupees in million, unless otherwise stated)

Particulars	Pre-issue as at September 30, 2017	As adjusted for issue (Refer note 1 below)
Debt (A)	-	-
Shareholders' funds		
Share capital	19.89	19.89
Reserves and surplus, as restated:		
Capital redemption reserve	1.30	1.30
Employee stock options outstanding	70.38	70.38
Surplus in the statement of profit and loss	778.97	778.97
Total shareholders' funds (B)	**870.54**	**870.54**
Total debt / equity (A/B)	-	-

Notes:

1) The Company is proposing to have an initial public offering through offer for sale. Hence there will be no change in the shareholder's fund post issue.
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 IV and V.

Annexure XXVIII – Unconsolidated statement of dividend paid

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Equity Share Capital						
Issued number of shares on which dividend has been paid	1,989,246	-	1,989,246	-	-	-
Face value per share (Rs)	10	-	10	-	-	-
Rate of dividend	1510%	-	1000%	-	-	-
Amount of dividend per share (Rs)	151	-	100	-	-	-
Total amount of dividend (Rs in million)	300.38	-	198.92	-	-	-
Total dividend tax (Rs in million)	-	-	0.29	-	-	-

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and 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 IV and V.

Annexure XXIX – Restated unconsolidated statement of related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 is as under:

	Names of related parties and related party relationship	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
a.	**Related parties where control exists**						
	Ultimate holding company	West Bridge Venture LLC	West Bridge Venture LLC (from 30th March, 2016)	West Bridge Venture LLC (from 30th March, 2016)	-	-	-
	Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016) Mitter Infotech LLP (formerly Mitter Infotech Private Limited) (till 29th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016) Mitter Infotech LLP (formerly Mitter Infotech Private Limited) (till 29th March, 2016)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)
	Subsidiaries	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC (from 07th August, 2011)
			Nazara Europe Limited (Dissolved on 2nd August, 2016)	Nazara Europe Limited	Nazara Europe Limited	Nazara Europe Limited	Nazara Europe Limited (from 15th March, 2012)
		Nazara Pro Gaming Private Limited (from 16th May 2017)	-	-	-	-	-
		Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd (from 13rd March, 2013)
	Stepdown subsidiaries	Nazara Technologies	Nazara Technologies	Nazara Technologies	Nazara Technologies	Nazara Technologies	Nazara Technologies (from 29th March, 2013)
		Nazara Zambia Limited	Nazara Zambia Limited	Nazara Zambia Limited	Nazara Zambia Limited	Nazara Zambia Limited (from 27th May, 2013)	-
		Nzmobile Nigeria Limited	Nzmobile Nigeria Limited	Nzmobile Nigeria Limited	Nzmobile Nigeria Limited	Nzmobile Nigeria Limited (from 15th May, 2013)	-
		Nzmobile Kenya Limited	Nzmobile Kenya Limited	Nzmobile Kenya Limited	Nzmobile Kenya Limited	Nzmobile Kenya Limited (from 04th June,2013)	-
		Nazara Uganda Limited	Nazara Uganda Limited	Nazara Uganda Limited	Nazara Uganda Limited	Nazara Uganda Limited (from 31st October, 2013)	-
		Nazara Bangladesh Limited	Nazara Bangladesh Limited	Nazara Bangladesh Limited	Nazara Bangladesh Limited (from 24th July, 2014)	-	-
b.	**Related parties with whom transactions have taken place during the year**						
	Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	-	-	-	-	-

Key management personnel	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Managing Director	Vikash Mittersain - Managing Director
	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Director and Chief Executive Officer	Nitish Mittersain - Director and Chief Executive Officer
Associate of subsidiary	Mastermind Sports Limited (from 22nd May 2017)	-	-	-	-	-

c. Note 1 :Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 14 (3) of Annexure XXXI)

Annexure XXIX – Restated unconsolidated statement of related party disclosures

c. Details of related party transactions during the year and balances outstanding as at year end

(Rupees in million, unless otherwise stated)

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Holding Company							
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Buyback of equity shares at Premium	-	-	-	118.00	-	71.25
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Dividend paid	84.31	-	55.84	-	-	-
West Bridge Venture II Investment Holdings	Dividend paid	204.29	-	135.29	-	-	-
Subsidiaries							
Nazara Pte Ltd	Interest income	-	-	-	-	0.06	-
Nazara Pte Ltd	Dividend received	237.50	-	-	-	-	-
Nazara Pte Ltd	Loan given	-	-	-	-	1.26	-
Nazara Pte Ltd	Recovery of loan given	-	-	-	-	1.26	-
Nazara Pte Ltd	Shares acquired and subscribed	-	-	-	-	0.05	-
Nazara Technologies FZ LLC	Interest income	-	-	-	-	-	0.83
Nazara Technologies FZ LLC	Dividend received	65.02	-	197.52	-	-	-
Nazara Technologies FZ LLC	Recovery of loan given	-	-	-	-	-	10.31
Nazara Technologies FZ LLC	Recoverery of expenses on employee stock option scheme from subsidiary	11.47	5.52	-	-	-	-
Nazara Europe Limited	Proceeds from liquidation of subsidiary	-	0.63	-	-	-	-
Nazara Pro Gaming Private Limited	Shares acquired and subscribed	0.10	-	-	-	-	-
Key management personnel							
Vikash Mittersain	Remuneration	2.26	4.90	4.67	4.42	3.00	3.00
Vikash Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Vikash Mittersain	Rent paid on their behalf	-	4.75	-	-	-	-
Vikash Mittersain	Recovery of rent paid on their behalf	-	4.75	-	-	-	-
Nitish Mittersain	Remuneration	12.15	30.56	34.38	21.01	20.00	10.00
Nitish Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Nitish Mittersain	Rent paid on their behalf	3.62	3.30	4.13	-	-	-
Nitish Mittersain	Recovery of rent paid on their behalf	3.00	3.30	3.80	-	-	-
Associate of subsidiary							
Mastermind Sports Limited	Cost of content	0.12	-	-	-	-	-

d. Balance payables at year end

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Key management personnel							
Vikash Mittersain	Employee payables	-	0.14	-	0.05	-	-
Nitish Mittersain	Employee payables	1.38	6.00	10.00	0.36	-	-
Subsidiaries							
Nazara Technologies FZ LLC	Amount recoverable	16.99	5.52	-	-	-	-
Nazara Pro Gaming Private Limited	Advances recoverable	0.00*	-	-	-	-	-
Nazara Europe Limited	Other payables	-	-	-	-	-	0.00*
Associate of subsidiary							
Mastermind Sports Limited	Other payables	0.12	-	-	-	-	-

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and 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 IV and V.
3) Remuneration to the key managerial personnel doesn't include provision made for gratuity and compensated absences as they are determine on actuarial basis for the Company as a whole.
4) During the year ended March 31, 2016, 1.25 million convertible preference shares held by West Bridge Venture II Investment Holdings has been converted into equity shares on 1:1 ratio basis.

* Amount less than 0.01 million

Annexure XXX: Restated unconsolidated statement of tax shelter

(Rupees in million, unless otherwise stated)

	Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
I.	**Profit before tax, as restated**	330.82	114.46	438.31	372.79	289.36	159.43
II.	Tax rate	34.61%	34.61%	34.61%	33.99%	33.99%	32.45%
III.	**Tax thereon at above rates (III=I*II)**	**114.49**	**39.61**	**151.69**	**126.71**	**98.35**	**51.73**
IV.	**Permanent differences:**						
	Interest in tax free bonds exempt under Income tax Act, 1961	(2.03)	(4.05)	(0.43)	-	-	-
	Dividend income exempt under Income Tax Act, 1961	-	(0.37)	(3.52)	(3.49)	(0.78)	-
	Disallowance under section 14A read with rule 8Dof the Income Tax Act, 1961	0.55	0.92	0.14	-	-	-
	Interest on late deposition of tds	-	0.04	0.76	0.87	1.09	0.00*
	CSR expenditure and donation	0.02	2.50	1.62	0.06	0.04	0.12
	Loss / (profit) on sale of fixed assets	-	-	0.00*	-	-	0.47
	Effect on indexation on long term capital gain and others	(0.65)	(10.27)	1.16	-	(1.59)	-
	Tds receivable written off	-	0.27	0.32	-	-	-
	Others	-	0.48	0.05	-	-	-
	Total permanent differences	**(2.11)**	**(10.48)**	**0.10**	**(2.54)**	**(1.24)**	**0.59**
V.	**Timing differences:**						
	Difference between book depreciation and tax depreciation	2.48	1.56	(3.38)	2.02	2.41	4.05
	Disallowance under sec 40(a)(ia) under section Income tax Act, 1961	9.89	-	-	-	-	-
	Deferred revenue	(1.81)	(17.16)	8.78	13.09	-	-
	Provision for employee benefits	0.57	3.29	3.05	0.55	1.36	0.77
	Provision for doubtful debts	7.74	31.36	(0.26)	(0.92)	(2.41)	1.34
	Adjustment on account of reversal of liability for expenses	-	-	-	7.50	(7.50)	-
	Provision for unascertained liabilities	5.91	(2.94)	2.94	-	-	-
	Allowance / disallowance under section 43B of Income Tax Act 1961	14.25	(0.43)	(0.99)	1.62	0.77	0.38
	Lease rent equalisation reserve	(0.76)	0.04	1.68	-	-	-
	Total timing differences	**38.27**	**15.72**	**11.82**	**23.86**	**(5.37)**	**6.54**
VI.	**Total adjustments (IV+V)**	36.16	5.24	11.92	21.32	(6.61)	7.13
VII.	**Tax on adjustments (II*VI)**	**12.51**	1.81	**3.96**	**7.19**	**(2.24)**	**2.31**
VIII.	Rounding off	-	0.00*	0.06	0.47	(0.01)	0.02
IX.	Long term capital gain taxed at lower rate	-	(0.01)	-	-	-	-
X	Dividend from foreign subsidiary taxed at lower rate	(52.74)	-	(34.19)	-	-	-
XI	**Current tax for the period / year (III+VII+VIII+IX)**	**74.26**	**41.41**	**121.52**	**134.37**	**96.10**	**54.06**
XII	**As per restated statement of profit and loss**						
	Current tax	74.26	41.41	121.52	134.37	96.10	54.06
	Deferred tax	(13.24)	(5.06)	(4.33)	(8.06)	1.89	(2.58)
	Total tax expense as per restated statement of profit and loss	**61.02**	**36.35**	**117.19**	**126.31**	**97.99**	**51.48**

Notes:

1) Tax rate includes applicable surcharge, education cess and secondary and higher education cess for the respective year / period concerned.
2) The aforesaid Statement of Tax Shelter has been prepared as per the unconsolidated summary statement of assets and liabilities and 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 IV and V.

* Amount is less than 0.01 million

Annexure XXXI - Other disclosures to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

1) Earnings in foreign currency - accrual basis **(Rupees in million, unless otherwise stated)**

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Revenue from subscription/download of games/ other contents	132.57	141.34	179.59	134.18	95.59	43.93
Revenue from advertising services	13.60	15.43	12.23	-	-	-
Interest received on loan	-	-	-	-	0.06	0.83
	146.17	**156.77**	**191.82**	**134.18**	**95.65**	**44.76**

2) Expenditure in foreign currency - accrual basis **(Rupees in million, unless otherwise stated)**

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cost of content	4.97	4.86	5.36	0.83	4.07	36.13
Travelling and conveyance	2.91	3.82	3.61	0.04	2.78	3.76
Advertising cost	21.33	65.14	242.47	206.22	71.16	21.77
Legal and professional fees	-	-	1.86	0.79	6.69	13.78
Others	2.31	2.68	5.52	8.85	7.29	3.03
Server charges	0.92	-	3.51	8.40	4.76	-
Sales promotion and business development	-	0.35	1.18	0.32	-	-
Content management charges	0.69	2.02	0.76	-	-	-
Others	0.70	0.30	0.08	0.14	2.53	3.03
	31.52	**76.50**	**258.82**	**216.73**	**91.99**	**78.47**

3) Value of imports calculated on CIF basis **(Rupees in million, unless otherwise stated)**

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Capital goods	-	-	0.40	-	0.58	3.64
	-	**-**	**0.40**	**-**	**0.58**	**3.64**

4) Employee stock option plans

During the period / year ended 30th September 2017 and 31st March 2017, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September 2005
Date of board approval	17th September 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

The details of activities under ESOP 2005 scheme have been summarised below:

Particulars	September 30, 2017 No.	March 31, 2017 No.	March 31, 2016 No.	March 31, 2015 No.	March 31, 2014 No.	March 31, 2013 No.
Outstanding at the beginning of the year	-	108,537	108,537	108,537	108,537	108,537
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Cancelled during the year (refer note below)	-	108,537	-	-	-	-
Outstanding at the end of the year	-	-	108,537	108,537	108,537	108,537
Exercisable at the end of the year	-	-	108,537	108,537	108,537	108,537
Weighted average fair value of options granted on the date of grant	78	78	78	78	78	78

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The details of activity under the scheme 2016 are summarised below:

Particulars	Six month period ended 30-September-2017 No.	31-Mar-2017 No.	31-Mar-2016 No.	31-Mar-2015 No.	31-Mar-2014 No.	31-Mar-2013 No.
Outstanding at the beginning of the year	59,411	-	-	-	-	-
Granted during the year	-	59,411	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	59,411	59,411	-	-	-	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average fair value of options granted on the date of grant	2,583	2583	-	-	-	-

Subsequent to 30th September, 2017, the shareholders of the Company have approved for subdivision of shares and bonus, accordingly the number of shares and exercise price would be modified to that extent.

The fair value of stock options granted during the year ended 31st March 2017 is Rs 2,583. The black scholes valuation model has been used for computing the fair value considering the following inputs:

	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Expected volatility	25%	25%	-	-	-	-
Risk free interest rate	6.27%	6.27%	-	-	-	-
Weighted average share price	4,524	4,524	-	-	-	-
Exercise price	2,929	2,929	-	-	-	-
Expected life of options granted in the years	3.5 years	3.5 years	-	-	-	-

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Had the compensation cost been determined in a manner consistent with fair value approach, the Company net income and earning per share as reported would have changed to amount indicated below:

(Rupees in million, unless otherwise stated)

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Net profit for calculation of basic EPS	269.80	78.10	-	-	-	-
Add:- ESOP cost using the intrinsic value method	36.06	17.34	-	-	-	-
Less:- ESOP cost using the fair value method	(58.37)	(28.07)	-	-	-	-
Proforma profit	247.49	67.37	-	-	-	-
Earning per share						
Basic						
As reported	135.63	39.26	-	-	-	-
proforma	124.41	33.87	-	-	-	-
Diluted						
As reported	134.49	37.89	-	-	-	-
proforma	123.37	32.69	-	-	-	-
Earning per share after considering the impact of bonus issue and sub division of shares (Refer Note 14(2) of Annexure XXXI) -						
Basic						
As reported	10.85	3.14	-	-	-	-
proforma	9.95	2.71	-	-	-	-
Diluted						
As reported	10.76	3.03	-	-	-	-
proforma	9.87	2.62	-	-	-	-

Expense arising from employee stock option plans

(Rupees in million, unless otherwise stated)

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Recognised in the statement of profit and loss	36.06	17.34	-	-	-	-
Recovered from subsidiary	11.47	5.52	-	-	-	-
Total	**47.53**	**22.86**	**-**	**-**	**-**	**-**

5) Derivative instruments and unhedged foreign currency exposure

The Company did not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following: **(Rupees in million, unless otherwise stated)**

Currency	Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
		Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs
USD	Cash and bank balances	0.12	7.62	0.54	34.66	0.12	7.71	0.10	6.53	0.00*	0.14	-	-
	Trade receivables	0.62	40.49	0.23	14.72	0.64	42.47	0.39	24.15	0.38	22.81	0.19	10.51
	Other current assets	0.20	12.80	0.17	11.11	0.03	1.82	0.22	13.51	-	-	-	-
AED	Cash and bank balances	0.00*	0.05	-	-	-	-	-	-	-	-	-	-
	Short term loans and advances	0.96	16.99	0.31	5.52	-	-	-	-	-	-	-	-
GBP	Cash and bank balances	0.00*	0.08	-	-	-	-	-	-	-	-	-	-
EUR	Trade receivables	-	-	-	-	-	-	-	-	0.00*	0.07	0.00*	0.02
	Other current assets	1.08	83.65	-	-	-	-	-	-	-	-	-	-
			161.68		**66.01**		**52.00**		**44.19**		**23.02**		**10.53**

b) Amounts payable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
		Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs
USD	Trade payables	0.67	43.90	0.65	42.00	1.40	92.66	1.91	120.47	0.41	25.70	0.46	25.08
	Advance to Customers	-	-	-	-	-	-	-	-	-	-	0.00*	0.20
EUR	Trade payables	0.03	1.98	-	-	-	-	-	-	-	-	0.00*	0.10
GBP	Other payables	-	-	-	-	-	-	-	-	0.01	1.34	0.00*	0.78
			45.88		**42.00**		**92.66**		**120.47**		**27.04**		**26.16**

6) Net dividend remitted in foreign exchange

Year of remittance (ending on)	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Period to which it relates	1 April 2017 to 30th September 2017	-	1 April 2015 to 31 March 2016	-	-	-
Number of non-resident shareholders	1	-	1	-	-	-
Number of equity shares of Rs. 10 each held on which dividend was due	44,065	-	44,065	-	-	-
Amount remitted (in USD in million)	0.10	-	0.07	-	-	-
Amount remitted (in Rs in million)	6.65	-	4.41	-	-	-

7) Defined benefit plans (gratuity)

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. This benefit is unfunded.

Statement of profit and loss

Net employee benefit expense recognised in the employee cost **(Rupees in million, unless otherwise stated)**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost on benefit obligation	0.34	0.68	0.45	0.49	0.34	0.31
Net actuarial (gain)/loss recognised in the year	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Net benefit expense	**0.66**	**1.43**	**3.33**	**0.40**	**1.02**	**0.64**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening defined benefit obligation	10.09	8.79	5.63	5.27	4.24	3.60
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost	0.34	0.68	0.45	0.49	0.34	0.31
Benefit paid	(0.30)	(0.14)	(0.18)	(0.03)	-	-
Actuarial (gain)/loss on obligation	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Closing defined benefit obligation	**10.45**	**10.08**	**8.78**	**5.64**	**5.26**	**4.24**

The principal assumptions used in determining gratuity for the company's plans are shown below:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Discount rate (per annum)	6.73%	6.77%	7.72%	7.98%	9.29%	8.00%
Rate of increase in compensation levels	10%	10%	10%	10%	10%	10%
Employee turnover	15%	15%	15%	10%	10%	10%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factor such as supply and demand factors in the employee market.

Amounts for the current and previous four periods are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	10.45	10.09	8.79	5.63	5.27	4.24
Experience adjustments on plan liabilities	(0.31)	(1.45)	2.00	(1.38)	0.46	(0.76)

8) **Commitments** **(Rupees in million, unless otherwise stated)**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Estimated accounts of contracts remaining to be executed on capital account and not provided for (net of advances)	1.40	2.80	14.30	10.50	-	-
Cost of content and other commitments	40.24	55.29	98.64	22.28	3.39	6.96
Cost of content	33.01	43.34	94.29	21.80	0.25	3.39
Legal and professional fees	1.25	5.30	3.47	0.14	3.15	2.60
Advertising cost	5.00	5.00	-	-	-	-
Other commitments	0.98	1.65	0.88	0.33	-	0.97
Total	**41.64**	**58.09**	**112.94**	**32.78**	**3.39**	**6.96**

9) **Segment information**

The Company publishes its financial statements along with the consolidated financial statements in the annual report or any other financial report. In accordance with AS 17, Segment Reporting, the Company has disclosed the segment information in the consolidated financial statements. Hence, segment disclosures are not included in the financial statements.

10) **Leases**

Operating lease: Company as lessee

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.

Future minimum rentals payable under non-cancellable operating leases are as follows **(Rupees in million, unless otherwise stated)**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Within one year	-	1.25	20.27	35.82	2.61	-
After one year but not more than five years	-	-	-	75.25	-	-
More than five years	-	-	-	-	-	-
Total	**-**	**1.25**	**20.27**	**111.07**	**2.61**	**-**

11) **Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

12) **Corporate social responsibility expenditure**

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

(Rupees in million, unless otherwise stated)

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015
Gross amount required to be spent during the year	3.14	7.34	5.50	3.88
Amount spent during the year				
i) Construction/acquisition of any asset	-	2.00	2.00	-
ii) On purposes other than (i) above	0.00*	2.75	0.99	-
Total amount spent during the year	**-**	**4.75**	**2.99**	**-**

13) **Specified bank note disclosure**

The details of Specified Bank Notes (SBN's) held and transacted during the period from November 8, 2016 to December 30, 2016 pursuant to the requirement of Notification G.S.R 308 dated March 30, 2017 as mentioned below:

(Rupees in million, unless otherwise stated)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	0.84	0.00*	0.84
(+) Permitted receipts	-	0.28	0.28
(-) Permitted payments	-	(0.28)	(0.28)
(-) Amount deposited in banks	(0.84)	-	(0.84)
Closing cash in hand as on 30th December, 2016	-	0.00*	0.00*

* Amount is less than 0.01 million

14. Significant events subsequent to 30th September, 2017-

1. West Bridge Venture II Investment Holding ('West Bridge') held 68.01% of the total equity capital of the Company and was the holding company as of 30thSeptember 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2. On 15thDecember 2017, the Company increased its authorized equity share capital from Rs 21,987,960(2,198,796shares of Rs 10/- each) to Rs 137,487,960(13,748,796shares of Rs 10/- each).

3. On 28th December 2017, the shareholders of the Company approved for subdivision of 1fully paid up equity share having face value of Rs 10/-each into 2.5 fully paid up equity share having face value of Rs 4/-each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each. Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

   The Earnings per share calculations have also been presented in accordance with Accounting Standard 20 "Earning per Share" notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4. The Company has made the following investments after September 30, 2017:

   i. In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and byacquiring3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

      Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL"), German eSports Company for Rs. 265.30 million to part fund this acquisition.

   ii. In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited ("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid. The Company borrowed Rs 300 million to fund this transaction.

   iii. On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. On December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

   iv. In November 2017, the Company has invested Rs 4.01 million for a 4% stake in Halaplay Technologies Private Limited('Halaplay'), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5. In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

* Amount is less than 0.01 million

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Report on Special Purpose Consolidated Indian Accounting Standards (Ind AS) Financial Statements

To the Board of Directors of Laurus Labs Limited

We have audited the accompanying special purpose consolidated financial statements of Nazara Technologies Private Limited (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and associate, which comprise the consolidated Opening Balance Sheet as at April 1, 2016 (transition date balance sheet) and Balance Sheets as at March 31, 2017 and September 30, 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes In Equity for the six month period ended on September 30, 2017 and for the year ended March 31, 2017, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Consolidated Ind AS Financial Statements"). These Special Purpose Consolidated Ind AS Financial Statements have been prepared as part of the Company's conversion to Indian Accounting Standards (Ind AS).

Management's Responsibility for the Special Purpose Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Consolidated Ind AS Financial Statements in accordance with the basis of accounting described in Note 2.1, and for such internal controls relevant to the preparation of the Special Purpose Consolidated Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special Purpose Consolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Special Purpose Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the

Special Purpose Consolidated Ind AS Financial Statements as at and for the six-month period ended on September 30, 2017, as at and for the year ended March 31, 2017 and the Opening Balance Sheet as at April 1, 2016 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2.1 to those Special purpose Consolidated Ind AS Financial Statements which describes how Ind AS have been applied under Ind AS 1, including assumptions management has made about the standards and interpretations expected to be effective, and the policies expected to be adopted when management prepares its first complete set of Consolidated Ind AS financial statements as at March 31, 2018.

Emphasis of Matter

a) We draw attention to Note 2.1 to the Special Purpose Consolidated Ind AS Financial Statements, which describe the basis of accounting and presentation and further states that the comparative financial information has not been included in these consolidated financial statements. Only a complete set of consolidated financial statements together with comparative financial information can provide a fair presentation of the state of affairs (financial position) the of the Group and its associate, profit (financial performance including other comprehensive income), cash flows and the changes in equity.

b) We also draw attention to Note 2.1 to the Special Purpose Consolidated Ind AS Financial Statements to explain why there is a possibility that these may require adjustments before constituting the final Comparative Ind AS Consolidated Financial Statements.

c) Our opinion is not modified in respect of these matters.

Other Matters

a) The Holding Company has prepared a separate set of consolidated financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and subsequent amendments thereof, on which we issued a separate auditor's report to the shareholders of the Holding Company dated October, 2017 and November 24, 2016, respectively.

b) This report on the Special Purpose Consolidated Ind AS Financial Statements has been issued solely for the information and use of the Board of Directors of the Holding Company in connection with its conversion of the consolidated financial statements to Ind AS and for inclusion in the offer document, prepared by the Holding Company's proposed Initial Public Offer of equity shares of face value of Rs. 10 each, (the "IPO"). Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

c) The accompanying Special Purpose Consolidated Ind AS Financial Statements include total assets of Rs.1523.04 milion, Rs. 1595.30 million and Rs. 1016.15 million as at September 30, 2017, March 31, 2017 and April 1, 2016 respectively, total revenues of Rs.517.58 million and Rs.1127.96 million and Net cash (outflow) / inflow Rs.281.13 million, and Rs.20.98 million for the six month period ended on September 30, 2017 and for the year ended March 31, 2017 respectively, in respect of 9 subsidiaries, which has been audited by other auditors, which financial statements, other financial information and auditor's report have been furnished to us by the management. The special purpose consolidated Ind AS financial statements also include the Group's share of net loss of Rs 0.32 million for the period from May 22, 2017 to September 30, 2017 as considered in the special purpose consolidated Ind AS financial statements, in respect of its associate whose financial statements, other financial information have been audited by other auditor and whose report has been furnished to us by the Management. Our opinion on the Special Purpose Consolidated Ind AS Financial Statements, in so far as it relates to the amount and disclosures included in respect of subsidiaries, and its associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and its associate, is based solely on the reports of such other auditors.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No.: 048966

Place: Mumbai
Date:

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Consolidated Balance Sheet as at September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	September 30, 2017	March 31, 2017	April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	9.27	10.26	15.17
Intangible assets	4	5.78	8.05	4.54
Intangible assets under development	4	2.80	1.40	3.60
Investment in associate	42	20.90	-	-
Financial assets				
Investments	5	107.40	41.54	27.57
Loans	7	15.72	14.70	12.83
Other financial assets	8	1.73	1.68	1.57
Deferred tax assets (Net)	35	34.47	41.49	17.52
Other non-current assets	9	46.56	46.58	32.45
		244.63	**165.70**	**115.25**
Current assets				
Financial assets				
Investments	6	747.19	725.05	560.65
Trade receivable	10	365.75	259.49	334.41
Cash and cash equivalents	11	569.64	648.37	694.35
Other bank balances	11	290.21	489.94	69.08
Loans	12	4.53	1.27	2.25
Other financial assets	13	424.65	331.23	225.32
Other current assets	14	29.23	33.06	32.87
		2,431.20	**2,488.41**	**1,918.93**
		2,675.83	**2,654.11**	**2,034.18**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	19.89	19.89
Other equity		2,189.46	2,215.63	1,602.08
		2,209.35	**2,235.52**	**1,621.97**
LIABILITIES				
Non-current liabilities				
Provisions	17	13.69	13.05	11.68
		13.69	**13.05**	**11.68**
Current liabilities				
Financial liabilities				
Trade payables	18	307.44	240.16	261.65
Other financial liabilities	19	27.19	33.35	20.77
Other current liabilities	20	58.53	124.69	115.32
Provisions	21	3.92	3.71	1.71
Current tax liabilities (Net)		55.71	3.63	1.08
		452.79	**405.54**	**400.53**
		2,675.83	**2,654.11**	**2,034.18**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Consolidated Statement of Profit and Loss for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	For the six month ended September 30, 2017	March 31, 2017
Income			
Revenue from operations	22	838.94	1,901.58
Other income	23	70.07	120.90
Total Income		**909.01**	**2,022.48**
Expenses			
Cost of content		45.06	107.32
Employee benefits expense	24	182.13	253.79
Finance cost	25	2.10	2.88
Depreciation and amortisation expense	26	5.94	11.58
Advertising cost		236.66	527.69
Other Expenses	27	134.58	401.21
Total expenses		**606.47**	**1,304.47**
Profit before share of net profits of investments accounted for using equity method and tax		**302.54**	**718.01**
Share of loss net (loss) of associate by using equity method	42	(0.32)	-
Profit before tax		**302.22**	**718.01**
Tax expense:			
Current Tax		106.66	129.90
Adjustment of tax relating to earlier periods		-	1.92
Deferred tax charge/ (credit)		6.81	(24.93)
Total tax expenses		113.47	106.89
Profit for the period/year		**188.75**	**611.12**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligation		0.29	1.01
Income tax relating to items that will not be reclassified to profit or loss		(0.10)	(0.35)
Items that will be reclassified to profit or loss			
Change in fair value of FVOCI debt instruments		1.10	6.08
Income tax relating to items that will be reclassified to profit or loss		(0.11)	(0.61)
Total comprehensive income for the year, net of tax attributable to Equity holders of the parent		**189.93**	**617.25**
Earning per share (equity shares, par value Rs 10 each)	**30**		
Computed on the basis of total profit for the period/ year			
Basic		94.89	307.21
Diluted		94.15	296.65
Earning per share after considering the impact of bonus issue and sub division of share	**30**		
Computed on the basis of total profit for the period/ year			
Basic		7.35	22.84
Diluted		7.29	22.06
Summary of significant accounting policies	**2**		

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Consolidated Statement of Change in Equity for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

Equity Share Capital

Particulars	No. of Shares	Rs.
As at April 01, 2016	1,989,246	19.89
As at March 31, 2017	1,989,246	19.89
As at Sept 30, 2017	1,989,246	19.89

Other equity

	Reserves & Surplus					Other Reserves			
	Capital redemption reserve	**Retained Earnings**	**Share based payments**	**Other reserves**	**Total Reserves and Surplus**	**FVOCI debt instruments**	**Foreign currency translation reserve account**	**Total other reserves**	**Total**
Balance at the beginning of the reporting period - April 01, 2016	**1.30**	**1,554.26**	**-**	**0.45**	**1,556.01**	**0.98**	**45.09**	**46.07**	**1,602.08**
Profit for the year ended March 31, 2017	-	611.12	-	-	**611.12**	-	-	-	**611.12**
Other comprehensive income	-	0.66	-	-	**0.66**	5.47	(40.69)	(35.22)	**(34.56)**
Transferred from foreign currency translation reserve	-	-	-	-	-	-	-	-	-
Share-based Payments (Note 33)	-	-	36.99	-	**36.99**	-	-	-	**36.99**
Balance at the end of the reporting period March 31, 2017	**1.30**	**2,166.04**	**36.99**	**0.45**	**2,204.78**	**6.45**	**4.40**	**10.85**	**2,215.63**
Balance at the beginning of the reporting period - April 01, 2017	**1.30**	**2,166.04**	**36.99**	**0.45**	**2,204.78**	**6.45**	**4.40**	**10.85**	**2,215.63**
Profit for the half year ended September 30, 2017	-	188.75	-	-	188.75	-	-	-	188.75
Other comprehensive income	-	0.19	-	-	0.19	0.99	7.34	8.33	8.52
Dividend paid (including dividend distribution tax)	-	(300.38)	-	-	(300.38)	-	-	-	(300.38)
Transferred from foreign currency translation reserve	-	-	-	-	-	-	0.01	0.01	0.01
Share-based Payments (Note 33)	-	-	76.94	-	76.94	-	-	-	76.94
Balance at the end of the reporting period September 30, 2017	**1.30**	**2,054.60**	**113.93**	**0.45**	**2,170.28**	**7.44**	**11.75**	**19.19**	**2,189.47**

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
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Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Special Purpose Cash Flow Statement for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	For the six month ended September 30, 2017	March 31, 2017
Cash flow from operating activities		
Profit before tax for the period/ year	302.22	718.01
Adjustments for :		
Fair value gain or loss on mutual fund and tax free bonds and equity instruments.	(20.79)	(30.18)
Expenses on employee stock option scheme (refer note 33)	76.94	36.99
Depreciation and amortisation expense	5.94	11.58
(Gain) on write off of fixed assets	-	(0.13)
Bad debts	3.51	12.76
Provision for doubtful debts	7.74	39.36
Investment written off	-	6.70
Liabilities written back / provision no longer required	(23.56)	(7.20)
Unrealised foreign exchange loss	15.99	98.24
Net gain on sale of current investments	(5.77)	(26.13)
Interest income	(18.43)	(51.79)
Share of loss of associate by using equity method	0.32	-
Dividend income	-	(0.37)
Operating profit before working capital changes	**344.12**	**807.85**
Movements in working capital :		
Increase in trade payables	89.04	(8.41)
Increase in long-term provisions	0.90	2.44
Increase in short term provisions	0.20	2.00
Increase/ (Decrease) in other current liabilities	(41.18)	21.92
(Increase) / Decrease in trade receivables	(120.17)	5.41
(Increase) / Decrease in loans and advances	(0.54)	0.58
(Increase) in other current assets	(99.91)	(116.53)
Cash generated from operations	172.45	715.26
Direct taxes paid (net of refunds)	(88.95)	(147.34)
Net cash flow from operating activities (A)	**83.50**	**567.92**
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets under development	(4.07)	(8.13)
Proceeds on deletion of fixed assets	-	0.23
Purchase of non-current investments	(87.54)	(21.77)
Purchase of current investments	(361.50)	(505.07)
Proceeds from redemption/maturity of current investments	368.47	403.02
Investment in bank deposits (having original maturity of more than three months)	(306.12)	(1,454.14)
Redemption/maturity of bank deposits (having original maturity of more than three months)	506.98	997.34
Interest received on fixed desposits and bonds	21.96	43.62
Dividends received from current investments	-	0.37
Net cash flow from/ (used in) investing activities (B)	**138.18**	**(544.54)**
Cash flow from financing activities		
Dividend paid on equity shares	(300.38)	-
Net cash used in financing activities (C)	**(300.38)**	**-**
Net decrease in cash and cash equivalents (A)+(B)+(C)	**(78.70)**	**23.38**
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.04)	(69.36)
Cash and cash equivalents at the beginning of the period/ Year	648.38	694.35
Cash and cash equivalents at the end of the period (Note 11)	**569.64**	**648.37**
Components of cash and cash equivalents		
Cash in hand	0.25	0.01
Balances with bank	569.39	603.07
Deposit with original maturity of less than 3 months	-	45.29
Total cash and cash equivalents (refer note 11)	**569.64**	**648.37**

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited

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Managing Director
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Chief Financial Officer

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Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

1 Corporate Information

Nazara Technologies Limited ('the Company' or 'the Holding Group') was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/download of games/other contents through telecom consumer base in India and worldwide and digital advertising services.

In November 2017, the Company has converted from a Private Company to Public Company consequent to which the name has been changed to Nazara Technologies Limited.

The Special purpose consolidated financial statements are approved for issue by the Company's Board of Director on January 17, 2018.

2 Basis of preparation and Significant accounting policies:

2.1 Basis of preparation:

The Special Purpose consolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.The Special Purpose consolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose consolidated Ind AS Financial Statements can change if :-

(a) there are any new Ind AS standards issued through March 31, 2018

(b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

The special purpose consolidated financial information relates to the Company, its subsidiary companies and associates (collectively referred to as "the Group").

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose consolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

The consolidated financial statements have been prepared on a historical cost convention and on accrual basis, except for the following assets and liabilities which has been measured at fair value required by relevant Ind AS:

i) Derivative financial instruments,

ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 Principles of consolidation and equity accounting:

The Consolidated financial statements comprise the financial statements of Nazara Technologies Limited (the "Company" or "Holding Company") and its subsidiary (collectively the "Group") and its associate as at September 30, 2017 and March 31, 2017 and for the six-month period ended September 30, 2017 and for the year ended March 31, 2017.

i) Subsidiaries

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the special purpose consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

The acquisition method of accounting under Ind AS is used to account for business combinations by the Group from the date of transition to Ind AS i.e. April 1, 2016. Prior to the date of transition to Ind AS, the business acquisition has been accounted based on previous GAAP.

ii) Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equal or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate, the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.3 Significant accounting, judgments, estimates and assumptions

The preparation of special purpose consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgements are:

- Estimation of fair value of unlisted securities - Note 38
- Estimation of defined benefit obligation - Note 32

2.4 Summary of significant accounting policies

a) **Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised in normal operating cycle or within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

(Rupees in million, unless otherwise stated)

A liability is current when:

- It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified period of twelve months as its operating cycle.

b) **Foreign currency translation and transactions**

Functional and presentation currency

The special purpose consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

c) **Revenue recognition**

- **Income from services**

Revenue from subscription/ download of mobile games and other contents is recognised based on provision of services as per contract with the operators and content distributors.

Revenue from advertising services is recognised in the period in which advertisements are displayed.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

(Rupees in million, unless otherwise stated)

- **Deferred Revenue**

  Revenue is recognised over the period during which the services are performed. The amount that covers the expected costs of the services to be provided after the reporting date along with a reasonable profit on those services is deferred and recognised over the period during which the services are performed.

- **Interest**

  Interest income is recorded using the effective interest rate ('EIR') method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or over a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. Interest income is included under the head "Finance income" in the statement of profit and loss account.

- **Dividends**

  Dividend income is recognised when the Group's right to receive dividend is established by the reporting date.

  The right to receive dividend is generally established when shareholders approve the dividend.

d) **Income taxes**

Income tax expense comprises of current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle applicable for bargain purchase gains. All other acquired tax benefits realised are recognised in profit and loss.

e) **Share-based payments**

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit 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.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

f) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is defined contribution scheme. The Group has no obligation, other than the contribution payable to such scheme. The Group recognises contribution payable to such schemes as an expense, when an employee renders the related service.

The Group's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss -Service costs comprising current service costs and Net interest expense or income.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Liability for gratuity as at the year-end is provided on the basis of actuarial valuation.

Remeasurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absence

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Long-term employee benefits.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

g) **Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree if any. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed if any are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

h) **Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following broad categories:

- Debt instruments assets at amortized cost
- Debt instruments at fair value through OCI (FVOCI)
- Debt instruments, derivatives and at fair value through profit and loss (FVTPL)

Debt instruments at amortised cost

A Debt instrument is measured at amortised cost (net of any write down for impairment) the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes) and The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss. The losses arising from impairment are recognised statement of profit and loss. This category generally applies to trade and other receivables

Debt instruments at fair value through OCI (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit and loss

FVTPL is a residual category for Group's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the Group may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument,excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

When the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(Rupees in million, unless otherwise stated)

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The forward contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv. Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

i) **Fair value measurement**

The Group measures financial instrument such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Currently Group carries those instruments where in level 1 inputs of the above mentioned fair value hierarchy is used.

The Group's board Committee approves the policies for both recurring and non-recurring fair value measurement. Where seen appropriate external valuers are involved. The board committee reviews the valuation results. This includes a discussion of the major assumptions used in the valuations.

(Rupees in million, unless otherwise stated)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note --- for further disclosures.

j) **Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost net of accumulated impairment losses, if any. Capital work-in-progress comprises of expenditure incurred for construction of building.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property, Plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives used by the Group are different from rates prescribed under Schedule II of the Companies Act 2013. These rates are based on evaluation of useful life estimated by the management supported by internal technical evaluation. The range of useful lives of the property, plant and equipment are as follows:

Property, plant and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 years
Computer and Printers	3 years
Office equipments	3 years
Motor Car	3 years

k) **Intangible assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

l) **Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

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 the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The impairment calculations are based on detailed budgets and forecast calculations for each of the Group's CGUs covering a period of five years and applying a long-term growth rate to project future cash flows after the fifth year.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of operations are recognised in the statement of profit and loss.

At each reporting date if there is an indication that previously recognised impairment losses no longer exist or have decreased, the Group estimates the asset's or CGU's recoverable amount . A previously recognised impairment loss is reversed in the statement of profit and loss only to the extent of lower of its recoverable amount or carrying amount net of depreciation considering no impairment loss recognised in prior years only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

m) **Lease**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease:

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis.

n) **Provisions, Contingent liabilities, Contingent assets and Commitments**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

o) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements and share split in equity shares, if any, issued during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders after taking into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

p) **Segment reporting**

Ind AS 108 establishes standards, for the way that business enterprises report information about operating segments and related disclosures about products, services and geographic areas, and major customers. The Group's operations predominately relate to mobile gaming services. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and information required based on geography.

Accordingly, information has been presented both along business segments and information required based on geography. The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Business segments of the Group are primarily mobile subscription/download of games/other contents and digital advertising services (Freemium).

Information required based on geography is based on business sourced from that geographic region and delivered from both onsite and offsite locations. Middle East comprise of Dubai & Iran and Africa includes Nigeria, Kenya, Zambia, Uganda, Mauritius the Rest of the World comprises all other places except those mentioned above and India.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services which are categorized in relation to the associated turnover of the segment. Certain expenses which form part of significant component of total expenses, are not specifically allocable to specific segments as the underlying asset are used interchangeably. The Management believes that it is not practical to provide disclosures relating to those costs and expenses and accordingly, these expenses are separately disclosed as 'unallocated' and adjusted against total income of the Group.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments.

Geographical information on revenue and business segment revenue information are collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

q) **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

r) **Corporate Social Responsibility (CSR) Expenditure**

CSR expense is recognized as it is incurred by the Group or when Group has entered into any legal or constructive obligation for incurring such an expense.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

3 Property, plant and equipment

	Property, plant and equipment					
	Computers	**Office equipments**	**Furniture and fixtures**	**Vehicles**	**Leasehold improvements**	**Total**
Gross carrying amount						
As at April 01, 2016	29.07	4.06	1.56	1.72	3.56	39.97
Additions	0.43	0.63	-	2.01	-	3.07
Disposals	(0.57)	(0.50)	-	(0.61)	(3.56)	(5.24)
*Adjustments	(0.01)	(0.01)	-	(0.01)	-	(0.03)
Gross carrying amount as at March 31, 2017	**28.92**	**4.18**	**1.56**	**3.11**	**-**	**37.77**
Additions	-	-	-	2.67	-	2.67
Disposals	-	-	-	-	-	-
*Adjustments	-	-	-	0.02	-	0.02
Gross carrying amount as at September 30, 2017	**28.92**	**4.18**	**1.56**	**5.80**	**-**	**40.46**
Accumulated depreciation						
Accumulated depreciation as at April 01, 2016	15.95	2.69	0.97	1.63	3.56	24.80
Depreciation charge during the period	6.12	0.88	0.24	0.66	-	7.90
Disposals	(0.54)	(0.50)	-	(0.55)	(3.56)	(5.15)
*Adjustments	(0.01)	(0.01)	-	(0.02)	-	(0.04)
Accumulated depreciation as at March 31, 2017	**21.52**	**3.06**	**1.21**	**1.72**	**-**	**27.51**
Depreciation charge during the period	2.81	0.37	0.08	0.41	-	3.67
Disposals	-	-	-	-	-	-
*Adjustments	-	-	-	0.01	-	0.01
Accumulated depreciation as at September 30, 2017	**24.33**	**3.43**	**1.29**	**2.14**	**-**	**31.19**
Net carrying amount as at April 01, 2016	**13.12**	**1.37**	**0.59**	**0.09**	**-**	**15.17**
Net carrying amount as at March 31, 2017	**7.40**	**1.12**	**0.35**	**1.39**	**-**	**10.26**
Net carrying amount as at September 30, 2017	**4.59**	**0.75**	**0.27**	**3.66**	**-**	**9.27**

* represents exchange difference resulting from translation of fixed assets relating to non-integral operations.

4 Intangible assets

	Intangible assets				
	Computer software	**NGDP Platform**	**Mygamma and Djuzz platform**	**Total**	**Intangible asset under development**
Gross carrying amount					
As at April 01, 2016	16.03	-	3.64	19.67	3.60
Additions	-	7.20	-	7.20	-
Disposals	(0.02)	-	-	(0.02)	-
*Adjustments	-	-	-	-	(2.20)
Gross carrying amount as at March 31, 2017	**16.01**	**7.20**	**3.64**	**26.85**	**1.40**
Additions	-	-	-	-	1.40
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
Gross carrying amount as at September 30, 2017	**16.01**	**7.20**	**3.64**	**26.85**	**2.80**
Accumulated depreciation					
Accumulated depreciation as at April 01, 2016	11.49	-	3.64	15.13	-
Depreciation charge during the year	2.35	1.33	-	3.68	-
Disposals	(0.01)	-	-	(0.01)	-
*Adjustments	-	-	-	-	-
Accumulated depreciation as at March 31, 2017	**13.83**	**1.33**	**3.64**	**18.80**	**-**
Depreciation charge during the period	1.07	1.20	-	2.27	-
Disposals	-	-	-	-	-
Accumulated depreciation as at September 30, 2017	**14.90**	**2.53**	**3.64**	**21.07**	**-**
Net carrying amount as at April 01, 2016	**4.54**	**-**	**-**	**4.54**	**3.60**
Net carrying amount as at March 31, 2017	**2.18**	**5.87**	**-**	**8.05**	**1.40**
Net carrying amount as at September 30, 2017	**1.11**	**4.67**	**-**	**5.78**	**2.80**

* represents exchange difference resulting from translation of fixed assets relating to non-integral operations.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

5 Non-current investments

		September 30, 2017		March 31, 2017		April 01, 2016	
		Number	Amount	Number	Amount	Number	Amount
(i)	**Investment in equity instruments (fully paid-up)**						
	Unquoted equity instruments at fair value through profit or loss						
	Hashcube Inc	2,451,546	25.61	2,451,546	26.98	2,451,546	27.57
	Convertible preference shares of USD 0.00001 each						
	Mastermind Sports Ltd	-	-	50,116	14.56	-	-
	Equity shares of USD 0.01 each						
	Total investment in equity instruments		**25.61**		**41.54**		**27.57**
(ii)	**Investments in debentures**						
	Quoted bonds at amortized cost						
	6.38% debentures in Emirates NBD	2,000.00	13.87	-	-	-	-
	5.75% debentures Tata Motor	2,000.00	14.38	-	-	-	-
	4.88% debentures Jubliant Pharma Ltd	2,000.00	13.38	-	-	-	-
	4.50% debentures GlenMark	2,000.00	13.25	-	-	-	-
	5.25% debentures JSW Steel	2,000.00	13.51	-	-	-	-
	5.30% debentures Marble II	2,000.00	13.40	-	-	-	-
	Total investment in debenture		**81.79**		**-**		**-**
	Total Non-current investments		**107.40**		**41.54**		**27.57**

	September 30, 2017	March 31, 2017	April 01, 2016
Agreegate amount of unquoted investments	**25.61**	**41.54**	**27.57**
Agreegate amount of quoted investments	**81.79**	**-**	**-**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

6 Current investments

		September 30, 2017		March 31, 2017		April 01, 2016	
		Number	Amount	Number	Amount	Number	Amount
(i)	**Investments in mutual funds**						
	Quoted investments at FVTPL						
	SBIMF-Magnum income fund	1,577,816	66.21	1,756,450	70.91	1,756,450	62.91
	BNP paribas flexi debt fund	828,972	24.56	828,972	23.56	828,972	21.23
	SBI ultra short term fund	-	-	12,830	26.95	23,994	46.72
	SDFS 17 months - series 1	-	-	-	-	1,003,037	12.16
	SDFS 18 months - series XII	-	-	-	-	2,500,000	30.45
	SBI dynamic bond fund	-	-	-	-	1,751,096	31.75
	ICICI prudential gilt fund	670,604	40.03	670,604	38.02	848,326	42.51
	Kotak gilt investment regular growth	627,212	36.82	627,212	35.35	837,909	42.34
	SBI short term fund	1,210,302	23.69	1,210,302	22.88	1,210,302	20.97
	SBI corporate bond	2,858,784	77.93	2,858,784	74.92	850,008	20.26
	SBI debt fund series B – 33	2,000,000	22.82	2,000,000	22.03	2,000,000	20.23
	SBI regular saving fund	3,470,651	102.54	3,470,651	98.15	2,009,765	50.17
	Birla sunlife saving fund	269	0.09	-	-	-	-
	Birla sunlife saving fund	-	-	-	-	86,812	25.42
	ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.22
	IIFL cash opportunities fund	6,437,753	75.60	4,700,293	53.51	2,850,436	30.09
	Birla sun life dynamic bond fund	339,552	10.29	339,552	9.86	-	-
	Birla sun life short term opportunities fund	368,370	10.41	368,370	10.00	-	-
	BNP paribas medium term income fund	783,447	10.67	783,447	10.26	-	-
	DSP black rock income opportunities fund	372,250	10.40	372,250	10.01	-	-
	IDFC super saver income fund short term	641,350	22.16	641,350	21.40	-	-
	L&T income opportunities fund	1,722,655	33.41	1,722,655	32.16	-	-
	Reliance short term fund	853,280	27.28	853,280	26.30	-	-
	SBI treasury advantage fund	18,977	35.45	18,977	34.30	-	-
	Tata short term bond fund	351,136	11.11	351,136	10.73	-	-
	UTI short term income fund	1,075,645	22.23	1,075,645	21.45	-	-
	Aditya Birla Sun Life Corporate Bond Fund regular growth	799,316	10.04	-	-	-	-
	Reliance Corporate Bond Fund-Growth Plan	732,295	10.04	-	-	-	-
	Total investment in mutual funds		**683.78**		**652.75**		**504.43**
(ii)	**Investments in debentures**						
	Quoted bonds at amortised cost						
	IIFL Wealth Finance market linked debentures	-	-	100	10.00	-	-
	Total investment in debentures		**-**		**10.00**		**-**
(iii)	**Investments in tax free bonds**						
	Quoted bonds at FVTPL						
	7.39% HUDCO tax free bond series IIA	7,007	8.02	7,007	7.77	7,007	7.22
	7.39% HUDCO bond tax free bond series IIA	7,529	8.46	7,529	8.22	7,529	7.54
	7.35% IRFC tax free bond series IIA	5,878	6.41	5,878	6.48	5,878	6.08
	7.35% NABARD tax free bond series IIA	5,010	5.66	5,010	5.49	5,010	5.21
	7.35% NHAI tax free bond series IIA	14,285	16.64	14,285	15.84	14,285	14.70
	7.39% NHAI tax free bond series IIA	15,419	18.22	15,419	18.50	15,419	15.47
	Total investment in tax free bonds at FVTPL		**63.41**		**62.30**		**56.22**
	Total current investments		**747.19**		**725.05**		**560.65**
	Aggregate amount of quoted investments		**747.19**		**725.05**		**560.65**

7 Loans

	September 30, 2017	March 31, 2017	April 01, 2016
Unsecured, considered good			
Security deposits	15.72	14.70	12.83
Total	**15.72**	**14.70**	**12.83**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

8 Non-current - other financial assets

	September 30, 2017	March 31, 2017	April 01, 2016
Fixed deposits bank with original maturity of more than 12 months	1.65	1.65	1.50
Interest receivable	0.08	0.03	0.07
Total	**1.73**	**1.68**	**1.57**

Note:

The fixed deposit aggregating to Rs 1.65 million (March 31, 2017 Rs. 1.65 million & April 01, 2016 Rs.1.50 million) is under lien to bank for issuing bank guarantee as security towards the due observance and performance of the terms and conditions of agreement executed with Bharat Sanchar Nigam Limited.

9 Other non-current assets

	September 30, 2017	March 31, 2017	April 01, 2016
Advance income -tax (net of provision for tax)	46.56	46.58	32.45
Total	**46.56**	**46.58**	**32.45**

10 Trade receivables

	September 30, 2017	March 31, 2017	April 01, 2016
Trade receivables			
Unsecured considered good	365.75	259.49	334.41
Doubtful	38.63	73.28	6.62
Impairment Allowance (allowance for bad and doubtful debts)			
Doubtful	(38.63)	(73.28)	(6.62)
Total	**365.75**	**259.49**	**334.41**

11 Cash and cash equivalents

	September 30, 2017	March 31, 2017	April 01, 2016
Cash on hand	0.25	0.01	0.10
Balances with banks			
- in current accounts	569.39	603.07	314.06
- in fixed Deposits with original maturity for less than 3 months	-	45.29	380.19
	569.64	**648.37**	**694.35**
Other bank balances			
Balances with banks			
- in fixed deposits with original maturity for more than 3 months but less than 12 months	290.21	489.94	69.08
	290.21	**489.94**	**69.08**
Total	**859.85**	**1,138.31**	**763.43**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	September 30, 2017	March 31, 2017	April 01, 2016
Balances with banks:			
-On Current accounts	569.39	603.07	314
-Deposits with original maturity of less than three months	-	45.29	380
Cash on hand	0.25	0.01	0.10
Total	**569.64**	**648.37**	**694.35**

12 Loans

	September 30, 2017	March 31, 2017	April 01, 2016
Unsecured, considered good			
Security deposits	1.50	0.69	1.74
Loan to Moonglab Technologies Private Limited (Refer Note)	2.50	-	-
Loan to employees	0.53	0.58	0.51
Total	**4.53**	**1.27**	**2.25**

Note:

On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited (‘Moonglabs’), a company engaged in the business of development mobile software. In December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

13 Other financial assets

	September 30, 2017	March 31, 2017	April 01, 2016
Interest accrued but not due			
- from banks	11.02	13.76	7.28
Unbilled revenue			
- Unsecured considered good	374.47	314.07	218.04
- Doubtful	6.55	4.44	-
Impairment Allowance (allowance for unbilled revenue)			
- Doubtful	(6.55)	(4.44)	-
Forward contract	39.16	3.40	-
Total	**424.65**	**331.23**	**225.32**

14 Other current assets

	September 30, 2017	March 31, 2017	April 01, 2016
Advances recoverable in cash or kind or for value to be received	1.13	0.39	0.30
Advance to vendors	8.82	13.86	15.27
VAT receivable	1.64	-	-
Prepaid expenses	13.83	15.39	11.01
Service tax receivable	3.81	3.42	6.29
Total	**29.23**	**33.06**	**32.87**

15 Share Capital

	September 30, 2017	March 31, 2017	April 01, 2016
Share capital			
Authorised shares			
2,198,796 (March 31, 2017 : 2,198,796, April 01, 2016: 2,198,796) equity shares of Rs 10 each	21.99	21.99	21.99
1,251,204 (March 31, 2017: 1,251,204, April 01, 2016: 1,251,204) preference shares of Rs 10 each	12.51	12.51	12.51
	34.50	**34.50**	**34.50**
Issued, subscribed and paid-up			
1,989,246 (March 31, 2017: 1,989,246, April 01, 2016: 1,989,246) equity shares of Rs 10 each	19.89	19.89	19.89
	19.89	**19.89**	**19.89**

(a) Details of shareholders holding more than 5% share in the Company

Equity shares

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Mitter Infotech LLP	558,356	28.07%	558,356	28.07%	558,356	28.07%
West Bridge Venture II Investment Holdings	1,352,944	68.01%	1,352,944	68.01%	1,352,944	68.01%

(b) Shares held by holding/ultimate holding company and / or their subsidiaries / associates

Out of the equity shares and preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
West Bridge Venture II Investment Holdings, the holding company from 30th March, 2016						
1,352,944 (March 31 2017: 1,352,944, April 01 2016 : 1,352,944) equity shares of Rs 10 each fully paid. **(refer note 1 below)**	1,352,944	13.53	1,352,944	13.53	1,352,944	13.53

Note : West Bridge Venture II Investment Holding have sold/transferred 839,650 equity shares to financial investor and certain employees of the company. Accordingly, West Bridge II Investment Holding is no longer holding company from 23rd November, 2017

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

15 Share Capital (Cont'd)

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	No. of Shares	Rs.
As at April 01, 2016	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at March 31, 2017	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at Sept 30, 2017	**1,989,246**	**19.89**

(d) Terms/rights attached to equity shares

1. Voting rights

   Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

   The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

   In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

   In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

   In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

   In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

   In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

6. Other Rights:

   Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation/ amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company.

(f) Aggregate number of shares bought back by the Company:

	September 30, 2017	March 31, 2017	April 01, 2016
Equity shares bought back by the Company			
FY 12-13	84,496	84,496	84,496
FY 14-15	45,400	45,400	45,400
	129,896	**129,896**	**129,896**

(g) Details of Other Equity (refer statement of changes in Equity)

Capital redemption reserves

The company has in the past created capital redemption reserve in accordance with the provision of the Act.

16 Dividend distribution made

	September 30, 2017	March 31, 2017	April 01, 2016
Cash dividends on equity shares declared and paid			
Interim dividend paid (including dividend distribution tax) for period ended September 30 2017, Rs. 151 per equity share.	300.38	-	-
	300.38	**-**	**-**

17 Provision

	September 30, 2017	March 31, 2017	April 01, 2016
Provisions for employees benefits			
Provision for Gratuity	13.69	13.05	11.68
Total	**13.69**	**13.05**	**11.68**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

18 Trade payables

	September 30, 2017	March 31, 2017	April 01, 2016
Trade payables	307.44	240.16	261.65
Total	**307.44**	**240.16**	**261.65**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

19 Other financial liabilities

	September 30, 2017	March 31, 2017	April 01, 2016
Employee payables	25.19	31.35	18.68
Payable for capital expenditure	2.00	2.00	2.09
Total	**27.19**	**33.35**	**20.77**

20 Other current liabilities

	September 30, 2017	March 31, 2017	April 01, 2016
Advances from customers	7.66	10.78	29.87
Tax deducted at source	45.09	107.60	81.37
Equalisation levy	0.10	0.44	-
Goods and Services Tax payable	1.06	-	-
Statutory liabilities	4.62	5.87	4.08
Total	**58.53**	**124.69**	**115.32**

21 Provisions - Current

	September 30, 2017	March 31, 2017	April 01, 2016
Compensated absences	3.92	3.71	1.71
Total	**3.92**	**3.71**	**1.71**

22 Revenue from operations

	For the six month ended 30 September 2017	31 March 2017
Revenue from subscription/download of mobile games and other contents	807.70	1,861.75
Revenue from advertising services	31.24	39.83
Total	**838.94**	**1,901.58**

23 Other income

	For the six month ended 30 September 2017	31 March 2017
Dividend income on		
- Current investments	-	0.38
Net gain on sale of current investments	5.78	26.13
Sundry balances written back	23.56	7.20
Fair Value gain on financial instruments at fair value through profit or loss	20.65	30.13
Fair Value gain/(loss) on forward exchange contracts	0.13	0.05
Other income	1.51	5.22
Finance income		
- on bank deposits	16.12	47.74
- on tax free bonds	2.04	4.05
- on long term bonds	0.28	-
Total	**70.07**	**120.90**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

24 Employee benefits expense

	For the six month ended 30 September 2017	31 March 2017
Salaries, Wages and Bonus	99.16	203.15
Contribution to provident and other funds	4.36	9.39
Expenses on employee stock option scheme (refer note 33)	76.94	36.99
Gratuity expenses (refer note 32)	1.28	2.92
Staff welfare expenses	0.39	1.34
Total	**182.13**	**253.79**

25 Finance costs

	For the six month ended 30 September 2017	31 March 2017
Interest	0.40	0.24
Bank charges	1.70	2.64
Total	**2.10**	**2.88**

26 Depreciation and amortisation expenses

	For the six month ended 30 September 2017	31 March 2017
Depreciation of tangible assets (refer note 3)	3.67	7.90
Amortisation of intangible assets (refer note 4)	2.27	3.68
	5.94	**11.58**

27 Other expenses

	For the six month ended 30 September 2017	31 March 2017
Content management charges	0.69	2.02
Revenue share on subscription/download of games/other contents	13.91	59.25
Consumables for development and testing	0.46	0.44
Rent expenses	18.82	36.64
Rates and taxes	3.97	10.12
Insurance charges	1.11	2.71
Repairs and maintenance	3.24	6.48
Corporate social responsibility expenditure (Refer note (ii) below)	0.01	4.75
Sales promotion and business development	5.08	10.27
Brokerage and discounts	-	-
Travelling and conveyance	11.35	26.05
Communication expenses	1.30	3.17
Printing and stationery	0.24	0.48
Legal and professional fees	18.65	38.60
Server charges	11.29	23.59
Bad debts written off	3.51	12.76
Provision for doubtful debts and unbilled revenue	7.74	39.36
Payment to auditors (refer note 29)	1.50	4.04
Loss on exchange fluctuation (net)	27.91	105.11
Miscellaneous expenses	3.80	8.67
Investments written off (refer note (i) below)	-	6.70
Sundry balance written off	-	-
Total	**134.58**	**401.21**

Note :

(i) During the year ended 31st March 2017, the Group has made investment of USD 100,022 (Rs 6,698,331) in Truly Social Limited. The amount of investment is not recoverable as at 31st March 2017, hence the investment is written off.

(ii) Corporate social responsibilities

As per section 135 of the Companies Act 2013 and rules therein, the Group is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	**Six month period ended 30-September-2017**	**March 31, 2017**
Gross amount required to be spent during the period	3.14	7.34
Amount spent during the period		
i) Construction / acquisition of any asset	-	2.00
ii) On purposes other than (i) above	0.01	2.75
Total amount spent during the year	**0.01**	**4.75**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

28 Capital and other commitments

	September 30, 2017	March 31, 2017	April 01, 2016
Capital commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	1.40	2.80	14.30
Other commitments			
Cost of content and other commitments	40.30	70.78	121.97

29 Auditors' remuneration excluding service tax (included on legal and professional fees)

	For the six month ended September 30, 2017	March 31, 2017
As auditor		
- Audit fees	1.50	3.70
In other capacity		
-For other services	-	0.25
-Reimbursement of expenses	-	0.09
	1.50	**4.04**

30 Earnings per share

The following table sets forth the computation of basic and diluted earnings per share :

	September 30, 2017	March 31, 2017
Basic		
Net profit for the year attributable to equity shareholders	188.75	611.12
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share (adjusted for partly paid shares)	1,989,246	1,989,246
Earnings per share, basic	**94.89**	**307.21**
Diluted		
Net profit for calculation of diluted EPS	188.75	611.12
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	15,553	70,784
Total number of shares outstanding (weighted average) including dilution	2,004,799	2,060,030
Earnings per share, diluted	**94.15**	**296.65**
Earning per share after considering the impact of bonus issue and sub division of shares		
Basic		
Net profit for the year attributable to equity shareholders	188.75	611.12
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share	1,989,246	1,989,246
Effect of share split	2,983,869	2,983,869
Effect of bonus issue	19,892,460	19,892,460
Total number of shares outstanding (weighted average) including dilution	24,865,575	24,865,575
Earnings per share, basic	**7.59**	**24.58**
Diluted		
Net profit for calculation of diluted EPS	188.75	611.12
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	15,553	70,784
Effect of share split	3,007,199	3,090,045
Effect of bonus issue	20,047,991	20,600,297
Total number of shares outstanding (weighted average) including dilution	25,059,988	25,750,371
Earnings per share, diluted	**7.53**	**23.73**

On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460. Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

31 Operating leases

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.

The future minimum lease rental receivable under non-cancellable operating leases in aggregate are as follows:

	September 30, 2017	March 31, 2017
Not later than one year	-	1.25
Total	**-**	**1.25**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits

I) Defined Contribution plan

(a) Provident fund

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Company's contribution to provident fund and charged to P&L	4.22	9.22	8.10

II) Defined benefit plan

(a) Gratuity

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. This benefit is unfunded.

The following tables summarise the components of net gratuity benefit expense recognised in the statement of profit and loss and other comprehensive income.

A Balance Sheet

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year / period are as follows:

	September 30, 2017	March 31, 2017	April 01, 2016
Liability at the beginning of the year/period	**13.05**	**11.68**	**7.78**
Interest cost	0.34	0.68	0.45
Current service cost	0.93	2.25	1.54
Benefits paid	(0.34)	(0.55)	(0.18)
Re-measurements - Actuarial (Gain)/Loss - due to changes in demographic assumptions	-	-	(0.03)
Re-measurements - Actuarial (Gain)/Loss - due to changes Financial assumptions	0.02	0.45	0.11
Re-measurements - Actuarial (Gain)/Loss - due to changes experience adjustment	(0.31)	(1.45)	2.01
Liability at the end of the year/period	**13.69**	**13.05**	**11.68**

ii) **Balance sheet recociliation**

	September 30, 2017	March 31, 2017	April 01, 2016
Opening Net liability	**13.05**	**11.68**	**7.78**
Expense recognized in Statement of P&L	1.27	2.93	1.99
Expense recognized in OCI	(0.29)	(1.01)	2.09
Net (Liability)/Asset transfer out	-	-	-
(Benefit Paid Directly by the Employer)	(0.34)	(0.55)	(0.18)
Employers contribution	-	-	-
Amounts recognized in the Balance Sheet	**13.69**	**13.05**	**11.68**

B Statement of profit & loss

i) Expense recognised in Statement of profit or loss

	For the six month ended September 30, 2017	March 31, 2017
Current service cost	0.93	2.25
Net Interest cost	0.34	0.68
Expenses recognized in profit or loss	**1.27**	**2.93**

ii) Expense recognised in Other comprehensive Income

	For the six month ended September 30, 2017	March 31, 2017
Remeasurements Actuarial Gain/loss	(0.29)	(1.00)
Net (income)/Expense	**(0.29)**	**(1.00)**

C The principal assumptions used in determining gratuity obligations are shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate	6.73%	6.77%	7.72%
Future salary increases	10.00%	10.00%	10.00%
Weighted Average Duration of the Projected Benefit Obligation	6 years	6 years	6 years
Rate of Employee turnover	15%	15%	15%
Mortality rate during Employment		Indian Assured lives Mortality (2006-08)	
Mortality rate after Employment		NA	

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits (Cont'd)

D A quantitative sensitivity analysis for significant assumption as at balance sheet date are as shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate (- 1%)	(0.48)	(0.47)	(0.41)
Discount rate (+ 1%)	0.54	0.52	0.46
Salary Escalation Rate (- 1%)	0.30	0.29	0.27
Salary Escalation Rate (+ 1%)	(0.29)	(0.28)	(0.26)
Employee turnover (+ 1%)	(0.02)	(0.02)	(0.02)
Employee turnover (+ 1%)	0.02	0.02	0.02

Methods and assumptions used in preparing sensitivity and their limitations: The liability was projected by changing certain assumptions and the total liability post the change in such assumptions have been captured in the table above. This sensitivities are based on change in one single assumption, other assumptions being constant. In practice, scenario may involve change in several assumptions where the stressed defined benefit obligation may be significantly impacted.

E Maturity analysis of projected benefit obligation

	September 30, 2017	March 31, 2017	April 01, 2016
1st following year	1.44	1.38	1.11
2nd following year	1.33	1.28	1.15
3rd following year	1.84	1.78	1.08
4th following year	1.14	1.11	1.51
5th following year	1.05	1.02	0.97
Sum of years to 6 to 10	3.91	3.84	3.64

33 Employee stock option plans

During the period / year ended 30th September 2017 and 31st March 2017, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September 2005
Date of board approval	17th September 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share for the exercise price as stated above.

The expense recognised for employee service received during the year is shown in the following table:

	September 30, 2017	March 31, 2017
Expense arising from equity-settled share based payment transactions	76.94	36.99
	76.94	**36.99**

Weighted average Share price for options exercised during the year:

	ESOP 2016	ESOP 2005
Weighted average Share price	4,524.33	-

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

33 Employee stock option plans (Cont'd)

The details of activity under the scheme 2005 are summerised below:

	September 30, 2017		March 31, 2017		April 01, 2016	
	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	-	-	108,537	78.00	108,537	78.00
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Cancelled during the year (refer note below)	-	-	108,537	-	-	-
Outstanding at the end of the year	-	-	-	-	108,537	-
Exercisable at the end of the year	-	-	-	-	108,537	78.00
Weighted average remaining contractual life (in years)	-	-	-	-	-	0 Years

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

The details of activity under the scheme 2016 are summerised below:

	September 30, 2017		March 31, 2017		April 01, 2016	
	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	59,411	2,929	-	-	-	-
Granted during the year	-	-	59,411	2,929	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Outstanding at the end of the year	59,411	2,929	59,411	2,929	-	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average remaining contractual life (in years)		5.25 years		5.75 years	-	-

There were no cancellations or modifications to the rewards during the period/ year ended September 30, 2017, March 31, 2017 and April 01, 2016.

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

	ESOP 2016	ESOP 2005
Dividend yield (%)	1.00%	No Options Granted during the year
Expected volatility (%)	25.00%	
Risk free interest rate (%)	6.27%	
Spot price (Rs.)	4,524	
Exercise Price (Rs.)	2,929	
Expected life of options granted (years)	3.5 years	
Model used	Black Scholes	

The expected life of the share options are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur.The expected volatality reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

34 Related parties disclosures

A) Names of the related parties and related party relationship

Related parties where control exists

Ultimate holding company	West Bridge Venture LLC
Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)
Key management personnel	Sandeep Singhal - Independent Director
	Kuldeep Jain - Independent Director

B) Related parties with whom transactions have taken place during the year:

Enterprises owned or controlled by key management personnel	Mitter Infotech LLP, the holding firm (till 29th March, 2016)
Associate of step down subsidiaries	Mastermind Sports Limited (from 14th July 2017)
Key management personnel	Vikash Mittersain - Chairman Cum Managing Director
	Nitish Mittersain - Managing Director

C) Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

D) Related party transactions:

	For the period ended September 30, 2017	March 31, 2017
Remuneration to Key management personnel		
Vikash Mittersain (refer note below)	2.26	4.90
Nitish Mittersain (refer note below)	12.15	30.56
Dividend paid		
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	84.31	-
West Bridge Venture II Investment Holdings	204.29	-
Vikash Mittersain	0.00*	-
Nitish Mittersain	0.00*	-
Rent paid on behalf of		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.62	3.30
Rent recovered from		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.00	3.30

* Amount is less than 0.01 million

E) Amounts outstanding as at the balance sheet date:

	September 30, 2017	March 31, 2017
Balance payables at year end		
Vikash Mittersain	-	0.14
Nitish Mittersain	1.31	6.00

F) Compensation of Key management personnel

	For the six month ended September 30, 2017	March 31, 2017
Short-term employee benefits	13.59	33.83
Post- employment benefits (*)	0.82	1.64
Total remuneration	**14.41**	**35.47**

(*): Remuneration to the key managerial personnel doesn’t include provision made for gratuity and compensated absences as they are determine on actuarial basis for the Company as a whole.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

35 Income tax

A Income tax expense in the statement of profit and loss consists of:

	For the six month ended 30 September 2017	31 March 2017
Current income tax:		
Income Tax (Current year)	106.66	129.90
Income Tax (Earlier Years)	-	1.92
Deferred tax charge/ (credit)	6.81	(24.93)
Income tax expense reported in the statement of profit or loss	**113.47**	**106.89**
Income tax recognised in other comprehensive income		
- Deferred tax arising on income and expense recognised in other comprehensive income	(0.21)	(0.96)
Total	**113.26**	**105.93**

B The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

	For the six month ended 30 September 2017	31 March 2017
Profit before tax	302.22	718.01
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	104.59	248.49
Effect of:		
Effects of unrecognized deferred tax assets	17.68	(23.50)
Effects of overseas tax laws	(38.39)	(56.53)
Effects of differential overseas tax rates	(32.97)	(80.59)
Tax paid at lower rate	52.35	-
Other temporary differences	10.21	19.02
Total income tax expense	**113.47**	**106.89**

C Deferred tax relates to the following: Balance sheet

	Balance sheet		
	September 30, 2017	March 31, 2017	April 01, 2016
Accelerated depreciation for tax purposes	2.43	1.57	1.03
Others			-
43B disallowances	9.91	4.78	9.68
Disallowance for provision aaccounted	15.57	10.85	-
Other items giving rise to temporary differences	8.99	25.86	7.83
Net deferred tax assets	**34.47**	**41.49**	**17.52**

D Reconciliation of deferred tax assets (net):

	September 30, 2017	March 31, 2017
Opening balance as of 1 April	41.49	17.52
Tax income/(expense) during the period recognised in profit or loss	(6.81)	24.93
Tax income/(expense) during the period recognised in OCI	(0.21)	(0.96)
Closing balance	**34.47**	**41.49**

E Deferred tax relates to the following: Statement of profit or loss

	Statement of profit or loss	
	For the six month ended 30 September 2017	31 March 2017
Property, plant and equipment	0.86	0.53
Others		
43B disallowances	5.13	(4.90)
Disallowance for provision aaccounted	4.72	10.85
Other items giving rise to temporary differences	(17.52)	18.45
Net deferred tax credit/ (charge)	**(6.81)**	**24.93**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

F Note on undistributed profit

The Group has not recognised deferred tax liability associated with undistributed earnings of its subsidiaries as it can control the timing of the reversal of these temporary differences and it is probable that such differences will not reverse in the foreseeable future.

The taxable temporary differences relating to investment in subsidiaries associated with respect to undistributed earnings for which a deferred tax liability has not been created:

	For the six month ended 30 September 2017	31 March 2017	April 01, 2016
Undistributed Earnings	28,169,545	226,372,704	351,976,502
Unrecognised deferred tax liabilities relating to the above temporary	4,874,458	39,033,473	18,894,924

36 Segment information

A Description of segments and principal activities

The primary segment reporting format is determined to be business segments as the Company's risks and rates of return are affected predominantly according to nature of services. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of services provided with each segment representing a strategic business unit that offers different services and serves different markets.

1. Subscription/download of games/other contents business
2. Freemium business comprising of advertising services

B Segment revenue and Segment Results

Description	September 30, 2017			March 31, 2017		
	Subscription / download of games/other contents	Freemium business	Total	Subscription / download of games/other contents	Freemium business	Total
Revenue	807.70	31.24	838.94	1,861.75	39.83	1,901.58
Results	-	-	-	-	-	-
Segment results	377.22	(24.80)	352.42	844.53	(67.76)	776.77
Unallocated corporate expense	-	-	120.27	-	-	179.66
Operating profit	-	-	232.18	-	-	597.11
Other income	-	-	70.07	-	-	120.90
Income tax	-	-	113.47	-	-	106.89
Net profit	-	-	188.75	-	-	611.12

(a) Revenue from External Customers based on geographies

Segment Revenue	For the six month ended September 30, 2017	March 31, 2017
India	175.19	616.84
Middle east	255.21	345.04
Africa	230.19	568.51
Rest of the world	178.36	371.20
Total	**838.94**	**1,901.58**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

36 Segment information (Cont'd)

C Segment Assets, Liabilities and Depreciation/ Amortization

Segment Assets and liabilities are presented in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment.

Description	September 30, 2017			March 31, 2017			April 01, 2016		
	Subscription / download of games/other contents	Freemium business	Total	Subscription / download of games/ other contents	Freemium business	Total	Subscription / download of games/ other contents	Freemium business	Total
Other information									
Segment assets	1,738.51	39.87	1,778.38	1,693.03	20.58	1,713.61	1,249.97	19.63	1,269.60
Unallocated corporate assets	-	-	897.45	-	-	940.50	-	-	764.58
Total assets	-	-	2,675.83	-	-	2,654.11	-	-	2,034.18
Segment liabilities	346.50	22.93	369.43	364.38	11.02	375.40	367.17	3.85	371.02
Unallocated corporate liabilities	-	-	97.05	-	-	43.19	-	-	41.19
Total liabilities	-	-	466.48	-	-	418.59	-	-	412.21
Depreciation	-	-	5.94	-	-	11.58	-	-	9.49
Non cash expense - other than depreciation	-	-	-	-	-	-	-	-	-

The following table shows the carrying amount of segment assets and addition to segment assets by geographical area in which assets are located.

	Carrying amount of segment assets	Addition to fixed assets and intangible assets	Carrying amount of segment assets	Addition to fixed assets and intangible assets	Carrying amount of segment assets	Addition to fixed assets and intangible assets
	September 30, 2017		March 31, 2017		April 01, 2016	
India	967.56	2.67	966.50	8.16	945.85	18.28
Middle east	664.95	-	418.31	2.11	230.82	0.07
Africa	670.62	-	893.26	-	621.25	-
Rest of the world	291.67	-	287.98	-	186.30	0.43
Total	**2,594.80**	**2.67**	**2,566.05**	**10.27**	**1,984.22**	**18.78**

37 Fair Value

The carrying value and fair value of financial instruments by categories are as below:

	Carrying value			Fair value		
	September 30, 2017	March 31, 2017	April 01, 2016	September 30, 2017	March 31, 2017	April 01, 2016
Financial assets - Non-current (measured at amortized cost)						
Security deposits	15.72	14.70	12.83	15.72	14.70	12.83
Fixed deposits with bank and interest accrued	1.73	1.68	1.57	1.73	1.68	1.57
Investments in debentures	81.79	-	-	80.91	-	-
Financial assets - Current (measured at amortized cost)						
Trade receivable	365.75	259.49	334.41	365.75	259.49	334.41
Cash and cash equivalents	569.64	648.37	694.35	569.64	648.37	694.35
Other bank balances	290.21	489.94	69.08	290.21	489.94	69.08
Investments in debentures	-	10.00	-	-	10.77	-
Security deposits	4.53	1.27	2.25	4.53	1.27	2.25
Loan to Moonglab Technologies Private Limited	2.50	-	-	2.50	-	-
Loan to employees	0.53	0.58	0.51	0.53	0.58	0.51
Other financial assets	421.62	330.65	224.81	421.62	330.65	224.81
Total assets	**1,754.02**	**1,756.68**	**1,339.81**	**1,753.14**	**1,757.45**	**1,339.81**
Financial liabilities - Current (measured at amortized cost)						
Trade payable	307.44	240.16	261.65	307.44	240.16	261.65
Other financial liabilities	27.19	33.35	20.77	27.19	33.35	20.77
Total liabilities	**334.63**	**273.51**	**282.42**	**334.63**	**273.51**	**282.42**

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, Interest accrued on bank deposits with banks, other current financial assets, other bank balances and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the remaining FVTPL financial asset are derived from quoted marker price in active markets

The fair values of security deposits and other financial assets and liabilities are considered to be the same as their carrying values, as there is an immaterial change in the lending rates.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

38 Fair value hierarchy

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

Fair value hierarchy

i) Level 1

quoted (unadjusted) prices in active markets for identical assets or liabilities

ii) Level 2

other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly

iii) Level 3

techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table provides the fair value measurements hierarchy of the Group's assets and liabilities.

I The carrying amount and fair value measurement hierarchy for assets as at September 30, 2017 is as follow

Particulars	Carrying Value	Fair Value	Date of Valuation	Fair value measurement using			
				Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in convertible preference shares	25.61	25.61	30-Sep-17	-	-	25.61	25.61
Investments in mutual fund	683.78	683.78	30-Sep-17	683.78	-	-	683.78
Investments in tax free bonds	63.41	63.41	30-Sep-17	63.41	-	-	63.41
Total	**772.80**	**772.80**		**747.19**	**-**	**25.61**	**772.80**

38 Fair value hierarchy (Cont'd)

II The carrying amount and fair value measurement hierarchy for assets as at March 31, 2017:

Particulars	Carrying Value	Fair Value	Date of Valuation	Fair value measurement using			
				Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in convertible preference shares	41.54	41.54	31-Mar-17	-	-	41.54	41.54
Investments in mutual fund	652.75	652.75	31-Mar-17	652.75	-	-	652.75
Investments in tax free bonds	62.30	62.30	31-Mar-17	62.30	-	-	62.30
Total	**756.59**	**756.59**		**715.05**	**-**	**41.54**	**756.59**

III The carrying amount and fair value measurement hierarchy for assets as at April 01, 2016:

Particulars	Carrying Value	Fair Value	Date of Valuation	Fair value measurement using			
				Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in convertible preference shares	27.57	27.57	31-Mar-16	-	-	27.57	27.57
Investments in mutual fund	504.43	504.43	31-Mar-16	504.43	-	-	504.43
Investments in tax free bonds	56.22	56.22	31-Mar-16	56.22	-	-	56.22
Total	**588.22**	**588.22**		**560.65**	**-**	**27.57**	**588.22**

IV Assets/ Liabilities measured at Amortized cost

Particulars	Asset measured at amortised cost for which fair value is disclosed				
	Date of Valuation	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in debentures	30-Sep-17	80.91	-	-	80.91
Investments in debentures	31-Mar-17	10.77	-	-	10.77
Investments in debentures	31-Mar-16	-	-	-	-

There have been no transfer between Level 1,2 and 3 during the period September 30, 2017, March 31, 2017 and April 1, 2016

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

38 Fair value hierarchy (Cont'd)

Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about significant unobservable inputs used in level 3 fair value measurement:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
	September 30, 2017			
Unquoted convertible preference shares	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	+-50 bps increase in the growth factor and lower discount rate would increase the fair value by INR 3.69 million ; and lower growth factor and higher discount rate would decrease the fair value by INR 1.81 million.
		WACC	11% -12%	
	March 31, 2017			
Unquoted convertible preference shares	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	+- 50 bps increase in the growth factor and lower discount rate would increase the fair value by INR 4.58 million ; and lower growth factor and higher discount rate would decrease the fair value by INR 2.28 million.
		WACC	11% -12%	
	April 01, 2016			
Unquoted convertible preference shares	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	+- 50 bps increase in the growth factor and lower discount rate would increase the fair value by INR 4.14 million ; and lower growth factor and higher discount rate would decrease the fair value by INR 2.32 million.
		WACC	11% -12%	

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at September 30, 2017,March 31, 2017 and April 01, 2016

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at September 30, 2017, March 31, 2017 and April 01, 2016.

Equity price risk

The Group's unlisted equity securities are susceptible to market price risk arising form uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Group's Board of Directors review and approve all equity investments. At the reporting date, the exposure to unlisted equity securities at fair value and sensitivity analysis of these investments have been provided in Note-38

Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like forward exchange contracts to hedge exposure to foreign currency risk

(i) Forward Contract (Derivatives):

Forward contract outstanding as at Balance Sheet date:

September 30, 2017 Buy US $ 6,53,845	Hedging of creditors
March 31, 2017 Buy US $ 50,000	Hedging of creditors
April 01, 2016 Buy US $ Nil	Hedging of creditors

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

(ii). Amounts receivable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17	
		Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.
USD	Cash and bank balances	1.33	86.71	3.92	253.45
	Trade receivable	2.50	163.30	1.18	76.37
	Other current assets	1.62	106.11	1.66	107.63
	Security deposits	0.03	2.20	0.00*	0.26
	Non-current investments	0.69	44.92	0.59	38.05
AED	Cash and bank balances	19.52	347.02	13.30	234.34
	Trade receivable	3.84	68.33	2.51	44.13
	Other current assets	4.48	79.57	7.62	134.21
	Security deposits	0.02	0.32	0.02	0.32
	Non-current investments	4.60	81.79	-	-
GBP	Cash and bank balances	0.00*	0.08	-	-
	Trade receivable	-	-	-	-
EURO	Trade receivable	-	-	-	-
	Other current assets	1.08	83.65	-	-
NGN	Cash and bank balances	395.36	71.76	906.38	186.60
	Trade receivable	157.18	28.53	64.56	13.29
	Other current assets	327.14	59.38	89.16	18.36
KES	Cash and bank balances	499.25	313.88	650.65	401.44
	Trade receivable	5.34	3.35	11.45	7.07
	Other current assets	28.88	18.15	22.90	14.13
ZMW	Cash and bank balances	0.46	3.11	1.10	7.33
	Trade receivable	0.24	1.60	-	-
	Other current assets	0.63	4.24	0.41	2.70
UGX	Cash and bank balances	258.56	4.65	575.87	10.16
	Trade receivable	52.44	0.94	35.31	0.62
	Other current assets	152.10	2.74	92.36	1.63
BDT	Cash and bank balances	24.92	19.66	0.10	0.08
	Trade receivable	5.91	4.66	20.86	16.49
	Other current assets	21.14	16.67	21.85	17.28
			1,617.32		**1,585.94**

(iii). Amounts payable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17	
		Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.
USD	Trade payable	1.47	96.21	1.17	75.91
	Advance to Customer	-	-	-	-
AED	Trade payable	2.50	44.47	2.29	40.33
GBP	Trade payable	-	-	-	-
	Other payable	-	-	-	-
EUR	Trade payable	0.03	1.98	-	-
NGN	Trade payable	55.56	10.08	8.60	1.77
KES	Trade payable	116.57	73.29	107.28	66.19
ZMW	Trade payable	0.91	6.12	0.00*	0.08
UGX	Trade payable	104.85	1.89	17.06	0.30
BDT	Trade payable	0.37	0.29	0.17	0.13
			234.33		**184.71**

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on profit before tax

Currency	September 30, 2017		March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
USD	(23.21)	23.21	(33.07)	33.07
EURO	2.59	(2.59)	0.05	(0.05)
BDT	0.38	(0.38)	0.38	(0.38)
LKR	0.70	(0.70)	0.64	(0.64)
IDR	0.81	(0.81)	0.48	(0.48)
Other currencies	0.17	(0.17)	0.22	(0.22)

5% increase or decrease in foreign exchange rates will have the following impact on equity

Currency	September 30, 2017		March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
USD	15.35	(15.35)	19.99	(19.99)
EURO	4.08	(4.08)	-	-
AED	26.63	(26.63)	18.63	(18.63)
NGN	7.48	(7.48)	10.82	(10.82)
KES	13.11	(13.11)	17.82	(17.82)
ZMW	0.14	(0.14)	0.50	(0.50)
UGX	0.32	(0.32)	0.61	(0.61)
BDT	2.04	(2.04)	1.69	(1.69)
GBP	0.00	(0.00)	-	-

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account factors such as default risk of industry, historical experience for customers etc . The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and operate in largely independent markets. (for Detail movement in provision for trade receivables - please refer Note 10).

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at September 30, 2017, March 31, 2017, April 01, 2016 is the carrying amounts as illustrated in Note 10.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations as they fall due. The Group's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Group's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group has access to a sufficient variety of sources of funding maturing within 12 months can be rolled over with existing lenders.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at September 30, 2017	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	307.44	-	-	307.44
Other financial liabilities		27.19	-	-	27.19
Total	**-**	**334.63**	**-**	**-**	**334.63**

As at March 31, 2017	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	240.16	-	-	240.16
Other financial liabilities	-	33.35	-	-	33.35
Total	**-**	**273.51**	**-**	**-**	**273.51**

As at April 01, 2016	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	261.65	-	-	261.65
Other financial liabilities	-	20.77	-	-	20.77
Total	**-**	**282.42**	**-**	**-**	**282.42**

40 Capital Management

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the six months ended September 30, 2017 and year ended March 31, 2017.

	September 30, 2017	March 31, 2017
Equity Share capital	19.89	19.89
Free reserve	2054.60	2166.04
Reserve to Share capital (in no. of times)	0.01	0.01

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

41 Other events after the reporting period

1 West Bridge Venture II Investment Holding ('West Bridge') held 68.01% of the total equity capital of the Company and was the holding company as of 30thSeptember 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2 On 15thDecember 2017, the Company increased its authorized equity share capital from Rs 21,987,960(2,198,796shares of Rs 10/- each) to Rs 137,487,960(13,748,796shares of Rs 10/- each).

3 On 28th December 2017, the shareholders of the Company approved for subdivision of 1fully paid up equity share having face value of Rs 10/-each into 2.5 fully paid up equity share having face value of Rs 4/-each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each. Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460as at September 30, 2017 were subdivided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

The Earnings per share calculations have also been presented in accordance with Accounting Standard 33"Earning per Share" notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4 The Company has made the following investments after September 30, 2017:

i In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and byacquiring3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL"), German eSports Company for Rs. 265.30 million to part fund this acquisition.

ii In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited

("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid.

The Company borrowed Rs 300 million to fund this transaction.

iii During August 14, 2017, the Company has given loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged

in the business of development mobile software. In December 26, 2017, the Company has given additional loan of Rs.2.5 million to Moonglabs. The loan will be converted into fixed number of equity shares, at the option of the Company.

iv In November 2017, the Company has invested Rs 4.01 million for a 4% stake in Halaplay Technologies Private Limited('Halaplay'), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5 In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS

The Special Purpose consolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.The Special Purpose consolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose consolidated Ind AS Financial Statements can change if :-

(a) there are any new Ind AS standards issued through March 31, 2018

(b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose consolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

Optional exemptions availed and mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A. Optional exemptions availed

1. Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangeements) as at fair value through other comprehensive income (FVOTCI) or at fair value through other profit or loss (FVTPL) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition).The Group has elected to classify the equity investments at fair value through profit or loss (FVTPL).

2. Share-based payment transactions exemption

Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before 1 April 2016.

B. Mandatory exceptions

1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

2. Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instrumentss, prospectively for transactions occuring on or the after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

3. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to IND AS.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.1 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at September 30, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	9.27	-	9.27
Intangible assets	4	5.78	-	5.78
Intangible assets under development	4	2.80	-	2.80
Investment in associate	41	20.90	-	20.90
Financial assets				
Investments	5	105.48	1.92	107.40
Loans	7	15.72	-	15.72
Other financial assets	8	1.73	-	1.73
Deferred tax assets (Net)	35	36.45	(1.98)	34.47
Other non-current assets	9	46.56	-	46.56
Total non-current assets		**244.69**	**(0.06)**	**244.63**
Current assets				
Financial assets				
Investments	6	655.13	92.06	747.19
Trade receivable	10	365.75	-	365.75
Cash and cash equivalents	11	569.64	-	569.64
Other bank balances	11	290.21	-	290.21
Loans	12	4.53	-	4.53
Other financial assets	13	424.47	0.18	424.65
Other current assets	14	29.23	-	29.23
Total current assets		**2,338.96**	**92.24**	**2,431.20**
Total assets		**2,583.65**	**92.18**	**2,675.83**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	-	19.89
Other equity		2,097.28	92.18	2,189.46
Total equity		**2,117.17**	**92.18**	**2,209.35**
LIABILITIES				
Non-current liabilites				
Provisions	17	13.69	-	13.69
Total non-current liabilities		**13.69**	**-**	**13.69**
Current liabilities				
Financial liabilities				
Trade and other payables	18	307.44	-	307.44
Other financial liabilities	19	27.19	-	27.19
Other current liabilities	20	58.53	-	58.53
Provisions	21	3.92	-	3.92
Current tax liabilities (Net)		55.71	-	55.71
Total current liabilities		**452.79**	**-**	**452.79**
Total equity and liabilities		**2,583.65**	**92.18**	**2,675.83**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.1 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the six months ended September 30, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income				
Revenue from operations	22	838.94	-	838.94
Other income	23	48.06	22.01	70.07
Total Income		**887.00**	**22.01**	**909.01**
Expenses				
Cost of content		45.06	-	45.06
Employee benefits expense	24	152.43	29.70	182.13
Finance cost	25	2.10	-	2.10
Depreciation and amortisation expense	26	5.94	-	5.94
Advertising cost		236.88	(0.22)	236.66
Other Expenses	27	134.58	-	134.58
Total expenses		**576.99**	**29.48**	**606.47**
Profit before share of net profits of investments accounted for using equity method and tax		**310.01**	**(7.47)**	**302.54**
Share of loss net profit (loss) of associate by using equity method		(0.32)	-	(0.32)
Profit before tax		**309.69**	**(7.47)**	**302.22**
Tax expense:				
Income Tax (Current year)		106.66	-	106.66
Deferred tax charge/ (credit)		4.57	2.24	6.81
Profit for the period/year		**198.46**	**(9.71)**	**188.75**
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligation		-	0.29	0.29
Income tax relating to items that will not be reclassified to profit or loss		-	(0.10)	(0.10)
Items that will be reclassified to profit or loss				
Change in fair value of FVOCI debt instruments		-	1.10	1.10
Income tax relating to items that will be reclassified to profit or loss		-	(0.11)	(0.11)
Total comprehensive income for the year, net of tax attributable to Equity holders of the parent		**198.46**	**(8.53)**	**189.93**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.2 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at March 31, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	10.26	-	10.26
Intangible assets	4	8.05	-	8.05
Intangible assets under development	4	1.40	-	1.40
Financial assets				
Investments	5	38.05	3.49	41.54
Loans	7	14.70	-	14.70
Other financial assets	8	1.68	-	1.68
Deferred tax assets (Net)	35	42.46	(0.97)	41.49
Other non-current assets	9	46.58	-	46.58
Total non-current assets		**163.18**	**2.52**	**165.70**
Current assets				
Financial assets				
Investments	6	656.32	68.73	725.05
Trade receivable	10	259.49	-	259.49
Cash and cash equivalents	11	648.37	-	648.37
Other bank balances	12	489.94	-	489.94
Loans	13	1.27	-	1.27
Other financial assets	14	331.18	0.05	331.23
Other current assets		33.06	-	33.06
Total current assets		**2,419.63**	**68.78**	**2,488.41**
Total assets		**2,582.81**	**71.30**	**2,654.11**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	-	19.89
Other equity		2,144.34	71.30	2,215.63
Total equity		**2,164.22**	**71.30**	**2,235.52**
LIABILITIES				
Non-current liabilities				
Provisions	17	13.05	-	13.05
Total non-current liabilities		**13.05**	**-**	**13.05**
Current liabilities				
Financial liabilities				
Trade and other payables	18	240.16	-	240.16
Other financial liabilities	19	33.35	-	33.35
Other current liabilities	20	124.69	-	124.69
Provisions	21	3.71	-	3.71
Current tax liabilities (Net)		3.63	-	3.63
Total current liabilities		**405.54**	**-**	**405.54**
Total equity and liabilities		**2,582.81**	**71.30**	**2,654.11**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.2 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income				
Revenue from operations	22	1,901.58	-	1,901.58
Other income	23	87.60	33.30	120.90
Total Income		**1,989.18**	**33.30**	**2,022.48**
Expenses				
Cost of content		107.32	-	107.32
Employee benefits expense	24	238.64	15.15	253.79
Finance cost	25	2.88	-	2.88
Depreciation and amortisation expense	26	11.58	-	11.58
Advertising cost		529.43	(1.74)	527.69
Other Expenses	27	401.21	-	401.21
Total expenses		**1,291.06**	**13.41**	**1,304.47**
Profit before tax		**698.12**	**19.89**	**718.01**
Tax expense:				
Income Tax (Current year)		129.90	-	129.90
Income Tax (Earlier Years)		1.92	-	1.92
Deferred tax (credit)		(29.03)	4.10	(24.93)
Profit for the period from continuing operations		**595.33**	**15.79**	**611.12**
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligation		-	1.01	1.01
Income tax relating to items that will not be reclassified to profit or loss		-	(0.35)	(0.35)
Items that will be reclassified to profit or loss				
Change in fair value of FVOCI debt instruments		-	6.08	6.08
Income tax relating to items that will be reclassified to profit or loss		-	(0.61)	(0.61)
Total comprehensive income for the year, net of tax attributable to Equity holders of the parent		**595.33**	**21.92**	**617.25**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.3 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at April 01, 2016:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	15.17	-	15.17
Intangible assets	4	4.54	-	4.54
Intangible assets under development	4	3.60	-	3.60
Financial assets				
Investments	5	24.00	3.57	27.57
Loans	7	12.83	-	12.83
Other financial assets	8	1.57	-	1.57
Deferred tax assets (Net)	35	18.28	(0.76)	17.52
Other non-current assets	9	32.45	-	32.45
Total non-current assets		**112.44**	**2.81**	**115.25**
Current assets				
Financial assets				
Investments	6	528.15	32.50	560.65
Trade receivable	10	334.41	-	334.41
Cash and cash equivalents	11	694.35	-	694.35
Other bank balances	11	69.08	-	69.08
Loans	12	2.25	-	2.25
Other financial assets	13	225.32	-	225.32
Other current assets	14	32.87	-	32.87
Total current assets		**1,886.43**	**32.50**	**1,918.93**
Total assets		**1,998.87**	**35.31**	**2,034.18**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	-	19.89
Other equity		1,566.77	35.31	1,602.08
Total equity		**1,586.66**	**35.31**	**1,621.97**
LIABILITIES				
Non-current liabilities				
Provisions	17	11.68	-	11.68
Total non-current liabilities		**11.68**	**-**	**11.68**
Current liabilities				
Financial liabilities				
Trade and other payables	18	261.65	-	261.65
Other financial liabilities	19	20.77	-	20.77
Other current liabilities	20	115.32	-	115.32
Provisions	21	1.71	-	1.71
Current tax liabilities (Net)		1.08	-	1.08
Total current liabilities		**400.53**	**-**	**400.53**
Total equity and liabilities		**1,998.87**	**35.31**	**2,034.18**

* The previous GAAP figures have been reclassified to Ind AS presentation requirements for the purposes of this note.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

Notes to reconciliation of equity as at April 01, 2016, March 31, 2017 and September 30, 2017 and profit or loss for the period / year ended Septmber 30, 2017 and March 31, 2017

Note 1: Amortised financial asset/ liabilities

Under Ind AS, financial liabilities other than designated at fair value through statement of profit and loss should be accounted at amortised cost using Effective Interest Rate (EIR) method. Effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. Transaction costs that are directly attributable in the acquistion or issue of financial instruments are treated according to the classification of financial instrument on initial recognition. For financial instruments measured at amortised cost, transaction costs are added to or reduced from the initial measurement of the instruments. Under IGAAP, the financial instruments are accounted at cost.

Note 2: FVTPL/ FVTOCI financial assets

Under the Previous GAAP, investments in equity instruments and mutual funds, tax free bonds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value.Under Ind AS, these investments are required to be measured at fair value.The Company has designated investments in mutual funds as FVTPL instruments and investments in tax free bonds as FVTOCI intruments.The resulting fair value changes of the investments in mutual funds and tax free bonds have been recognised in other equity and FVTOCI reserve, net of related deferred taxes at the date of transition i.e. April 1, 2016 for the purpose of Special Purpose Consolidated Financial Information and subsequently in the profit or loss and FVTOCI reserves respectively for the period / year ended September 30, 2017 and March 31, 2017.

Note 3: Property, Plant & Equipment and Intangible Asset

The Group has elected to measure all items of Property, Plant & Equipment in accordance with Ind AS 16 retrospecitively. Similar approach has been followed with respect to intangible assets.

Note 4: Deferred tax

Under Ind AS, deferred taxes are accounted using balance sheet approach based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. Under IGAAP, the deferred taxes are accounted using income statement approach i.e. differences between taxable profits and accounting profits for the period.

Note 5: Defined benefit liabilities

Under Ind AS, re-measurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year.

Note 6: Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Note 7: Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

43 Interest in other entities

	W.e.f.	Country of incorporation	Principal activities	Ownership interest held by the Group	
				As at September 30, 2017	As at March 31, 2017
a) Subsidiaries					
Nazara Technologies FZ LLC	7-Aug-11	Dubai	Subscription / download of games/other contents	100.00%	100.00%
Nazara Europe Limited (Dissolved on 2nd August, 2016)	15-Mar-12	England	Subscription / download of games/other contents	-	-
Nazara Pte Ltd	13-Mar-13	Singapore	Subscription / download of games/other contents	100.00%	100.00%
Nazara Pro Gaming Private Limited	16-May-17	India	Subscription / download of games/other contents	100.00%	100.00%
Step-down-subsidiaries					
Nazara Technologies	29-Mar-13	Mauritius	Subscription / download of games/other contents	100.00%	100.00%
Nazara Zambia Limited	27-May-13	Zambia	Subscription / download of games/other contents	99.98%	99.98%
Nzmobile Nigeria Limited	15-May-13	Nigeria	Subscription / download of games/other contents	99.90%	99.90%
Nzmobile Kenya Limited	4-Jun-13	Kenya	Subscription / download of games/other contents	99.90%	99.90%
Nazara Uganda Limited	31-Oct-13	Uganda	Subscription / download of games/other contents	99.00%	99.00%
Nazara Bangladesh Limited	24-Jul-14	Bangladesh	Subscription / download of games/other contents	100.00%	100.00%

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

43. Interest in other entities (Cont'd)

b) Investment in an Associate

The Group has a 21.94% interest in Mastermind Sports Limited as at September 30, 2017 ,(March 31, 2017: 17.41%, April 01, 2016: 6.57%), which is involved subscription of games in United Kingdom. Mastermind Sports Limited is a private entity that is not listed on any public exchange. The Group's interest in Mastermind Sports Limited is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in Mastermind Sports Limited:

i) Summarised financial information for Associates

Summaries statement of net assets:-

	As at September 30, 2017
Total current assets	5.16
Total Non-current assets	0.59
Total current Liabilities	(2.65)
Total Non-current liabilities	(0.01)
Equity	**3.09**
Proportion of the Group's ownership	23.34%
Carrying amount of the investment	20.9

Summaries statement of profit and loss:-

	As at September 30, 2017
Revenue	1.15
Depreciation & amortization	-
Finance cost	0.01
Employee benefit	1.58
Other Expenses	1.14
Profit before tax	**(1.58)**
Income tax expense	-
Profit for the year	(1.58)
Total comprehensive income for the year	-
Group's share of profit (loss) for the year	**(0.32)**

The associate had no contingent liabilities or capital commitments as at September 30, 2017, March 31, 2017 and April 01, 2016.

ii) Reconciliation of net equity in Associates

	As at September 30, 2017
Opening balance of investment	21.22
Add: Share of total comprehensive income (loss) for the period	(0.32)
Less: Tax effect on the above	-
Closing balance of investment	**20.90**

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Report on Special Purpose Unconsolidated Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying special purpose financial statements of Nazara Technologies Private Limited (the "Company"), which comprise the Opening Balance Sheet as at April 1, 2016 (transition date balance sheet) and Balance Sheets as at March 31, 2017 and September 30, 2017, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes In Equity for the six month period ended on September 30, 2017 and for the year ended March 31, 2017, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Unconsolidated Ind AS Financial Statements"). These Special Purpose Unconsolidated Ind AS Financial Statements have been prepared as part of the Company's conversion to Indian Accounting Standards (Ind AS).

Management's Responsibility for the Special Purpose Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Unconsolidated Ind AS Financial Statements in accordance with the basis of accounting described in Note 2.1, and for such internal controls relevant to the preparation of the Special Purpose Unconsolidated Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special Purpose Unconsolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Unconsolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Special Purpose Unconsolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Unconsolidated Ind AS Financial Statements as at and for the six-month period ended on September 30, 2017, as at and for the year ended March 31, 2017 and the Opening Balance Sheet as at April 1, 2016 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2.1 to those Special purpose Unconsolidated Ind AS Financial Statements which describes how Ind AS have been applied under Ind AS 1, including assumptions management has made about the standards and interpretations expected to be effective, and the policies expected to be adopted when management prepares its first complete set of Ind AS financial statements as at March 31, 2018.

Emphasis of Matter

a) We draw attention to Note 2.1 to the Special Purpose Unconsolidated Ind AS Financial Statements, which describe the basis of accounting and presentation and further states that the comparative financial information has not been included in these financial statements. Only a complete set of financial statements together with comparative financial information can provide a fair presentation of the company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

b) We also draw attention to Note 2.1 to the Special Purpose Unconsolidated Ind AS Financial Statements to explain why there is a possibility that these may require adjustments before constituting the final Comparative Ind AS Financial Statements.

Our opinion is not modified in respect of these matters.

Other Matters

a) The Company has prepared a separate set of financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 on which we issued a separate auditor's report to the shareholders of the Company dated November 30, 2017 and November 24, 2016, respectively.

b) This report on the Special Purpose Unconsolidated Ind AS Financial Statements has been issued solely for the information and use of the Board of Directors of the entity in connection with its conversion of the financial statements to Ind AS and for inclusion in the offer document, prepared by the Company in accordance with its proposed Initial Public Offer of equity shares of face value of Rs. 10 each, (the "IPO"). Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No.: 048966

Place: Mumbai
Date:

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Unconsolidated Balance Sheet as at September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	September 30 2017	March 31 2017	April 01 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	8.13	8.75	14.86
Intangible assets	4	5.78	8.05	4.53
Intangible assets under development	4	2.80	1.40	3.60
Investments in subsidiaries, associates and joint venture	5	11.30	4.10	0.70
Financial assets				
Loans	7	13.20	14.12	12.06
Other financial assets	8	1.73	1.68	1.57
Deferred tax assets (net)	35	23.03	12.24	12.24
Other non-current assets	9	17.93	19.54	7.25
		83.90	**69.88**	**56.81**
Current assets				
Financial assets				
Investments	6	747.18	725.06	560.65
Trade receivable	10	135.45	116.23	183.93
Cash and cash equivalents	11	20.63	78.08	102.44
Other bank balances	11	-	1.50	-
Loans	12	4.53	1.27	1.74
Other financial assets	13	150.41	46.36	88.74
Other current assets	14	39.17	29.93	24.49
		1,097.37	**998.43**	**961.99**
		1,181.27	**1,068.31**	**1,018.80**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	19.89	19.89
Other equity		943.59	898.66	763.16
		963.48	**918.55**	**783.05**
LIABILITIES				
Non-current liabilities				
Provisions	17	10.45	10.09	8.79
		10.45	**10.09**	**8.79**
Current liabilities				
Financial liabilities				
Trade payables	18	119.01	97.45	166.36
Other financial liabilities	19	27.08	27.46	20.00
Other current liabilities	20	7.09	11.05	38.89
Provisions	21	3.92	3.71	1.71
Current tax liabilities (net)		50.24	-	-
		207.34	**139.67**	**226.96**
		1,181.27	**1,068.31**	**1,018.80**
Summary of Significant Accounting Policies	2			

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Special Purpose Unconsolidated Statement of Profit and Loss for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	For the six month ended September 30, 2017	March 31, 2017
Income			
Revenue from operations	22	321.36	773.62
Other income	23	332.73	64.48
Total Income		**654.09**	**838.10**
Expenses			
Cost of content		30.03	54.19
Employee benefits expense	24	149.16	210.97
Finance cost	25	0.32	1.08
Depreciation and amortisation expense	26	5.56	10.75
Advertising cost		69.21	234.64
Other expenses	27	69.36	193.63
Total expenses		**323.64**	**705.26**
Profit before tax from continuing operations		**330.45**	**132.84**
Tax expense:			
Current Tax		74.26	41.41
Deferred Tax		(11.00)	(0.95)
Profit for the period/year from continuing operations		**267.19**	**92.38**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligation		0.29	1.01
Income tax relating to items that will not be reclassified to profit or loss		(0.10)	(0.35)
Items that will be reclassified to profit or loss			
Change in fair value of FVOCI debt instruments		1.10	6.08
Income tax relating to items that will not be reclassified to profit or loss		(0.11)	(0.61)
Total Comprehensive Income for the period and Other Comprehensive Income		**268.37**	**98.51**
Earning per share (equity shares, par value Rs 10 each)	30		
Computed on the basis of total profit for the period/year			
Basic		134.31	46.44
Diluted		133.19	44.83
Earning per share after considering the impact of bonus issue and sub division of share	30		
Computed on the basis of total profit for the period/year			
Basic		10.75	3.72
Diluted		10.65	3.59
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Statement of Changes in Equity for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

(a) Equity shares of Rs. 10 each issued, subscribed and fully paid

	No. of Shares	Rs.
At 1 April 2016	1,989,246	19.89
At 31 March 2017	1,989,246	19.89
At 30 September 2017	1,989,246	19.89

(b) Other equity

	Capital redemption reserve	Retained Earnings	Share Based Payment Reserve	Total Reserves and Surplus	Debt instruments through Other Comprehensive Income	Total other reserves	Total
Balance at the beginning of the reporting period - 01 April 2016	**1.30**	**760.88**	**-**	**762.18**	**0.98**	**0.98**	**763.16**
Profit for the year	-	92.38	-	**92.38**	-	**-**	**92.38**
Other comprehensive income	-	0.66	-	**0.66**	5.47	5.47	**6.13**
Share-based Payments (Note 33)	-	-	36.99	**36.99**	-	-	**36.99**
Balance at the end of the reporting period 31 March 2017	**1.30**	**853.92**	**36.99**	**892.21**	**6.45**	**6.45**	**898.66**
Profit for the half year ended 30 September 2017	-	267.19	-	267.19	-	-	**267.19**
Other comprehensive income	-	0.19	-	0.19	0.99	0.99	**1.18**
Dividend paid (including dividend distribution tax)	-	(300.38)	-	(300.38)	-	-	**(300.38)**
Share-based Payments (Note 33)	-	-	76.94	76.94	-	-	**76.94**
Balance at the end of the reporting period 30 September 2017	**1.30**	**820.92**	**113.93**	**936.15**	**7.44**	**7.44**	**943.59**

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

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Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Special Purpose Unconsolidated Cash Flow Statement for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	For the six month ended September 30, 2017	March 31, 2017
Cash flow from operating activities		
Profit before tax for the period/ year	330.45	132.84
Adjustments for :		
Fair value gain or loss on mutual fund and tax free bonds	(22.23)	(30.07)
Expense on employee stock option scheme	58.37	28.07
Depreciation and amortisation expense	5.56	10.76
(Gain) on write off of fixed assets	-	(0.00)*
Provision for doubtful debts	7.74	31.36
Liabilities written back / provision no longer required	-	(3.05)
Unrealised foreign exchange loss	(0.05)	0.18
Net gain on sale of current investments	(5.77)	(26.13)
Gain on liquidation of subsidiary	-	(0.62)
Interest income	(2.15)	(4.24)
Dividend income	(302.52)	(0.37)
Operating profit before working capital changes	**69.40**	**138.73**
Movements in working capital :		
Increase / (decrease) in trade payables	21.32	(64.90)
Increase in long-term provisions	0.66	2.30
Increase in short term provisions	0.20	2.00
(Decrease) in other current liabilities	(4.32)	(20.39)
(Increase) / decrease in trade receivables	(26.51)	37.93
(Increase) in loans and advances	(0.08)	(1.53)
(Increase) / Decrease in other current assets	(103.30)	41.14
Cash generated from operations	(42.62)	135.28
Direct taxes paid (net of refunds)	(22.40)	(52.71)
Net cash flow from / (used in) operating activities (A)	**(65.03)**	**82.57**
Cash flow from investing activities		
Purchase of property, plant and equipment, including intangible assets under development	(4.07)	(5.96)
Proceeds from sale of property, plant and equipment	-	0.01
Purchase of non-current investments	(0.10)	-
Purchase of current investments	(361.50)	(505.07)
Proceeds from redemption/maturity of current investments	368.47	403.02
Proceeds from liquidation of subsidiary		0.63
Investment in bank deposits (having original maturity of more than three months)		(1.65)
Redemption/maturity of bank deposits (having original maturity of more than three months)	1.50	-
Interest received on fixed deposits and loans given to subsidiary	1.32	2.45
Dividends received from subsidiaries	302.52	0.37
Net cash flow from/ (used in) investing activities (B)	**308.14**	**(106.20)**
Cash flow from financing activities		
Dividend paid on equity shares	(300.35)	-
Net cash used in financing activities (C)	**(300.35)**	**-**
Net decrease in cash and cash equivalents (A)+(B)+(C)	(57.24)	(23.63)
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.21)	(0.73)
Cash and cash equivalents at the beginning of the period/ Year	78.08	102.44
Cash and cash equivalents at the end of the period (Note 11)	**20.63**	**78.08**
Components of cash and cash equivalents		
Cash in hand	0.25	-
Balances with bank	20.38	78.08
Deposit with original maturity of less than 3 months	-	-
Total cash and cash equivalents (refer note 11)	**20.63**	**78.08**

* Amount is less than 0.01 million

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

1. Corporate information

Nazara Technologies Limited (the Company) was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/ download of games/other contents through telecom consumer base in India and worldwide and digital advertising services.

In November 2017, the Company has converted from a Private Company to Public Company consequent to which the name has been changed to Nazara Technologies Limited.

The Special purpose unconsolidated financial statements are approved for issue by the Company's Board of Director on January 17, 2018.

2. Basis of preparation and Significant accounting policies:

2.1. Basis of preparation:

The Special Purpose Unconsolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.The Special Purpose Unconsolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose Unconsolidated Ind AS Financial Statements can change if :-

(a) There are any new Ind AS standards issued through March 31, 2018

(b) There are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) If the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose Unconsolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

The unconsolidated financial statements have been prepared on a historical cost convention and on accrual basis, except for the following assets and liabilities which has been measured at fair value required by relevant Ind AS:

(i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 Significant accounting, judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation Note - 32
- Impairment of financial assets Note - 38

2.3 Summary of significant accounting policies

a) **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized in normal operating cycle or within twelve months after the reporting period or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

b) **Foreign currency translation and transactions**

Functional and presentation currency

The special purpose unconsolidated financial statements are presented in Indian Rupees (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the financial statements of the reporting entity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

c) Revenue recognition

- **Income from services**

Revenue from subscription/download of games/other contents is recognized based on provision of services as per contract with the operators and content distributors.

Revenue from advertising services is recognized in the period in which advertisements are displayed.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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, regardless of when the payment is being made.

- **Deferred Revenue**

Revenue is recognised over the period during which the services are performed. The amount that covers the expected costs of the services to be provided after the reporting date along with a reasonable profit on those services is deferred and recognised over the period during which the services are performed.

- **Interest**

Interest income is recorded using the effective interest rate ('EIR') method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or over a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of the financial liability. Interest income is included under the head "Finance income" in the statement of profit and loss account.

- **Dividends**

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

The right to receive dividend is generally established when shareholders approve the dividend.

d) **Income taxes**

Income tax expense comprises of current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle applicable for bargain purchase gains. All other acquired tax benefits realised are recognised in profit and loss.

e) **Share-based payments**

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. 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 statement of profit and loss expense or credit 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.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

f) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to such schemes. The Company recognizes contribution payable to such schemes as an expense, when an employee renders the related service.

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss -Service costs comprising current service costs and Net interest expense or income.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Liability for gratuity as at the year-end is provided on the basis of actuarial valuation.

Remeasurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absence

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Long-term employee benefits.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

g) **Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three broad categories:

- Debt instruments assets at amortized cost
- Debt instruments at fair value through OCI (FVTOCI)
- Debt instruments at fair value through profit and loss (FVTPL)

Debt instruments at amortized cost

A Debt instrument is measured at amortized cost (net of any write down for impairment) the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit and loss. The losses arising from impairment are recognized statement of profit and loss. This category generally applies to trade and other receivables

Debt instruments at fair value through OCI (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit and loss (FVTPL)

FVTPL is a residual category for company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the company may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; It evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

h) **Investment in subsidiaries**

The Company has accounted for its investment in subsidiaries at cost.

i) **Fair value measurement**

The company measures financial instrument such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Currently company carries those instruments where in level 1 inputs of the above mentioned fair value hierarchy is used.

The Company's board Committee approves the policies for both recurring and non-recurring fair value measurement. Where seen appropriate external valuers are involved. The board committee reviews the valuation results. This includes a discussion of the major assumptions used in the valuations.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

j) **Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost net of accumulated impairment losses, if any. Capital work-in-progress comprises of expenditure incurred for construction of building.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property, Plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives (except computer) used by the Company are different from rates prescribed under Schedule II of the Companies Act 2013. These rates are based on evaluation of useful life estimated by the management supported by internal technical evaluation. The range of useful lives of the property, plant and equipment are as follows:

Property, plant and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 years
Computer and Printers	3 years
Office equipment	3 years
Motor Car	3 years

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

k) **Intangible assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

l) **Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The impairment calculations are based on detailed budgets and forecast calculations for each of the Company's CGUs covering a period of five years and applying a long-term growth rate to project future cash flows after the fifth year.

Impairment losses of operations are recognized in the statement of profit and loss.

At each reporting date if there is an indication that previously recognized impairment losses no longer exist or have decreased, the Group estimates the asset's or CGU's recoverable amount . A previously recognized impairment loss is reversed in the statement of profit and loss only to the extent of lower of its recoverable amount or carrying amount net of depreciation considering no impairment loss recognized in prior years only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

m) **Lease**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease:

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis.

n) **Provisions, Contingent liabilities, Contingent assets and Commitments**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

o) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements and share split in equity shares, if any, issued during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders after taking into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

p) **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q) **Corporate Social Responsibility (CSR) Expenditure**

CSR expense is recognized as it is incurred by the company or when company has entered into any legal or constructive obligation for incurring such an expense.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

3 Property, plant and equipment

(Rupees in million, unless otherwise stated)

	Property, plant and equipment					
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total
Gross carrying amount						
As at April 01,2016	**28.73**	**3.83**	**1.51**	**1.09**	**3.56**	**38.72**
Additions	0.34	0.62	-	-	-	0.96
Disposals	(0.57)	(0.50)	-	-	(3.56)	(4.63)
Gross carrying amount as at March 31, 2017	**28.50**	**3.95**	**1.51**	**1.09**	**-**	**35.05**
Additions	-	-	-	2.67	-	2.67
Disposals	-	-	-	-	-	-
Gross carrying amount as at September 30, 2017	**28.50**	**3.95**	**1.51**	**3.76**	**-**	**37.72**
Accumulated depreciation						
Accumulated depreciation as at April 01, 2016	**15.69**	**2.58**	**0.94**	**1.09**	**3.56**	**23.86**
Charge for the year	6.05	0.80	0.22	-	-	7.07
Disposals	(0.57)	(0.50)	-	-	(3.56)	(4.63)
Accumulated depreciation as at March 31, 2017	**21.17**	**2.88**	**1.16**	**1.09**	**-**	**26.30**
Charge during the period	2.78	0.35	0.08	0.08	-	3.29
Disposals	-	-	-	-	-	-
Accumulated depreciation as at September 30, 2017	**23.95**	**3.23**	**1.24**	**1.17**	**-**	**29.59**
Net carrying amount as at April 01, 2016	**13.04**	**1.25**	**0.57**	**-**	**-**	**14.86**
Net carrying amount as at March 31, 2017	**7.33**	**1.07**	**0.35**	**-**	**-**	**8.75**
Net carrying amount as at September 30, 2017	**4.55**	**0.72**	**0.27**	**2.59**	**-**	**8.13**

4 Intangible assets

	Intangible assets				
	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	Intangible asset under development
Gross carrying amount					
As at April 01,2016	**24.01**	**-**	**3.64**	**27.65**	**3.60**
Additions	-	7.20	-	7.20	-
Disposals	-	-	-	-	-
Transfers	-	-	-	-	(2.20)
Gross carrying amount as at March 31, 2017	**24.01**	**7.20**	**3.64**	**34.85**	**1.40**
Additions	-	-	-	-	1.40
Disposals	-	-	-	-	-
Gross carrying amount as at September 30, 2017	**24.01**	**7.20**	**3.64**	**34.85**	**2.80**
Accumulated depreciation					
Accumulated depreciation as at April 01, 2016	**19.48**	**-**	**3.64**	**23.12**	**-**
Charge for the year	2.35	1.33	-	3.68	-
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2017	**21.83**	**1.33**	**3.64**	**26.80**	**-**
Charge during the period	1.07	1.20	-	2.27	-
Disposals	-	-	-	-	-
Accumulated depreciation as at September 30, 2017	**22.90**	**2.53**	**3.64**	**29.07**	**-**
Net carrying amount as at April 01, 2016	**4.53**	-	-	**4.53**	**3.60**
Net carrying amount as at March 31, 2017	**2.18**	**5.87**	-	**8.05**	**1.40**
Net carrying amount as at September 30, 2017	**1.11**	**4.67**	-	**5.78**	**2.80**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

5 Investments in subsidiaries

	September 30 2017	March 31 2017	April 01 2016
Investment in subsidiaries			
Unquoted			
Equity instruments at cost			
Nazara Technologies FZ LLC	11.15	4.05	0.64
5,000 (March 31,2017 : 5000, April 01,2016: 5000 equity shares of AED 10 each)			
Nazara Europe Limited	-	-	0.01
Nil (March 31,2017: Nil, April 01,2016:100 equity shares of GBP 1 each)			
Nazara Pro Gaming Private Limited	0.10	-	-
9,999 (March 31,2017: Nil, April 01,2016: Nil equity shares of Rs 10 each)			
Nazara Pte Limited	0.05	0.05	0.05
1,000 (March 31,2017: 1000, April 01,2016: 1000 equity shares of SGD 1 each)			
Total	**11.30**	**4.10**	**0.70**
Investments carried at cost	**11.30**	**4.10**	**0.70**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month period ended September 30, 2017

(Rupees in million, unless otherwise stated)

6 Current investments

		September 30 2017		March 31 2017		April 01 2016	
		Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
(i)	**Investments in mutual funds**						
	Quoted investments at FVTPL						
	SBIMF-Magnum income fund	1,577,816	66.21	1,756,450	70.91	1,756,450	62.91
	BNP paribas flexi debt fund	828,972	24.56	828,972	23.56	828,972	21.23
	SBI ultra short term fund	-	-	12,830	26.95	23,994	46.72
	SDFS 17 months - series 1	-	-	-	-	1,003,037	12.16
	SDFS 18 months - series XII	-	-	-	-	2,500,000	30.45
	SBI dynamic bond fund	-	-	-	-	1,751,096	31.75
	ICICI prudential gilt fund	670,604	40.03	670,604	38.02	848,326	42.51
	Kotak gilt investment regular growth	627,212	36.82	627,212	35.35	837,909	42.34
	SBI short term fund	1,210,302	23.69	1,210,302	22.88	1,210,302	20.97
	SBI corporate bond	2,858,784	77.93	2,858,784	74.92	850,008	20.26
	SBI debt fund series B – 33	2,000,000	22.82	2,000,000	22.03	2,000,000	20.23
	SBI regular saving fund	3,470,651	102.53	3,470,651	98.16	2,009,765	50.17
	Birla sunlife saving fund	269	0.09	-	-	-	-
	Birla sunlife saving fund	-	-	-	-	86,812	25.42
	ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.22
	IIFL cash opportunities fund	6,437,753	75.60	4,700,293	53.51	2,850,436	30.09
	Birla sun life dynamic bond fund	339,552	10.29	339,552	9.86	-	-
	Birla sun life short term opportunities fund	368,370	10.41	368,370	10.00	-	-
	BNP paribas medium term income fund	783,447	10.67	783,447	10.26	-	-
	DSP black rock income opportunities fund	372,250	10.40	372,250	10.01	-	-
	IDFC super saver income fund short term	641,350	22.16	641,350	21.40	-	-
	L&T income opportunities fund	1,722,655	33.41	1,722,655	32.16	-	-
	Reliance short term fund	853,280	27.28	853,280	26.30	-	-
	SBI treasury advantage fund	18,977	35.45	18,977	34.30	-	-
	Tata short term bond fund	351,136	11.11	351,136	10.73	-	-
	UTI short term income fund	1,075,645	22.23	1,075,645	21.45	-	-
	Aditya Birla Sun Life Corporate Bond Fund regular growth	799,316	10.04	-	-	-	-
	Reliance Corporate Bond Fund-Growth Plan	732,295	10.04	-	-	-	-
	Total investment in mutual fund		**683.77**		**652.76**		**504.43**
(ii)	**Investments in debentures**						
	Quoted debentures at amortised cost						
	IIFL Wealth Finance market linked debentures	-	-	100	10.00	-	-
	Total investment in debentures at cost	**-**	**-**	**100**	**10.00**	**-**	**-**
(iii)	**Investments in tax free bonds**						
	Quoted bonds at FVTPL						
	7.39% HUDCO tax free bond series IIA	7,007	8.02	7,007	7.77	7,007	7.22
	7.39% HUDCO bond tax free bond series IIA	7,529	8.46	7,529	8.22	7,529	7.54
	7.35% IRFC tax free bond series IIA	5,878	6.41	5,878	6.48	5,878	6.08
	7.35% NABARD tax free bond series IIA	5,010	5.66	5,010	5.49	5,010	5.21
	7.35% NHAI tax free bond series IIA	14,285	16.64	14,285	15.84	14,285	14.70
	7.39% NHAI tax free bond series IIA	15,419	18.22	15,419	18.50	15,419	15.47
	Total investment in tax free bonds at FVTPL		**63.41**		**62.30**		**56.22**
	Total current investments		**747.18**		**725.06**		**560.65**
	Aggregate amount of quoted investments		**747.18**		**725.06**		**560.65**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month period ended September 30, 2017

(Rupees in million, unless otherwise stated)

7 Loans

	September 30 2017	March 31 2017	April 01 2016
Unsecured, considered good			
Security deposits	13.20	14.12	12.06
Total	**13.20**	**14.12**	**12.06**

8 Other Non-current financial assets

	September 30 2017	March 31 2017	April 01 2016
Fixed deposits bank with original maturity of more than 12 months	1.65	1.65	1.50
Interest receivable	0.08	0.03	0.07
Total	**1.73**	**1.68**	**1.57**

Note:

The fixed deposit aggregating to Rs 1.65 Million (March 31, 2017 Rs. 1.65 Million & April 01, 2016 Rs.1.50 Million) is under lien to bank for issuing bank guarantee as security towards the due observance and performance of the terms and conditions of agreement executed with Bharat Sanchar Nigam Limited.

9 Other non-current assets

	September 30 2017	March 31 2017	April 01 2016
Advance income -tax (net of provision for tax)	17.93	19.54	7.25
Total	**17.93**	**19.54**	**7.25**

10 Trade receivables

	September 30 2017	March 31 2017	April 01 2016
Trade receivables			
Unsecured considered good	135.45	116.23	183.93
Doubtful	34.93	29.28	-
Impairment Allowance (allowance for bad and doubtful debts)			
Doubtful	(34.93)	(29.28)	-
Total	**135.45**	**116.23**	**183.93**

11 Cash and cash equivalents

	September 30 2017	March 31 2017	April 01 2016
Cash on hand	0.25	-	-
Balances with banks			
- in current accounts	20.38	78.08	77.44
- in fixed Deposits with original maturity for less than 3 months	-	-	25.00
	20.63	**78.08**	**102.44**
Other bank balances			
Balances with banks			
- in fixed deposits with original maturity for more than 3 months but less than 12 months	-	1.50	-
	-	**1.50**	**-**
Total	**20.63**	**79.58**	**102.44**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	September 30 2017	March 31 2017	April 01 2016
Balances with banks:			
-On Current accounts	20.38	78.08	77.44
-Deposits with original maturity of less than three months	-	-	25.00
Cash on hand	0.25	-	-
Total	**20.63**	**78.08**	**102.44**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

12 Loans

	September 30 2017	March 31 2017	April 01 2016
Unsecured, considered good			
Security deposits	1.50	0.69	1.74
Loan to Moonglab technologies private limited (Refer note)	2.50	-	-
Loan to employees	0.53	0.58	-
Total	**4.53**	**1.27**	**1.74**

Note:

On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. On December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

13 Other current financial assets

	September 30 2017	March 31 2017	April 01 2016
Unsecured, considered good			
Interest accrued but not due			
- from banks	3.03	2.24	0.43
Unbilled revenue			
- Unsecured, Considered good	147.38	44.12	88.31
- Doubtful	4.17	2.08	-
Impairment Allowance (allowance for unbilled revenue)			
- Doubtful	(4.17)	(2.08)	-
Total	**150.41**	**46.36**	**88.74**

14 Other current assets

	September 30 2017	March 31 2017	April 01 2016
Advances recoverable in cash or kind or for value to be received	0.49	0.23	0.81
Advances recoverable from subsidiary company	16.99	5.52	-
Advance to vendors	6.14	10.74	12.52
Prepaid expenses	11.74	10.00	4.77
Service tax receivable	3.81	3.44	6.39
Total	**39.17**	**29.93**	**24.49**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

15 Share Capital

	September 30, 2017	March 31, 2017	April 01, 2016
Authorised shares			
2,198,796 (March 31 2017 : 2,198,796, April 01 2016: 2,198,796) equity shares of Rs 10 each	21.99	21.99	21.99
1,251,204 (March 31 2017 : 1,251,204, April 01 2016: 1,251,204) preference shares of Rs 10 each	12.51	12.51	12.51
	34.50	**34.50**	**34.50**
Issued, subscribed and fully paid-up			
1,989,246 (31st March 2017 : 1,989,246, April 01 2016: 1,989,246) equity shares of Rs 10 each	19.89	19.89	19.89
	19.89	**19.89**	**19.89**

(a) Details of shareholders holding more than 5% share in the Company

Equity shares

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Mitter Infotech LLP	558,356	28.07%	558,356	28.07%	558,356	28.07%
West Bridge Venture II Investment Holdings	1,352,944	68.01%	1,352,944	68.01%	1,352,944	68.01%

As per records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownerships of shares.

(b) Shares held by holding/ultimate holding company and / or their subsidiaries / associates

Out of the equity shares and preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
West Bridge Venture II Investment Holdings , the holding company from 30th March 2016 1,352,944 (March 31 2017 : 1,352,944, April 01 2016 : 1,352,944) equity shares of Rs 10 each fully paid. **(refer note 1 below)**	1,352,944	13.53	1,352,944	13.53	1,352,944	13.53

Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	No. of Shares	Rs.
As at April 01,2016	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at March 31,2017	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at Sept 30,2017	**1,989,246**	**19.89**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

15 Share Capital (Cont'd)

(d) Terms/rights attached to equity shares

1. Voting rights

   Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

   The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

   In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

   In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

   In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

   In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

   In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

6. Other Rights:

   Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation/ amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company. (refer note 33)

(f) Aggregate number of shares bought back by the Company:

	September 30, 2017	March 31, 2017	April 01, 2016
Equity shares bought back by the Company			
FY 12-13	84,496	84,496	84,496
FY 14-15	45,400	45,400	45,400
	129,896	**129,896**	**129,896**

(g) Details of Other Equity (refer statement of changes in Equity)

Capital redemption reserves

The company has in the past created capital redemption reserve in accordance with the provision of the Act.

16 Dividend distribution made

	September 30, 2017	March 31, 2017	April 01, 2016
Cash dividends on equity shares declared and paid			
Interim dividend paid (including dividend distribution tax) for period ended September 30 2017, Rs. 151 per equity share.	300.38	-	-
	300.38	-	-

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

17 Provision

	September 30 2017	March 31 2017	April 01 2016
Provisions for employees benefits			
Provision for Gratuity (refer note 32)	10.45	10.09	8.79
Total	**10.45**	**10.09**	**8.79**

18 Trade payables

	September 30 2017	March 31 2017	April 01 2016
Trade payables	119.01	97.45	166.36
Total	**119.01**	**97.45**	**166.36**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

19 Other financial liabilities

	September 30 2017	March 31 2017	April 01 2016
Employee payables	25.08	25.46	17.91
Payable for capital expenditure	2.00	2.00	2.09
Total	**27.08**	**27.46**	**20.00**

20 Other current liabilities

	September 30 2017	March 31 2017	April 01 2016
Advances from customers	2.90	5.23	21.87
Tax deducted at source	1.54	3.93	14.75
Equalisation levy	0.10	0.44	-
Goods and service tax payable	1.06	-	-
Statutory liabilities	1.49	1.45	2.27
Total	**7.09**	**11.05**	**38.89**

21 Provisions - Current

	September 30 2017	March 31 2017	April 01 2016
Provision for employee benefits			
Compensated absences	3.92	3.71	1.71
Total	**3.92**	**3.71**	**1.71**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

22 Revenue from operations

	For the six month ended September 30, 2017	31 March 2017
Revenue from subscription/download of mobile games and other contents	290.12	733.79
Revenue from advertising services	31.24	39.83
Total	**321.36**	**773.62**

23 Other income

	For the six month ended September 30, 2017	31 March 2017
Interest Income		
- on bank deposits	0.11	0.19
- on tax free bonds	2.04	4.05
Dividend income on		
- Investment in subsidiaries	302.52	-
- Current investments	-	0.37
Net gain on sale of current investments	5.77	26.13
Sundry balances written back	-	3.05
Gain on liquidation of subsidiary	-	0.62
Gain on exchange fluctuation (net)	0.06	-
Fair value gain on financial instruments at fair value through profit or loss	22.23	30.07
Total	**332.73**	**64.48**

24 Employee benefits expense

	For the six month ended September 30, 2017	31 March 2017
Salaries, Wages and Bonus	85.08	169.83
Contribution to provident and other funds	4.36	9.39
Expenses on employee stock option scheme (refer note 33)	58.37	28.07
Gratuity expenses (refer note 32)	0.96	2.44
Staff welfare expenses	0.39	1.24
Total	**149.16**	**210.97**

25 Finance costs

	For the six month ended September 30, 2017	31 March 2017
Interest	-	0.19
Bank charges	0.32	0.89
Total	**0.32**	**1.08**

26 Depreciation and amortisation expenses

	For the six month ended September 30, 2017	31 March 2017
Depreciation of tangible assets (refer note 3)	3.29	7.07
Amortisation of intangible assets (refer note 4)	2.27	3.68
	5.56	**10.75**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

27 Other expenses

	For the six month ended September 30, 2017	31 March 2017
Content management charges	0.69	2.02
Revenue share on subscription/download of games/other contents	13.91	59.25
Consumables for development and testing	0.18	0.44
Rent expenses	17.68	34.02
Rates and taxes	1.29	7.47
Insurance charges	0.72	1.76
Repairs and maintenance	3.09	5.48
Corporate social responsibility expenditure (refer note below)	0.01	4.75
Sales promotion and business development	4.14	5.51
Travelling and conveyance	6.53	9.30
Communication expenses	0.65	1.41
Printing and stationery	0.23	0.46
Legal and professional fees	4.22	11.93
Server charges	4.78	8.38
Provision for doubtful debts and unbilled revenue	7.74	31.36
Payment to auditors (refer note 29)	1.50	4.04
Loss on exchange fluctuation (net)	-	0.54
Miscellaneous expenses	2.00	5.51
Total	**69.36**	**193.63**

Corporate social responsibility expenditure
As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2 % of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	**For the six month ended September 30, 2017**	**31 March 2017**
Gross amount required to be spent during the period	3.14	7.34
Amount spent during the period		
i) Construction / acquisition of any asset	-	2.00
ii) On purposes other than (i) above	0.01	2.75
Total amount spent during the year	**0.01**	**4.75**

28 Capital and other commitments

	September 30 2017	March 31 2017	April 01 2016
Capital commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	1.40	2.80	14.30
Other commitments			
Cost of content and other commitments	40.24	55.29	98.64

29 Auditors' remuneration excluding service tax (included on legal and professional fees)

	For the six month ended September 30, 2017	March 31 2017
As auditor		
- Audit fees	1.50	3.70
In other capacity		
- For other services	-	0.25
- Reimbursement of expenses	-	0.09
	1.50	**4.04**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

30 Earnings per share

The following table sets forth the computation of basic and diluted earnings per share :

	September 30 2017	March 31 2017
Basic		
Net profit for the year attributable to equity shareholders	267.19	92.38
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share (adjusted for partly paid shares)	1,989,246	1,989,246
Earnings per share, basic	**134.31**	**46.44**
Diluted		
Net profit for calculation of diluted EPS	267.19	92.38
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	16,859	71,720
Total number of shares outstanding (weighted average) including dilution	2,006,105	2,060,966
Earnings per share, diluted	**133.19**	**44.83**
Earning per share after considering the impact of bonus issue and sub division of shares		
Basic		
Net profit for the year attributable to equity shareholders	267.19	92.38
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share (adjusted for partly paid shares)	1,989,246	1,989,246
Effect of share split	2,983,869	2,983,869
Effect of bonus issue	19,892,460	19,892,460
Total number of shares outstanding (weighted average) including dilution	24,865,575	24,865,575
Earnings per share, basic	**10.75**	**3.72**
Diluted		
Net profit for calculation of diluted EPS	267.19	92.38
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	16,859	71,720
Effect of share split	3,009,157	3,091,448
Effect of bonus issue	20,061,048	20,609,655
Total number of shares outstanding (weighted average) including dilution	25,076,309	25,762,069
Earnings per share, diluted	**10.65**	**3.59**

On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.
Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

31 Operating leases

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.
The future minimum lease rental receivable under non-cancellable operating leases in aggregate are as follows:

	September 30 2017	March 31 2017
Not later than one year	-	1.25
Total	**-**	**1.25**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits

I) Defined Contribution plan
(a) Provident fund

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Company's contribution to provident fund and charged to P&L	4.22	9.22	8.10

II) Defined benefit plan
(a) Gratuity

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. This benefit is unfunded.
The following tables summarise the components of net gratuity benefit expense recognised in the statement of profit and loss and other comprehensive income.

A Balance Sheet

i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year / period are as follows:

	September 30, 2017	March 31, 2017	April 01, 2016
Liability at the beginning of the year/period	**10.07**	**8.78**	**5.63**
Interest cost	0.34	0.68	0.45
Current service cost	0.61	1.76	0.80
Benefits paid	(0.30)	(0.14)	(0.18)
Remeasurement -Actuarial (Gain)/Loss - due to changes in demographic assumptions	-	-	(0.03)
Remeasurement -Actuarial (Gain)/Loss- due to changes Financial assumptions	0.02	0.44	0.11
Remeasurement -Actuarial (Gain)/Loss- due to changes experience adjustment	(0.31)	(1.45)	2.00
Liability at the end of the year/period	**10.43**	**10.07**	**8.78**

ii) Balance sheet recociliation

	September 30, 2017	March 31, 2017	April 01, 2016
Opening Net liability	**10.07**	**8.78**	**5.63**
Expense recognized in Statement of P&L	0.95	2.44	1.25
Expense recognized in OCI	(0.29)	(1.01)	2.08
Net (Liability)/Asset transfer out	-	-	-
(Benefit Paid Directly by the Employer)	(0.30)	(0.14)	(0.18)
Employers contribution	-	-	-
Amounts recognized in the Balance Sheet	**10.43**	**10.07**	**8.78**

B Statement of profit & loss

i) Expense recognised in Statement of profit or loss

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Current service cost	0.61	1.76	0.80
Net Interest cost	0.34	0.68	0.45
Expenses recognized in profit or loss	**0.95**	**2.44**	**1.25**

ii) Expense recognised in Other comprehensive Income

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Remeasurements -Actuarial (Gain)/loss	(0.29)	(1.01)	2.08
Net (income)/Expense	**(0.29)**	**(1.01)**	**2.08**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits (Cont'd)

C The principal assumptions used in determining gratuity obligations are shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate	6.73%	6.77%	7.72%
Future salary increases	10.00%	10.00%	10.00%
Weighted Average Duration of the Projected Benefit Obligation	6 years	6 years	6 years
Rate of Employee turnover	15%	15%	15%
Mortality rate during Employment	Indian Assured lives Mortality (2006-08)		
Mortality rate after Employment	NA		

D A quantitative sensitivity analysis for significant assumption as at balance sheet date are as shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate (- 1%)	(0.48)	(0.47)	(0.41)
Discount rate (+ 1%)	0.54	0.52	0.46
Salary Escalation Rate (- 1%)	0.30	0.29	0.27
Salary Escalation Rate (+ 1%)	(0.29)	(0.28)	(0.26)
Employee turnover (+ 1%)	(0.02)	(0.02)	(0.02)
Employee turnover (+ 1%)	0.02	0.02	0.02

Methods and assumptions used in preparing sensitivity and their limitations: The liability was projected by changing certain assumptions and the total liability post the change in such assumptions have been captured in the table above. This sensitivities are based on change in one single assumption, other assumptions being constant. In practice, scenario may involve change in several assumptions where the stressed defined benefit obligation may be significantly impacted.

E Maturity analysis of projected benefit obligation

	September 30, 2017	March 31, 2017	April 01, 2016
1st following year	1.44	1.38	1.11
2nd following year	1.33	1.28	1.15
3rd following year	1.84	1.78	1.08
4th following year	1.14	1.11	1.51
5th following year	1.05	1.02	0.97
Sum of years to 6 to 10	3.91	3.84	3.64

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

33 Employee stock option plans

During the period / year ended 30th September 2017, 31st March 2017 and 1st April 2016, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September 2005
Date of board approval	17th September 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share for the exercise price as stated above.

The expense recognised for employee service received during the year is shown in the following table:

	September 30, 2017	March 31, 2017
Expense arising from equity-settled share based payment transactions	58.37	28.07
	58.37	**28.07**
Value of investment in Subsidiary as at the year end:		
Investment in Subsidiary on account of Group Share based payment (Nazara Technologies FZ LLC)	10.51	
	10.51	**3.41**

Weighted average Share price for options exercised during the year:

	ESOP 2016	ESOP 2005
Weighted average Share price	4,524.33	-
	-	-

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

33 **Employee stock option plans (Cont'd)**
The details of activity under the scheme 2005 are summerised below:

Particulars	September 30, 2017		March 31, 2017		April 01, 2016	
	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	-	-	108,537	78.00	108,537	78.00
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Cancelled during the year (refer note below)	-	-	108,537	-	-	-
Outstanding at the end of the year	-	-	-	-	108,537	-
Exercisable at the end of the year	-	-	-	78.00	108,537	78.00
Weighted average remaining contractual life (in years)	-	-	-	0 Years	-	0 Years

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

The details of activity under the scheme 2016 are summerised below:

Particulars	September 30, 2017		March 31, 2017		April 01, 2016	
	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)	Number of options	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	59,411	2,929.00	-	-	-	-
Granted during the year	-	-	59,411	2,929.00	59,411	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Outstanding at the end of the year	59,411	2,929.00	59,411	2,929.00	59,411	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average remaining contractual life (in years)	-	5.25 years	-	5.75 years	-	-

There were no cancellations or modifications to the rewards during the period/ year ended September 30,2017, March 31,2017 and April 01,2016.

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

	ESOP 2016	ESOP 2005
Dividend yield (%)	1.00%	No Options Granted during the year
Expected volatility (%)	25.00%	
Risk free interest rate (%)	6.27%	
Spot price (Rs.)	4,524.33	
Exercise Price (Rs.)	2,928.75	
Expected life of options granted (years)	3.5 years	
Model used	Black Scholes	

The expected life of the share options are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

34 Related parties disclosures

Names of the related parties and related party relationship

A) Related parties where control exists

Ultimate holding company	West Bridge Venture LLC
Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)
	Mitter Infotech LLP, the holding firm (till 29th March, 2016)
Subsidiaries	Nazara Technologies FZ LLC
	Nazara Europe Limited (Dissolved on 2nd August, 2016)
	Nazara Pte Ltd
	Nazara Pro Gaming Private Limited (from 16th May 2017)
Stepdown subsidiaries	Nazara Technologies
	Nazara Zambia Limited
	Nzmobile Nigeria Limited
	Nzmobile Kenya Limited
	Nazara Uganda Limited
	Nazara Bangladesh Limited
Key management personnel	Sandeep Singhal - Independent Director
	Kuldeep Jain - Independent Director

B) Related parties with whom transactions have taken place during the year

Associate of subsidiary	Mastermind Sports Limited (from 22nd May 2017)
Key management personnel	Vikash Mittersain - Chairman Cum Managing Director
	Nitish Mittersain - Managing Director
Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)

C) Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

34. Related parties disclosures (Cont'd)

D) Related party transactions:

	For the six month ended September 30, 2017	For the year ended March 31 2017
Remuneration to Key management personnel		
Vikash Mittersain (refer note below)	2.26	4.90
Nitish Mittersain (refer note below)	12.15	30.56
Cost of content		
Mastermind Sports Limited	0.12	-
Dividend paid		
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	84.31	-
West Bridge Venture II Investment Holdings	204.29	-
Vikash Mittersain	0.00*	-
Nitish Mittersain	0.00*	-
Dividend received		
Nazara Technologies FZ LLC	65.02	-
Nazara Pte Ltd	237.50	-
Rent paid on behalf of		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.62	3.30
Rent recovered from		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.00	3.30
Proceeds from liquidation of subsidiary		
Nazara Europe Limited	-	0.63
Shares acquired and subscribed		
Nazara Pro Gaming Private Limited	0.10	-
Investment in Subsidiary on account of Group share based payment		
Nazara Technologies FZ LLC	7.10	3.41
Recoverery of expenses on employee stock option scheme from subsidiary		
Nazara Technologies FZ LLC	11.47	5.52

On 2nd August, 2016, Nazara Europe Limited was dissolved and remitted Rs. 0.63 million to the Holding Company.

* Amount is less than 0.01 million

E) Amounts outstanding as at the balance sheet date:

	September 30 2017	March 31 2017
Balance payables at year end		
Vikash Mittersain	-	0.14
Nitish Mittersain	1.38	6.00
Advance given		
Nazara Pro Gaming Private Limited	0.01	-
Amount recoverable from subsidiary company		
Nazara Technologies FZ LLC	16.99	5.52

F) Compensation of Key management personnel

	For the six month ended September 30, 2017	For the year ended March 31 2017
Short-term employee benefits	13.59	33.83
Post- employment benefits (*)	0.82	1.64
Total remuneration	14.41	35.47

(*): Remuneration to the key managerial personnel doesn't include provision made for gratuity and compensated absences as they are determine on actuarial basis for the Company as a whole.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

35 Income tax

A Income tax expense in the statement of profit and loss consists of:

	For the six month ended September 30, 2017	For the year ended 31 March 2017
Current income tax:		
Income Tax (Current year)	74.26	41.41
Deferred tax (credit)	(11.00)	(0.95)
Income tax expense reported in the statement of profit or loss	**63.26**	**40.46**
Income tax recognised in other comprehensive income		
Deferred tax arising on income and expense recognised in other comprehensive income	0.21	0.96
Total	**63.47**	**41.40**

B The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

	For the six month ended September 30, 2017	For the year ended 31 March 2017
Profit before tax	330.45	132.84
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	114.36	45.97
Effect of:		
Differential tax impact of dividend from subsidiary	(52.35)	-
Other temporary differences	1.25	(5.51)
Total income tax expense	**63.26**	**40.46**

C Deferred tax relates to the following: Balance sheet

	Balance sheet		
	September 30, 2017	**March 31, 2017**	**April 01, 2016**
Accelerated depreciation for tax purposes	2.43	1.57	1.03
Others			
43B disallowances - Allowance on payment basis	9.91	4.78	5.76
Disallowance for provision aaccounted	15.57	10.85	-
Other items giving rise to temporary differences	(4.88)	(4.96)	5.45
Net deferred tax assets	**23.03**	**12.24**	**12.24**

D Movement of deferred tax asset (net):

	September 30, 2017	March 31, 2017
Opening balance as of 1 April	12.23	12.24
Tax income during the period recognised in profit or loss	11.00	0.95
Tax (expense) during the period recognised in OCI	(0.21)	(0.96)
Closing balance	**23.02**	**12.23**

E Deferred tax relates to the following: Statement of profit or loss

	Statement of profit or loss	
	For the six month ended September 30, 2017	**For the year ended 31 March 2017**
Accelerated depreciation for tax purposes	0.86	0.54
Others		
43B disallowances - Allowance on payment basis	5.13	(0.99)
Disallowance for provision accounted	4.72	10.85
Other items giving rise to temporary differences	0.29	(9.45)
Net deferred tax credit	**11.00**	**0.95**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

36 Segment information

The company publishes special purpose unconsolidated financial statement along with the special purpose consolidated financial statement and in accordance with Ind AS 108, segment reporting, the company has opted to disclose the segment information in the special purpose consolidated financial statement.

37 Fair Value

The carrying value and fair value of financial instruments by categories are as below:

	Carrying value			Fair value		
	September 30, 2017	**March 31, 2017**	**April 01, 2016**	**September 30, 2017**	**March 31, 2017**	**April 01, 2016**
Financial assets - Non-current (measured at amortized cost)						
Security deposits	13.20	14.12	12.06	13.20	14.12	12.06
Fixed deposits with bank and interest accrued	1.73	1.68	1.57	1.73	1.68	1.57
Financial assets - Current (measured at amortized cost)						
Trade receivable	135.45	116.23	183.93	135.45	116.23	183.93
Cash and cash equivalents	20.63	78.08	102.44	20.63	78.08	102.44
Other bank balances	-	1.50	-	-	1.50	-
Investments in debentures	-	10.00	-	-	10.77	-
Security deposits	1.50	0.69	1.74	1.50	0.69	1.74
Loan to Moonglab Technologies Private Limited	2.50	-	-	2.50	-	-
Loan to employees	0.53	0.58	-	0.53	0.58	-
Other financial assets	150.41	46.36	88.74	150.41	46.36	88.74
Total assets	**325.95**	**269.24**	**390.48**	**325.95**	**270.01**	**390.48**
Financial liabilities - Current (measured at amortized cost)						
Trade and other payables	119.01	97.45	166.36	119.01	97.45	166.36
Other financial liabilities	27.08	27.46	20.00	27.08	27.46	20.00
Total liabilities	**146.09**	**124.91**	**186.36**	**146.09**	**124.91**	**186.36**

The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 101, Ind AS 27 and Ind AS 28

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, Interest accrued on bank deposits with banks, other current financial assets, other bank balances and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.
The fair values of the remaining FVTPL financial asset are derived from quoted marker price in active markets

The fair values of security deposits and other financial assets and liabilities are considered to be the same as their carrying values, as there is an immaterial change in the lending rates.

38 Fair value hierarchy for assets and liabilities

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

quoted (unadjusted) prices in active markets for identical assets or liabilities

ii) Level 2

other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly

iii) Level 3

techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

38. Fair value hierarchy for assets and liabilities (Cont'd)

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

I The carrying amount and fair value measurement hierarchy for assets as at September 30, 2017 is as follow

Particulars	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
				Level 1	Level 2	Level 3	
Investments in mutual funds	683.77	683.77	30-Sep-17	683.77	-	-	683.77
Investments in tax free bonds	63.41	63.41	30-Sep-17	63.41	-	-	63.41
Total	**747.18**	**747.18**		**747.18**	**-**	**-**	**747.18**

II The carrying amount and fair value measurement hierarchy for assets as at March 31, 2017:

Particulars	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
				Level 1	Level 2	Level 3	
Investments in mutual funds	652.76	652.76	31-Mar-17	652.76	-	-	652.76
Investments in tax free bonds	62.30	62.30	31-Mar-17	62.30	-	-	62.30
Total	**715.06**	**715.06**		**715.06**	**-**	**-**	**715.06**

III The carrying amount and fair value measurement hierarchy for assets as at April 01, 2016:

Particulars	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
				Level 1	Level 2	Level 3	
Investments in mutual funds	504.43	504.43	31-Mar-16	504.43	-	-	504.43
Investments in tax free bonds	56.22	56.22	31-Mar-16	56.22	-	-	56.22
Total	**560.65**	**560.65**		**560.65**	**-**	**-**	**560.65**

IV Assets/ Liabilities measured at Amortized cost

Particulars	Asset measured at amortised cost for which fair value is disclosed				
	Date of valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		Level 1	Level 2	Level 3	
Investments in debentures	30-Sep-17	-	-	-	-
Investments in debentures	31-Mar-17	10.77	-	-	10.77
Investments in debentures	31-Mar-16	-	-	-	-

There have been no transfer between Level 1, 2 and 3 during the period September 30, 2017, March 31, 2017 and April 1, 2016

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at September 30, 2017,March 31,2017 and April 01,2016

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at September 30,2017, March 31, 2017 and April 01,2016.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company did not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures are given below:

i) Amounts receivable in foreign currency on account of the following:

Currency	Particulars	September 30, 2017		March 31, 2017		April 01, 2016	
		Amt in FC	Amt in INR	Amt in FC	Amt in INR	Amt in FC	Amt in INR
USD	Cash and Bank balances	116,704	7.62	535,261	34.66	116,639	7.71
AED	Cash in hand	2,600	0.05	-	-	-	-
GBP	Cash in hand	1,000	0.08	-	-	-	-
USD	Trade receivable	619,988	40.49	227,293	14.72	642,139	42.47
USD	Other current assets	195,987	12.80	171,554	11.11	27,448	1.82
AED	Other current assets	955,497	16.99	313,123	5.52	-	-
EURO	Other current assets	1,084,448	83.65	-	-	-	-

ii) Amounts payable in foreign currency on account of the following:

Currency	Particulars	September 30, 2017		March 31, 2017		April 01, 2016	
		Amt in FC	Amt in INR	Amt in FC	Amt in INR	Amt in FC	Amt in INR
USD	Trade payable	672,358	43.90	648,632	42.00	1,401,002	92.66
EUR	Trade payable	25,662	1.98	-	-	-	-

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on profit before tax

	September 30, 2017		March 31, 2017		April 01, 2016	
	5% increase	5% decrease	5% increase	5% decrease	5% increase	5% decrease
USD	0.85	(0.85)	0.92	(0.92)	(2.03)	2.03
EURO	4.08	(4.08)	-	-	-	-
AED	0.85	(0.85)	0.28	0.28	-	-
GBP	0.00	(0.00)	-	-	-	-

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account factors such as default risk of industry, historical experience for customers etc. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and operate in largely independent markets. (for Detail movement in provision for trade receivables - please refer Note 10)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at September 30, 2017, March 31, 2017, April 01, 2016 is the carrying amounts as illustrated in Note 10

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations as they fall due. The company's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Company's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company has access to a sufficient variety of sources of funding maturing within 12 months can be rolled over with existing lenders.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at September 30, 2017	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	119.01	-	-	119.01
Other financial liabilities	-	27.08	-	-	27.08
Total	**-**	**146.09**	**-**	**-**	**146.09**

As at March 31, 2017	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	97.45	-	-	97.45
Other financial liabilities	-	27.46	-	-	27.46
Total	**-**	**124.91**	**-**	**-**	**124.91**

As at April 01, 2016	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	166.36	-	-	166.36
Other financial liabilities	-	20.00	-	-	20.00
Total	**-**	**186.36**	**-**	**-**	**186.36**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

40 Capital Management

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the six months ended September 30,2017 and year ended March 31, 2017.

	September 30, 2017	March 31, 2017
Equity Share capital	19.89	19.89
Free reserve	820.92	853.92
Reserve to Share capital (in no. of times)	0.02	0.02

41 Other events after the reporting period

1 West Bridge Venture II Investment Holding (‘West Bridge’) held 68.01% of the total equity capital of the Company and was the holding company as of 30th September 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2 On 15th December 2017, the Company increased its authorized equity share capital from Rs 21,987,960 (2,198,796 shares of Rs 10/- each) to Rs 137,487,960(13,748,796 shares of Rs 10/- each).

3 On 28th December 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/-each into 2.5 fully paid up equity share having face value of Rs 4/-each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each.

Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were subdivided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

The Earnings per share calculations have also been presented in accordance with Accounting Standard 33 “Earning per Share” notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4 The Company has made the following investments after September 30, 2017:

i In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited (‘Nodwin’), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing 3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and by acquiring 3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH (“ESL”), German eSports Company for Rs. 265.30 million to part fund this acquisition.

ii In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited (“NextWave”), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid.
The Company borrowed Rs 300 million to fund this transaction.

iii During August 14, 2017, the Company has given loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited (‘Moonglabs’), a company engaged in the business of development mobile software. In December 26, 2017, the Company has given additional loan of Rs.2.5 million to Moonglabs. The loan will be converted into fixed number of equity shares, at the option of the Company.

iv In November 2017, the Company has invested Rs 4.01 million for a 4% stake in Halaplay Technologies Private Limited(‘Halaplay’), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5 In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS

The Special Purpose Unconsolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016. The Special Purpose Unconsolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose Unconsolidated Ind AS Financial Statements can change if :-

(a) there are any new Ind AS standards issued through March 31, 2018

(b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose Unconsolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

Optional exemptions availed and mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A. Optional exemptions availed

1. Investment in Subsidiaries, associates

Ind AS 101 permits a first time adopter to measure it's investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost, The deemed cost of such investment shall be it's fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the transition date.

2. Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangements) as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition). Other equity investments are classified at fair value through profit or loss (FVTPL)

3. Share-based payment transactions exemption

Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before April 01 2016.

B. Mandatory exceptions

1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

2. Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instrumentss, prospectively for transactions occuring on or the after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

3. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to IND AS.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.1 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at September 30, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	8.13	-	8.13
Intangible assets	5.78	-	5.78
Intangible assets under development	2.80	-	2.80
Financial assets			
Investments	0.79	10.51	11.30
Loans	13.20	-	13.20
Other financial assets	1.73	-	1.73
Deferred tax assets (Net)	32.67	(9.64)	23.03
Other non-current assets	17.93	-	17.93
	83.03	**0.87**	**83.90**
Current assets			
Financial assets			
Investments	655.12	92.06	747.18
Trade receivable	135.45	-	135.45
Cash and cash equivalents	20.63	-	20.63
Other bank balances	-	-	-
Loans	4.53	-	4.53
Other financial assets	150.41	-	150.41
Other current assets	39.17	-	39.17
	1,005.31	**92.06**	**1,097.37**
Total Assets	**1,088.34**	**92.93**	**1,181.27**
EQUITY & LIABILITIES			
Equity			
Equity share capital	19.89	-	19.89
Other equity	850.66	92.93	943.59
Total equity	870.55	92.93	963.48
LIABILITIES			
Non-current liabilities			
Provisions	10.45	-	10.45
	10.45	**-**	**10.45**
Current liabilities			
Financial liabilities			
Trade and other payables	119.01	-	119.01
Other financial liabilities	27.08	-	27.08
Other current liabilities	7.09	-	7.09
Provisions	3.92	-	3.92
Current tax liabilities (Net)	50.24	-	50.24
	207.34	**-**	**207.34**
Total equity and liabilities	**1,088.34**	**92.93**	**1,181.27**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.1 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the six months ended September 30, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income			
Revenue from operations	321.36	-	321.36
Other income	310.72	22.01	332.73
Total Income	**632.08**	**22.01**	**654.09**
Expenses			
Cost of content	30.03	-	30.03
Employee benefits expense	126.56	22.60	149.16
Advertising cost	69.43	(0.22)	69.21
Other expenses	69.31	-	69.36
Depreciation and amortisation	5.56	-	5.56
Finance cost	0.37	-	0.32
Total expenses	**301.26**	**22.38**	**323.64**
Profit before tax	**330.82**	**(0.37)**	**330.45**
Tax expense:			
Income Tax (Current year)	74.26	-	74.26
Deferred tax charge/ (credit)	(13.24)	2.24	(11.00)
Profit for the year from continuing operations	**269.80**	**(2.61)**	**267.19**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	-	0.29	0.29
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.10)	(0.10)
B (i) Items that will be reclassified to profit or loss	-	1.10	1.10
(ii) Income tax relating to items that will be reclassified to profit or loss	-	(0.11)	(0.11)
Total Comprehensive Income for the year and other Comprehensive Income	**269.80**	**(1.43)**	**268.37**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.2 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at March 31, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	8.75	-	8.75
Intangible assets	8.05	-	8.05
Intangible assets under development	1.40	-	1.40
Financial assets			
Investments	0.69	3.41	4.10
Loans	14.12	-	14.12
Other financial assets	1.68	-	1.68
Deferred tax assets (Net)	19.42	(7.18)	12.24
Other non-current assets	19.54	-	19.54
	73.65	**(3.77)**	**69.88**
Current assets			
Financial assets			
Investments	656.33	68.73	725.06
Trade receivable	116.23	-	116.23
Cash and cash equivalents	78.08	-	78.08
Other bank balances	1.50	-	1.50
Loans	1.27	-	1.27
Other financial assets	46.36	-	46.36
Other current assets	29.93	-	29.93
	929.70	**68.73**	**998.43**
Total assets	**1,003.35**	**64.96**	**1,068.31**
EQUITY & LIABILITIES			
Equity			
Equity share capital	19.89	-	19.89
Other equity	833.70	64.96	898.66
Total equity	**853.59**	**64.96**	**918.55**
LIABILITIES			
Non-current liabilities			
Provisions	10.09	-	10.09
	10.09	**-**	**10.09**
Current liabilities			
Financial liabilities			
Trade and other payables	97.45	-	97.45
Other financial liabilities	27.46	-	27.46
Other current liabilities	11.05	-	11.05
Provisions	3.71	-	3.71
Current tax liabilities (Net)	-	-	-
	139.67	**-**	**139.67**
Total equity and liabilities	**1,003.35**	**64.96**	**1,068.31**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.2 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income			
Revenue from operations	773.62	-	773.62
Other income	36.15	28.33	64.48
Total Income	**809.77**	**28.33**	**838.10**
Expenses			
Cost of content	54.19	-	54.19
Employee benefits expense	199.23	11.74	210.97
Advertising cost	236.38	(1.74)	234.64
Other expenses	193.02	-	193.63
Depreciation and amortisation	10.75	-	10.75
Finance cost	1.69	-	1.08
Total expenses	**695.26**	**10.00**	**705.26**
Profit before tax	**114.51**	**18.33**	**132.84**
Tax expense:			
Income Tax (Current year)	41.41	-	41.41
Deferred tax charge/ (credit)	(5.06)	4.11	(0.95)
Profit for the year from continuing operations	**78.16**	**14.22**	**92.38**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	-	1.01	1.01
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.35)	(0.35)
B (i) Items that will be reclassified to profit or loss	-	6.08	6.08
(ii) Income tax relating to items that will be reclassified to profit or loss	-	(0.61)	(0.61)
Total Comprehensive Income for the year and other Comprehensive Income	**78.16**	**20.35**	**98.51**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.3 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at April 01, 2016:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	14.86	-	14.86
Intangible assets	4.53	-	4.53
Intangible assets under development	3.60	-	3.60
Financial assets	-	-	-
Investments	0.70	-	0.70
Loans	12.06	-	12.06
Other financial assets	1.57	-	1.57
Deferred tax assets (Net)	14.30	(2.06)	12.24
Other non-current assets	7.25	-	7.25
	58.87	**(2.06)**	**56.81**
Current assets			
Financial assets			
Investments	528.14	32.51	560.65
Trade receivable	183.93	-	183.93
Cash and cash equivalents	102.44	-	102.44
Other bank balances	-	-	-
Loans	1.74	-	1.74
Other financial assets	88.74	-	88.74
Other current assets	24.49	-	24.49
	929.48	**32.51**	**961.99**
Total Assets	**988.35**	**30.45**	**1,018.80**
EQUITY & LIABILITIES			
Equity			
Equity share capital	19.89	-	19.89
Other equity	732.71	30.45	763.16
Total equity	**752.60**	**30.45**	**783.05**
LIABILITIES			
Non-current liabilities			
Provisions	8.79	-	8.79
	8.79	**-**	**8.79**
Current liabilities			
Financial liabilities			
Trade and other payables	166.36	-	166.36
Other financial liabilities	20.00	-	20.00
Other current liabilities	38.89	-	38.89
Provisions	1.71	-	1.71
Current tax liabilities (Net)	-	-	-
	226.96	**-**	**226.96**
Total equity and liabilities	**988.35**	**30.45**	**1,018.80**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

Notes to reconciliation of equity as at April 01, 2016, March 31, 2017 and September 30, 2017 and profit or loss for the period / year ended Septmber 30, 2017 and March 31, 2017

Note 1: FVTPL/ FVOCI financial assets

Under the Previous GAAP, investments in equity instruments and mutual funds, tax free bonds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The Company has designated investments in mutual funds as FVTPL instruments and investments in tax free bonds as FVOCI instruments. The resulting fair value changes of the investments in mutual funds and tax free bonds have been recognised in other equity and FVOCI reserve, net of related deferred taxes at the date of transition i.e. April 1, 2016 for the purpose of Special Purpose Unconsolidated Financial Information and subsequently in the profit or loss and FVOCI reserves respectively for the period / year ended September 30,2017 and March 31, 2017.

Note 2: Property, Plant & Equipment and Intangible Asset

The Company has elected to measure all items of Property, Plant & Equipment in accordance with Ind AS 16 retrospectively. Similar approach has been followed with respect to intangible assets.

Note 3: Deferred tax

Under Ind AS, deferred taxes are accounted using balance sheet approach based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. Under IGAAP, the deferred taxes are accounted using income statement approach i.e. differences between taxable profits and accounting profits for the period.

Note 4: Defined benefit liabilities

Under Ind AS, re-measurements i.e. actuarial gains and losses excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year.

Note 5: Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Note 6: Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

PROFORMA FINANCIAL INFORMATION

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Independent Practitioner's Assurance report on the Compilation of proforma financial information included in offer document in connection with the Initial Public Offer of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited)

January 17, 2018

The Board of Directors
Nazara Technologies Limited
51-57, Maker Chambers 3,
Nariman Point, Mumbai 400021
Maharashtra, India

Dear Sirs

1. We have completed our assurance engagement to report on the compilation of proforma financial information of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited) ("the Company") which consists of the proforma consolidated balance sheet as at March 31, 2017 and as at September 30, 2017, the proforma consolidated statement of profit and loss for the year ended March 31, 2017 and for the six month period ended September 30, 2017 and related notes as set out on pages 5 to 6 of the proforma financial information. The proforma financial information has been compiled by the Management of Company to illustrate the impact of acquisition of Next Wave Multimedia Private Limited ("Nextwave") and Nodwin Gaming Private Limited ("Nodwin") as set out in Note 2 to the proforma financial Information on the Company's financial position as at March 31, 2017 and September 30, 2017 and its financial performance for the year ended March 31, 2017 and six month period ended September 30, 2017 as if the acquisition of Nextwave and Nodwin had taken place at April 1, 2016 and April 1, 2017, respectively.

2. The applicable criteria on the basis of which the Company has compiled the proforma financial information are specified in paragraph 23 of item (IX)(B) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Regulations"), as amended from time to time and described in note 1 of proforma financial information.

3. As part of this process, information about the Company's financial position and financial performance has been extracted by the Management from the Restated Consolidated summary statement of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 of the Company and its subsidiaries (together referred to as "the Group") and its associate (collectively, the "Restated Consolidated Summary Statements"), on which we have issued our examination report.

Management Responsibility for the Proforma Financial Information

4. The Management is responsible for compiling the proforma financial information on the basis set out in note 2 to the proforma financial Information and the same have been approved by the Board of Directors of the Company. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the proforma financial information on the basis set out in note 2 to the proforma financial information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of proforma financial information.

Practitioner's Responsibilities

5. Our responsibility is to express an opinion, as required by the SEBI Regulations, about whether the proforma financial information of the Company have been compiled, in all material respects, by the Management on the basis set out in Note 2 to the proforma financial information.

6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the proforma financial information on the basis set out in Note 2 to the proforma financial information.

7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information / restated consolidated summary statements used in compiling the proforma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the proforma financial information. For our assurance engagement, we have placed reliance on the following:

   a. the Restated Consolidated Summary Statements of the Group and its associate.

   b. the audited financial statements of Nextwave and Nodwin as of and for the year ended March 31, 2017 and as of and for six month period ended September 30, 2017, which are audited by other firms of chartered accountants.

8. The purpose of proforma financial information included in offer document is solely to illustrate the impact of above mentioned acquisition on unadjusted financial information of the Company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above mentioned acquisitions at December 22, 2017 and January 10, 2018 would have been as presented.

9. A reasonable assurance engagement to report on whether the proforma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the proforma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

   - The related proforma adjustments give appropriate effect to those criteria; and
   - The proforma financial information reflects the proper application of those adjustments to the unadjusted financial information.

   The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the proforma financial information has been compiled, and other relevant engagement circumstances.

   The engagement also involves evaluating the overall presentation of the proforma financial information.

10 Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

11 We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

12. In our opinion the proforma financial information have been compiled, in all material respects, on the basis set out in the Note 2 to the proforma financial information.

Restrictions on Use

13. This report should not in any way be construed as a reissuance or reauditing or re-examination of any of the previous audit reports issued by us. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with SEBI, BSE Limited, the National Stock Exchange of India Limited and Registrar of Companies, New Delhi in connection with the proposed Initial public offering of the Company and is not to be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

Per Govind Ahuja
Partner
Membership Number: 048966

Date: January 17, 2018
Place: Mumbai

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Proforma consolidated balance sheet as at March 31, 2017

(Rupees in million, unless otherwise stated)

Particulars	Note for proforma adjustments	Nazara Consolidated Restated	Nodwin	Nextwave	Proforma adjustments				Proforma consolidated as at March 31, 2017
					Accounting policy adjustments	Acquisition adjustments	Offering related adjustments	Total adjustments	
		A	B	C	D	E	F	G=D+E+F	H = A+B+C+G
Equity and liabilities									
Shareholders' funds									
Share capital	**4 A (1)**	19.89	0.10	2.90	-	5.30	-	5.30	28.19
Reserves and surplus	**4 A (1)**	2,144.31	11.64	33.42	-	1,146.53	-	1,146.53	3,335.90
		2,164.20	**11.74**	**36.32**	**-**	**1,151.83**	**-**	**1,151.83**	**3,364.09**
Minority Interest	**4 A (2)**	**-**	-	-	-	220.60	-	220.60	220.60
Non-current liabilities									
Long-term borrowings	**4 A (4)**	-	-	41.40	-	(12.86)	-	(12.86)	28.54
Long-term provisions		13.05	-	-	-	-	-	-	13.05
Deferred tax liabilities (Net)		-	0.03	-	-	-	-	-	0.03
		13.05	**0.03**	**41.40**	**-**	**(12.86)**	**-**	**(12.86)**	**41.62**
Current liabilities									
Short-term Borrowings		-	0.72	-	-	-	-	-	0.72
Trade payable		240.16	14.77	1.17	-	-	-	-	256.10
Other current liabilities		158.07	8.86	9.38	-	-	-	-	176.31
Short-term provisions		7.34	3.20	5.55	-	-	-	-	16.09
		405.57	**27.55**	**16.10**	**-**	**-**	**-**	**-**	**449.22**
Total		**2,582.82**	**39.32**	**93.82**	**-**	**1,359.57**	**-**	**1,359.57**	**4,075.53**
Assets									
Non-current assets									
Fixed assets									
Property, plant and equipments	**3**	10.28	0.79	53.17	(48.04)	-	-	(48.04)	16.20
Intangible assets	**3**	8.04	-	2.76	45.28	-	-	45.28	56.08
Intangible assets under development	**3**	1.40	-	-	2.76	-	-	2.76	4.16
Goodwill on consolidation	**4 A (2)**	-	-	-	-	827.12	-	827.12	827.12
Non-current investments		38.05	-	-	-	-	-	-	38.05
Deferred tax assets (net)		42.46	-	7.11	-	-	-	-	49.57
Long term loans and advances		61.29	-	-	-	-	-	-	61.29
Other non current assets		1.68	-	-	-	-	-	-	1.68
		163.20	**0.79**	**63.04**	**0.00**	**827.12**	**-**	**827.12**	**1,054.15**
Current assets									
Current investments		656.31	-	-	-	-	-	-	656.31
Trade receivables		259.50	22.32	19.24	-	-	-	-	301.06
Cash and bank balances	**4 A (5)**	1,138.31	3.40	5.48	-	532.45	-	532.45	1,679.64
Short-term loans and advances		34.32	-	5.98	-	-	-	-	40.30
Other current assets		331.18	12.81	0.08	-	-	-	-	344.07
		2,419.62	**38.53**	**30.78**	**-**	**532.45**	**-**	**532.45**	**3,021.38**
Total		**2,582.82**	**39.32**	**93.82**	**0.00**	**1,359.57**	**-**	**1,359.57**	**4,075.53**

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Proforma consolidated balance sheet as at September 30, 2017

(Rupees in million, unless otherwise stated)

Particulars	Note for proforma adjustments	Nazara Consolidated Restated	Nodwin	Nextwave	Proforma adjustments				Proforma consolidated as at September 30, 2017
					Accounting policy adjustments	Acquisition adjustments	Offering related adjustments	Total adjustments	
		A	B	C	D	E	F	G=D+E+F	H = A+B+C+G
Equity and liabilities									
Shareholders' funds									
Share capital	**4 A (1)**	19.89	0.10	2.90	-	5.30	-	5.30	28.19
Reserves and surplus	**4 A (1)**	2,097.25	28.69	54.97	-	1,107.93	-	1,107.93	3,288.84
		2,117.14	**28.79**	**57.87**	**-**	**1,113.23**	**-**	**1,113.23**	**3,317.03**
Minority Interest	**4 A (2)**	**-**	-	-	-	238.55	-	238.55	238.55
Non-current liabilities									
Long-term borrowings	**4 A (4)**	-	-	36.15	-	(9.62)	-	(9.62)	26.53
Long-term provisions		13.69	-	-	-	-	-	-	13.69
		13.69	**-**	**36.15**	**-**	**(9.62)**	**-**	**(9.62)**	**40.22**
Current liabilities									
Short-term Borrowings		-	0.72	-	-	-	-	-	0.72
Trade payable		307.41	15.42	0.81	-	-	-	-	323.64
Other current liabilities		85.73	25.59	5.27	-	-	-	-	116.59
Short-term provisions		59.62	6.53	10.14	-	-	-	-	76.29
		452.76	**48.26**	**16.22**	**-**	**-**	**-**	**-**	**517.24**
Total		**2,583.59**	**77.05**	**110.24**	**-**	**1,342.16**	**-**	**1,342.16**	**4,113.04**
Assets									
Non-current assets									
Fixed assets									
Property, plant and equipments	**3**	9.26	1.84	60.72	(55.34)	-	-	(55.34)	16.48
Intangible assets	**3**	5.77	-	2.76	52.58	-	-	52.58	61.11
Intangible assets under development	**3**	2.80	-	-	2.76	-	-	2.76	5.56
Goodwill on consolidation	**4 A (2)**	-	-	-	-	806.47	-	806.47	806.47
Non-current investments		44.59	-	-	-	-	-	-	44.59
Deferred tax assets (net)		36.44	0.02	13.25	-	-	-	-	49.71
Long term loans and advances		62.28	-	-	-	-	-	-	62.28
Other non current assets		1.73	-	-	-	-	-	-	1.73
		162.87	**1.86**	**76.73**	**(0.00)**	**806.47**	**-**	**806.47**	**1,047.93**
Current assets									
Current investments		736.90	-	-	-	-	-	-	736.90
Trade receivables		365.72	43.62	13.32	-	-	-	-	422.66
Cash and bank balances	**4 A (5)**	859.85	26.80	13.81	-	535.69	-	535.69	1,436.15
Short-term loans and advances		33.78	-	5.83	-	-	-	-	39.61
Other current assets		424.47	4.77	0.55	-	-	-	-	429.79
		2,420.72	**75.19**	**33.51**	**-**	**535.69**	**-**	**535.69**	**3,065.11**
Total		**2,583.59**	**77.05**	**110.24**	**(0.00)**	**1,342.16**	**-**	**1,342.16**	**4,113.04**

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Proforma consolidated statement of profit and loss for the year ended March 31, 2017

(Rupees in million, unless otherwise stated)

Particulars	Note for proforma adjustments	Nazara Consolidated Restated	Nodwin	Nextwave	Proforma adjustments: Accounting policy adjustments	Proforma adjustments: Acquisition adjustments	Proforma adjustments: Offering related adjustments	Proforma adjustments: Total adjustments	Proforma consolidated as at March 31, 2017
		A	B	C	D	E	F	G = D+E+F	H = A+B +C+G
Revenue from operations		1,901.58	90.28	87.06	-	-	-	-	2,078.92
Other income		87.60	0.13	0.05	-	-	-	-	87.78
Total income		**1,989.18**	**90.41**	**87.11**	**-**	**-**	**-**	**-**	**2,166.70**
Expenses									
Purchase of content		107.32	-	-	-	-	-	-	107.32
Production Expense		-	-	23.72	-	-	-	-	23.72
Advertising Cost		529.43	-	-	-	-	-	-	529.43
Employee benefit expenses	**4 B (1)**	238.64	5.32	16.04	-	148.45	-	148.45	408.45
Finance cost		-	0.04	6.08	-	-	-	-	6.12
Other expenses	**4 B (2)**	404.13	74.41	10.51	-	17.08	-	17.08	506.13
Depreciation and amortisation expense		11.58	0.70	10.20	-	-	-	-	22.48
Total expenses		**1,291.10**	**80.47**	**66.55**	**-**	**165.53**	**-**	**165.53**	**1,603.65**
Profit before tax		**698.08**	**9.94**	**20.56**	**-**	**(165.53)**	**-**	**(165.53)**	**563.05**
Tax expenses									
Current tax		129.90	3.20	4.19	-	-	-	-	137.29
Deferred tax charge / (credit)		(29.02)	(0.02)	(6.69)	-	-	-	-	(35.73)
Total tax expense		**100.88**	**3.18**	**(2.50)**	**-**	**-**	**-**	**-**	**101.56**
Profit / (loss) after taxation		**597.20**	**6.76**	**23.06**	**-**	**(165.53)**	**-**	**(165.53)**	**461.49**
Share of (loss) from associates		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Restated profit for the period/year		**597.20**	**6.76**	**23.06**	**-**	**(165.53)**	**-**	**(165.53)**	**461.49**
Proforma Earning Per share (EPS)									
Basic									
Weighted average no of share (EPS)									26,972,619
EPS (Rs.)									17.11
Diluted									
Weighted average no of share (EPS)									28,120,123
EPS (Rs.)									16.41

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Proforma consolidated statement of profit and loss for the six months ended September 30, 2017

(Rupees in million, unless otherwise stated)

Particulars	Note for proforma adjustments	Nazara Consolidated Restated	Nodwin	Nextwave	Proforma adjustments				Proforma consolidated as at September 30, 2017
					Accounting policy adjustments	Acquisition adjustments	Offering related adjustments	Total adjustments	
		A	B	C	D	E	F	G = D+E+F	H = A+B +C+G
Revenue from operations		838.93	104.65	49.90	-	-	-	-	993.48
Other income		48.06	0.13	-	-	-	-	-	48.19
Total income		**886.99**	**104.78**	**49.90**	**-**	**-**	**-**	**-**	**1,041.67**
Expenses									
Purchase of content		45.06	-	-	-	-	-	-	45.06
Production Expense		-	-	4.74	-	-	-	-	4.74
Advertising Cost		236.88	-	-	-	-	-	-	236.88
Employee benefit expenses	**4 B (1)**	152.43	5.14	11.84	-	74.22	-	74.22	243.63
Finance Costs		-	0.03	2.29	-	-	-	-	2.32
Other expenses	**4 B (2)**	136.67	75.58	6.50	-	17.08	-	17.08	235.83
Depreciation and amortisation expense		5.95	0.49	5.20	-	-	-	-	11.64
Total expenses		**576.99**	**81.24**	**30.57**	**-**	**91.30**	**-**	**91.30**	**780.10**
Profit before tax		**310.00**	**23.54**	**19.33**	**-**	**(91.30)**	**-**	**(91.30)**	**261.57**
Tax expenses									
Current tax		106.66	6.53	3.94	-	-	-	-	117.13
Deferred tax charge / (credit)		4.57	(0.05)	(5.73)	-	-	-	-	(1.21)
Total tax expense		**111.23**	**6.48**	**(1.79)**	**-**	**-**	**-**	**-**	**115.92**
Profit / (loss) after taxation		**198.77**	**17.06**	**21.12**	**-**	**(91.30)**	**-**	**(91.30)**	**145.65**
Share of (loss) from associates		**(0.32)**	-	-	-	-	-	-	**(0.32)**
Restated profit for the period/year		**198.45**	**17.06**	**21.12**	**-**	**(91.30)**	**-**	**(91.30)**	**145.33**
Proforma Earning Per share (EPS)									
Basic									
Weighted average no of share (EPS)									26,972,619
EPS (Rs.)									5.39
Diluted									
Weighted average no of share (EPS)									27,429,736
EPS (Rs.)									5.30

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Notes to the proforma financial information as at and for the year ended March 31, 2017 and the six months ended September 30, 2017

1. Background

Nazara Technologies Limited ('the Company' or 'Holding Company') was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/download of games / other contents through telecom consumer base in India and worldwide and digital advertising services. On 13th December 2017, the Company has converted from a Private Company to Public Company consequent to which the name has been changed from Nazara Technologies Private Limited to Nazara Technologies Limited.

The Holding Company along with its subsidiary companies is hereinafter collectively referred to as the 'Group'.

On 22nd December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited ("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220.00 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80.00 million, issued by NextWave for cash, aggregating to total cash consideration of Rs. 300 million. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity shares of the Company of Rs.10 each fully paid valued at Rs. 6,834 per share aggregating to Rs. 22.22 million.

On 10th January 2018, the Company has invested Rs. 767.68 million for 54.99% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in eSports in India. The Company has made this investment by subscribing 3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and by acquiring 3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 753,854 equity Shares of the Company of Rs. 4/- each fully paid valued at Rs. 547 per share aggregating to Rs. 412.36 million.

Nextwave and Nodwin have become subsidiaries of the Company with effect from 22nd December 2017 and 10th January 2018 respectively.

The proforma financial information has been prepared by the Management of the Company in accordance with the requirements of clause (23) of point (IX) (B) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") to reflect the impact of a significant acquisitions made after the date of the latest annual audited financial statements of the Company, viz., March 31, 2017.

2. Basis of Preparation

The proforma financial information of the Company comprising the consolidated proforma balance sheet as at September 30, 2017 and as at March 31, 2017, the consolidated proforma statement of profit and loss for the six months period ended September 30, 2017 and for the year ended March 31, 2017, read with the notes to the proforma financial information, has been prepared to reflect acquisition of Nodwin and Nextwave. Because of their nature, the proforma financial information addresses a hypothetical situation and therefore, do not represent Nazara's actual consolidated financial position as at September 30, 2017 and March 31, 2017 nor does it represent Nazara's consolidated financial results for the six months ended September 30, 2017 and year ended March 31, 2017. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year/ period end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of Nazara.

As explained in the following paragraphs, the proforma consolidated balance sheet as at September 30, 2017 and March 31, 2017 has been prepared to reflect the acquisition by Nazara of Nodwin and Nextwave as of September 30, 2017 and March 31, 2017 as if acquisition happened on September 30, 2017 and March 31, 2017 respectively. The proforma consolidated statement of profit and loss account for the six months ended September 30, 2017 and the year ended March 31, 2017 combine the consolidated financial statements of the Group, Nodwin and Nextwave for the aforesaid period as if the acquisition occurred on April 01, 2017 and April 01, 2016 respectively. The financial year-end of the Company and that of Nodwin and Nextwave is March 31. The adjustments made to the proforma financial information are included in the below note 3 and 4.

The proforma financial information is based on:

a) the restated consolidated balance sheet of the Group as at September 30, 2017 and March 31, 2017 and the restated consolidated profit and loss of the Group for the six months ended September 30, 2017 and for the years ended March 31, 2017;

b) the audited financial statements of Nodwin and Nextwave prepared in accordance with Indian GAAP as at and for the six months ended September 30, 2017 and as at and for the year ended March 31, 2017 on which other firms of accountants have expressed an unmodified audit opinion in their reports dated October 12, 2017 and September 04, 2017 respectively for Nodwin and December 19, 2017 and September 01, 2017 respectively for Nextwave.

The audited financial statements of Nodwin and Nextwave have been prepared as per Indian GAAP and adjusted to comply with Nazara group accounting policies in all material aspects (collectively referred to as "Group accounting policies" as appearing in Consolidated restated summary statement). Nextwave follows an accounting policy of capitalizing internally generated intangible assets which meets the criteria of Intangible assets as it is an identifiable assets that generate the probable future economic benefits and the cost can be measured reliably. These are amortised equally over a period of 5 years. Following is their accounting policy on capitalization and amortisation:

Cost of internally generated intangible games are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred unless it is towards capitalized development cost.

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Notes to the proforma financial information as at and for the year ended March 31, 2017 and the six months ended September 30, 2017

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of ten years. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

The Company amortises internally generated games over period of 5 years.

The proforma adjustments listed in the consolidated proforma balance sheet and consolidated proforma statement of profit and loss are based upon available information and assumptions that the management of Nazara believes to be reasonable. Such proforma financial information has not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma financial information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these proforma financial statements.

3. Proforma adjustment related to accounting policies

Property, plant and equipment of Rs 55.34 recognised in the financial statements for the six month ended September 30, 2017 and Rs 48.04 million for the year ended March 31, 2017 of Nextwave represents internally generated intangible assets and intangible assets under development. Hence same has been reclassified in the proforma balance sheet as intangible assets and intanible assets under development.

4. Proforma adjustments related to acquisition

A The following adjustments have been made to proforma balance sheet:

1. Shareholder’s fund after issuance of fresh equity shares to the shareholders of Nextwave, Nodwin and other shareholders are as under:

	September 30, 2017		March 31, 2017	
Particulars	**Share capital**	**Reserve and surplus**	**Share capital**	**Reserve and surplus**
Shareholder's fund of Nazara	19.89	2,097.25	19.89	2,144.31
Shareholder's fund of Nodwin and Nextwave	3.00	83.66	3.00	45.06
Total shareholder’s fund	22.89	2,180.91	22.89	2,189.37
Fresh issuance of equity shares	8.30	1,191.59	8.30	1,191.59
Cancellation of Nodwin and Nextwave shareholder’s fund	(3.00)	(83.66)	(3.00)	(45.06)
Net change in shareholder's fund	5.30	1,107.93	5.30	1,146.53
Total shareholder's funds	28.19	3,288.84	28.19	3,335.90

2. While preparing the proforma consolidated balance sheet, the acquisition of Nodwin and Nextwave was assumed to have taken place at September 30, 2017 and as at March 31, 2017. The goodwill and minority interest has been calculated based on the balance sheet of Nodwin and Nextwave at September 30, 2017 and as at March 31, 2017 after giving effect to the adjustments described in note 3 above and explained as under.

		March 31, 2017			September 30, 2017		
Particulars		**Nodwin**	**Nextwave**	**Total**	**Nodwin**	**Nextwave**	**Total**
Cost of Investment	A	767.68	322.22	1,089.90	767.68	322.22	1,089.90
Net worth as at date of acquisition after considering capital infusion by Nazara	B	367.06	116.32	483.38	384.11	137.87	521.98
% Stake acquired	C	54.99%	52.38%		54.99%	52.38%	
Share of net worth	D=B*C	201.84	60.93	262.77	211.21	72.22	283.43
Goodwill on consolidation	E=A-D	565.84	261.29	827.14	556.47	250.01	806.48
Minority Interest	F=B-D	165.22	55.39	220.62	172.90	65.66	238.55

3. The cash considerations for Nextwave of Rs 300 million paid have been discharged by availing short term borrowings of 300 million. Further, the Company has raised Rs.765.31 million from issue of 13,12,405 equity shares of Rs. 4 each which comprised of issue of 485,018 equity shares of Rs.4 each at Rs. 547 per share to Turtle Entertainment GmBH (“ESL”) for Rs. 265.30 million and preferential issue of 827,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for Rs. 500 million. Out of these proceeds, the Company has discharged to Rs. 300 million repaid to short term borrowings and Rs.355.32 million as cash consideration to Nodwin.

4. Of the proceeds from issue of shares, Nextwave has repaid borrowings from an investor after September 30, 2017 which has outstanding balance of Rs 12.86 million and Rs 9.62 million at March 31, 2017 and September 30, 2017 and hence, the Company has reflected this as an Acquisition related adjustment as on as on March 31, 2017 and September 30, 2017.

5. The net increase of Rs 532.45 million and Rs 535.69 million as at March 31, 2017 and September 30, 2017 in cash and bank balance is on account of proceeds from the issue of equity shares to outside parties, availing and repayment of short term borrowings, repayment of loan by Nextwave and discharge of purchase consideration in cash by Nazara to Nextwave and Nodwin considering that all the above transaction have been consummated at March 31, 2017 and September 30, 2017 respectively.

Notes to the proforma financial information as at and for the year ended March 31, 2017 and the six months ended September 30, 2017

6. On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs. 10/- each into 2.5 fully paid up equity share having face value of Rs. 4/- each. Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held).

   However, the Company has not given effect of sub division of shares and bonus shares to existing share capital and shares issued to Nextwave shareholders (Refer note 4.A.1 above) in the proforma consolidated balance sheet at September 30, 2017 and March 31, 2017.

B The following proforma adjustments have been made to proforma statement of profit and loss:

1. In December 2017, Nazara has entered into revised employment arrangements with the Chief Executive Officer and Chief Operating Officer of Nextwave, whereby share options of Nazara are granted on December 22, 2017 with a vesting period of 12 months representing 5,62,733 shares respectively at an excercise price of Rs. 283 per share. Fair value of shares on the date of grant is Rs. 547 per share.

   Accordingly, an amount of Rs. 74.22 million and Rs. 148.45 million respectively for the six months ended September 30, 2017 and for the year ended March 31, 2017 at intrinisic value of Rs. 264 per share has been recognized in the statement of profit and loss account as share based payments to employees in the proforma consolidated statement of profit and loss for the six months period ended September 30,2017 and for the year ended March 31, 2017 as the share based arrangement is entered for the post-employment services assuming that the options are granted at the beginning of the reporting period.

2. Acquisition charges incurred by Nextwave of Rs 13.68 million and by Nodwin of Rs 3.4 million and have been recognized for the six months ended September 30,2017 and March 31, 2017 considering that those have been incurred during the year ended March 31, 2017 and six months ended September 30, 2017.

   On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held).

   Consequently, the earnings per share calculations have also been presented assuming that the new shares have been issued at the beginning of the year/ period and after considering effect of subdivision of shares and bonus shares.

   Other than as mentioned above, no additional adjustments have been made to the consolidated proforma balance sheet or statement of profit and loss to reflect any other transactions of the Company entered into subsequent to September 30, 2017 and March 31, 2017 respectively.

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain Chairman Cum Managing Director DIN-00156740	**Nitish Mittersain** Managing Director DIN-02347434
Rakesh Shah Chief Financial Officer Place of Signature: Mumbai Date: January 17, 2018	**Vinav Agarwal** Company Secretary Place of Signature: Mumbai Date: January 17, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements beginning on page 190, including the schedules, annexures and notes thereto, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations, included in the section "Financial Statements" beginning on page 190. Unless otherwise stated, the financial information used in this section is derived from the Restated Consolidated Financial Statements.

Further, our Company is required to prepare annual and interim financial statements under Ind AS from financial year 2018, as required under Section 133 of the Companies Act 2013 read with Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016. For a discussion on our Ind AS Financial Statements included in this Draft Red Herring Prospectus, see "Financial Statements" beginning on page 190. Given that Ind AS is different in many respects from Indian GAAP, our financial statements for the period commencing from April 1, 2016 may not be comparable to our Indian GAAP financial statements.

See "Risk Factors - Public companies in India, including us, are required to prepare financial statements under Ind AS and compute Income Tax under ICDS. The transition to Ind AS and ICDS in India is very recent and we may be negatively affected by such transition.", "Risk Factors - Our Special Purpose Consolidated Financial Statements and Special Purpose Unconsolidated Financial Statements included in this Draft Red Herring Prospectus are subject to change and investors should read the Ind AS related disclosure in this context." and "Summary of Certain Significant Differences between Indian GAAP and Ind AS" on pages 41 and 420, respectively, of this Draft Red Herring Prospectus.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections "Forward Looking Statements" and "Risk Factors" on page 15 and page 17, respectively.

In this section, unless the context otherwise requires, a reference to "we", "us", "our" or "the Company" is a reference to our Company and our Subsidiaries.

Overview

We are one of the leading mobile games companies headquartered in Mumbai, which is engaged in acquisition of, value addition to and distribution, of mobile games across emerging markets such as India, Middle East, Africa, South East Asia and Latin America. Our operations comprise of our Subscription Business, Freemium Business and esports business.

Our subscription services were accessed by 130.43 million monthly visitors from 61 countries across emerging markets, and over 4.08 million paying users subscribed to our subscription services, and downloaded over 37.62 million games, in September 2017. As a part of our in-house Freemium Business, we had 44.49 million downloads until September, 2017 in calendar year 2017 and 19.34 million downloads in calendar year 2016. Our recently acquired Subsidiary, Next Wave had 64.30 million downloads in calendar year 2017, until September 2017 and 42.02 million downloads in calendar year 2016. Our Company's in-house monthly active users (MAUs) in September 2017, were 8.66 million as compared to 2.79 million MAUs in September 2016, across our network of games on the Google Play Store and App Store. Next Wave's MAUs in September 2017 were 11.02 million as compared to 5.98 million MAUs in September 2016, across its World Cricket Championship franchise. Further, our recently acquired Subsidiary, Nodwin Gaming is a pioneer in esports in India with established relationships with global gaming publishers and platforms including market leaders such as ESL, the biggest esports organizer in the world and Valve Corporation. *(Source: Frost & Sullivan Report*)

Our Subscription Business is focussed on mass mobile internet users in the emerging markets, comprising largely of first time mobile gamers. In light of the low propensity of gamers to pay for online content in many of our markets, our Company has tailored its product offerings to deliver maximum value for gamers at affordable price points. The "sachet pricing" strategy in our Subscription Business allows gamers to access our entire catalogue of over 1,000 android games, upon signing up for a daily, weekly or monthly subscription. Billing for our Subscription Business is channelled through telecom operators (carrier billing), which has eased the payment process for gamers and collection of revenue by us. As on September 30, 2017, we were offering our Subscription Business services through 113 telecom operators in 61 countries, including but not limited to Airtel, Vodafone and Idea in India; and Etisalat and Ooredo in the Middle East.

We believe that our Subscription Business has a lean operating cost model and a highly optimised consumer acquisition strategy, which has enabled us to consistently generate returns from low Average Revenue Paying User (ARPU) telecom subscribers, across emerging markets. For Financial Year 2017, and in the six month ended September 30, 2017, as per our Restated Consolidated Financial Statements, revenue from subscription/ download of games/other contents was ₹1,861.75 million and ₹807.70 million, respectively.

As part of our in-house Freemium Business, we believe that our ability to understand local gamer behaviour in designing games and innovatively incorporating local, licensed, intellectual property to drive the growth of our network of games is one of our key strengths. Our localised gamer insights are reflected in the popularity of some of our mobile games on the Google Play Store, such as, 'World Cricket Championship 2', 'Chhota Bheem Race', and 'Motu Patlu Game'. Our games have consistently been part of the top three games on the top free charts on the Google Play Store ahead of certain globally established names such as Candy Crush, Subway Surfer and Temple Run (*Source: Frost & Sullivan Report*). In nine of the first 10 months of calendar year 2017, nine of our Company's in-house games have been ranked among the top three games by downloads on the top free charts on the Google Play Store. For Financial Year 2017, and in the six month ended September 30, 2017, As per our Restated Consolidated Financial Statements our in house, Freemium Business had revenue from advertising services of ₹39.83 million and ₹31.23 million, respectively. Further, our recently acquired Subsidiary, Next Wave registered a total income of ₹87.11 million and ₹49.90 million in Financial Year 2017 and in the six month ended September 30, 2017, respectively, on a consolidated basis.

We believe that Nodwin Gaming is one of the leading enablers in the Indian esports market with a first mover advantage. In addition to hosting and managing IP based gaming events such as, the ESL India Premiership and Dew Arena by ESL, Nodwin Gaming also partners with other brands to create multiple gaming events intellectual properties in India, such as Mountain Dew Arena, Indian Gaming Show and Asus ROG Masters. Further, Nodwin Gaming contributed 53.37% or over ₹10.00 million of the cumulative Indian prize pool for esports, in calendar year 2017. *(Source: Frost & Sullivan Report*) For Financial Year 2017, and in the six month ended September 30, 2017, Nodwin Gaming had a total income of ₹90.41 million and ₹104.78 million, respectively, on a consolidated basis.

The Indian games market with an estimated US$0.7 billion in total revenue in Financial Year 2017, is dominated by mobile gaming and is forecast to grow very strongly, reaching US$3.5 billion in 2021, almost entirely driven by growth in mobile gaming revenue. Further, the rapidly increasing smartphone penetration will boost the number of mobile gamers, driving growth in the overall number of gamers. In terms of download volume of mobile games from Google Play and Apple's AppStore, India is already one of the leading countries in the world in Financial Year 2017. A strong revenue growth will therefore almost certainly follow in the coming years. (*Source: Frost & Sullivan Report*)

With the background of the expected growth in the mobile games market, we believe that we are well poised to exploit the large opportunity in gaming across our Subscription Business, Freemium Business and esports businesses, in emerging markets by leveraging our established presence across 61 countries, as on September 30, 2017, localised gamer insights and proven monetisation abilities. Further, to provide an impetus to our operations, our Company has made investments in synergistic game development companies, whereby our Company provides financial assistance, through investments to indigenous game developers and small game studios to bring their game ideas into reality.

Our growth is driven by the efforts of Vikash Mittersain and Nitish Mittersain, our Promoters, who have over 15 years of experience in the mobile entertainment/ gaming industry, our CEO Manish Agarwal who has been associated with our Company since 2015 and has approximately 18 years of experience in various fields including the gaming space and marketing, and our experienced team of young professionals who play an active role in the business operations of our Company.

Our revenue from operations, as per our Restated Consolidated Financial Statements for Financial Years 2015, 2016 and 2017, and in the six month ended September 30, 2017, was ₹1,529.75 million, ₹2,111.63 million, ₹1,901.58 million, and ₹838.93 million, respectively, and our restated profit for Financial Years 2015, 2016 and 2017 and in the six month ended September 30, 2017, was ₹590.96 million, ₹645.21 million, ₹597.20 million and ₹198.45, respectively. The decline in our restated profit for the six month ended September 30, 2017, reflects the impact of one time employee benefit expenses for implementation of the ESOP 2016, and payment of tax on dividend income from our Subsidiaries in Dubai and Singapore into India. Our Company has consistently remained debt free, and as of Financial Years 2015, 2016 and 2017 and the six month ended September 30, 2017, as per our Restated Consolidated Financial Statements, our Company had cash and bank balances and current investments of ₹866.22 million, ₹1,291.58 million, ₹1,794.62 million and ₹1,596.75 million. Our Company has recorded 37.24% ROCE and 27.59% ROE, in Financial Year 2017, signifying a stellar performance in terms of profitability. (*Source: Frost & Sullivan Report*)

Acquisition of Next Wave

Pursuant to the investment agreement dated December 12, 2017 our Company acquired 52.38% shareholding in Next Wave, which is involved in the business of designing, marketing and publishing freemium games on app stores. Further, our Company will be required to purchase shares from the founders of Next Wave, if the profit after tax of Next Wave for Financial Year 2019 is atleast 70.00% of the threshold set out under the investment agreement. In such an event our Company shall purchase shares of Next Wave from the founders, based on the valuation set out under the investment agreement, for a purchase consideration, as determined pursuant the formula under the investment agreement. However, such purchase consideration shall not exceed ₹100.00 million.

Similarly, our Company will be required to purchase additional shares from the founders of Next Wave, if the profit after tax of Next Wave for Financial Year 2020 is atleast 70.00% of the threshold set out under the investment agreement. In such an event our Company shall purchase shares of Next Wave from the founders, based on the valuation set out under the investment agreement, for a purchase consideration, as determined pursuant the formula under the investment agreement. However, such purchase consideration shall also not exceed ₹100.00 million.

The founders of Next Wave, P.R. Rajendran and P.R. Jayashree have each executed an employment with Next Wave, and have agreed to continue with Next Wave and be responsible for its day to day operations. Further our Company has the right to appoint a majority of directors on the Board of Next Wave.

Next Wave Proforma Financial Information

The consolidated total income of Next Wave for Financial Year 2017 and for the six month ended September 30, 2017 was ₹87.11 million and ₹49.90 million, respectively, and the consolidated profit after tax for Financial Year 2017 and for the six month ended September 30, 2017 was ₹23.06 million and ₹21.12 million, respectively.

Acquisition of Nodwin Gaming

Pursuant to the investment agreement dated January 2, 2018, our Company acquired 54.99% shareholding in Nodwin Gaming, which is one of the leading enablers in the Indian esports market *(Frost & Sullivan Report*) with strong relationships with global game publishers and global esports platforms. Pursuant to the investment agreement, our Company has the right to purchase upto the entire shareholding of Good Game Investment Trust and Jetsynthesys Private Limited at a price per share equal to fair market value of the shares, between June 1, 2022 and June 30, 2022.

The founders of Nodwin Gaming, Akshat Rathee and Gautam Virk, have each executed an employment agreement and have agreed to continue with Nodwin Gaming in the capacity of managing director and chief content officer, respectively, and to be responsible for its day to day operations. Further our Company has the right to appoint a majority of directors on the Board of Nodwin Gaming.

Nodwin Gaming Proforma Financial Information

The consolidated total income of Nodwin Gaming for Financial Year 2017 and for the six month ended September 30, 2017 was ₹90.41 million and ₹104.78 million, respectively, and the consolidated profit after tax for Financial Year 2017 and for the six months ended September 30, 2017 was ₹6.76 million and ₹17.06 million, respectively.

To assist in understanding the acquisition and consolidation of Next Wave and Nodwin Gaming, we have prepared Proforma Financial Statements on a consolidated basis for Financial Year 2017 and the six month ended September 30, 2017, which are set forth in the section "*Proforma Financial Statements*" on page 388. Our Proforma Financial Statements have been prepared in accordance with the requirements of paragraph 23 of item (IX)(B) of Schedule VIII of the SEBI ICDR Regulations, as amended to date issued by the SEBI, on the basis of the assumptions set forth in the notes to the Proforma Financial Statements. Accordingly, our Proforma Financial

Statements are illustrative only and should not be taken as an indication of the financial impact of consolidation of Next Wave or Nodwin Gaming or our future results of operation, cash flows and financial condition.

Our Proforma Financial Statements have not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such pro forma information should be limited. In addition, the rules and regulations related to the preparation of pro forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in our Notes to the Proforma Financial Statements.

Significant factors affecting our results of operations

We believe that the following factors have significantly affected our results of operations and financial condition during the period under review, and may continue to affect our results of operations and financial condition in the future.

Change in telecom policies impacting revenue sharing and payment flows in our Subscription Business

A significant portion of our revenue is derived from our Subscription Business, which comprises of providing access to our catalogue of content to our subscribers, through our arrangements with our telecom partners. Our revenue derived from our Subscription Business is categorised as revenue from subscription/ download of mobile games/other contents in the Restated Financial Statements. Our Subscription Business is operated in partnership with over 113 telecom operators, with whom we have executed agreements pursuant to which, we provide our content to the telecom operators on a non-exclusive basis, in specified territories, which is then provided to the subscribers of the telecom operators, upon subscription to our services.

The telecom operators have the obligation to manage billing for our subscription services, once their subscribers opt to subscribe to our subscription content. Pursuant to the agreements, the revenue from our subscription services is shared between our Company and the telecom operator, and payment by the telecom operator to our Company is made on a monthly basis. The term of agreements executed with our partner telecom operators ranges between 1 year to 3 years. Our revenue share pursuant to our agreements with our telecom partners determines our revenue, payment flows and our results of operations.

Pursuant to our agreements, our telecom partners may have the right to re-negotiate the commercials at any point of time during the term of the agreement or discontinue with the subscription services provided by us at any time for reasons attributable to non-viability of the business proposition of our services or there not being enough market acceptance of our services. Further, a change in legislations applicable to such telecom operators in relation to our Subscription Business, may restrict the ability of our telecom partners to continue the agreements for subscription services with us. Accordingly, our revenue from subscription services may fluctuate based on the terms of our arrangements with our telecom partners, and our payment flows maybe different from our management estimates.

Change in telecom policies by the telecom regulator impacting revenue sharing and payment flows in our Subscription Business

The telecom industry in the countries where we operate is dependent on the telecom legislations and policies of telecom regulators. The telecom regulators of respective countries, *inter alia*, have the authority to promulgate laws, or rules in relation to operations of telecom operators, including in relation to the process of activation or renewals of subscriptions, data security and tariffs charged by telecom operators. Given that the telecom industry is heavily regulated, telecom operators are required to adhere to such, laws and rules framed by the regulatory authority. Any such changes in the telecom legislation or rules issued by telecom operators may restrict the ability of our telecom partners to continue the agreements for subscription services with us, on favourable terms or at all. Accordingly, our revenue from subscription services may fluctuate based on the terms of our arrangements with our telecom partners, and our payment flows maybe different from our management estimates.

Ability to optimise customer acquisition and content cost and maintain gross margins in our Subscription Business

Customer acquisition which is one of the key drivers of our Subscription Business, is primarily driven by our arrangements with global and local advertisement networks and strategic partnerships with telecom operators. Our arrangements with advertisement networks provide for a revenue sharing arrangement based on cost per click or cost per acquisition of subscribers. Accordingly, our Company makes payment to the advertisement network, in accordance with the pre-agreed formula based on either the number of clicks on the advertisement banners or the number of subscribers acquired by us.

Advertising cost accounts for a majority of our total expenses. For the Financial Years 2015, 2016 and 2017 and for the six month ended September 30, 2017, our advertising cost was 48.45%, 47.85%, 41.01%, 41.05% of the total expenses for the respective time period and was 26.29%, 30.93%, 27.84%, 28.24% of the revenue from operations for the respective period. With the aim of optimizing our advertisement network revenue, we have an internal system to analyse the success of advertisement networks based on which we continue or terminate our agreements with advertisement networks.

Further, our Subscription Business is primarily operated in emerging markets, which exhibits certain customer preferences. For instance, the mass mobile internet user segment in India is characterised by low ARPU, predominance of prepaid phone connections and small talktime balance *(Source: Frost & Sullivan Report*). We believe, that given the small talktime balance of prepaid phone users, they are averse to paying per game download and prefer downloading a bouquet offering of games which gives them a comfort of liking a few amongst the many offered.

We also keep our content cost low by sourcing games with simple game mechanics, with limited or no text, and generic characters which do not need to be localised, through content aggregators for the Subscription Business. We believe that all of these factors have enabled us to achieve sustainable profitability by monitoring and maintaining our customer acquisition cost and content cost given the low propensity to pay of customers in the emerging markets. Our ability to continue to maintain the balance between our customer acquisition costs and content costs will determine our future growth, sustainable profitability and success, for positive results of operations and financial condition.

Maintaining relationships with telecom partners

Our Subscription Business is operated in partnership with over 113 telecom operators, having the obligation to manage billing for our subscription services, once their subscribers opt to subscribe to our subscription content. While we have long-standing relationships with our telecom partners, it remains key for us to maintain our relationships with our telecom partners.

In the past our ability to generate revenue from our Subscription Business has ensured that telecom operators are forthcoming to develop partnerships with our Company. However, it is difficult for us to predict whether factors such as changes in the policies of telecom operators, changes in laws applicable to telecom operators, or a fall in our customer acquisition, would impact our ability to renew and continue our relationships with telecom operators. Further, while our long standing relationships with our telecom partners in certain geographies, and our track record of generating returns for the telecom operators provides us the ability to approach new telecom operators to set up new partnerships in new geographies and scale our operations with ease, the same may differ from region to region, based on, *inter alia*, our ability to predict the consumer behaviour and generate returns from our Subscription Business.

Continuing to license popular local intellectual property and brands for our Freemium Business

As part of our Freemium Business, we believe that our ability to understand local gamer behaviour in designing games and innovatively incorporating local, licensed, intellectual property to drive the growth of our network of games is one of our key strengths. Based on our experience in our Freemium Business, we believe that casual gamers on Google Play Store or App store prefer playing games made with relatable game mechanics, art styles and characters. Accordingly, our freemium game offerings include mobile games with simple graphics focussed on children under the age of 11 years incorporating brands, such as Chhota Bheem, Motupatlu, Shikari Shambhu, Suppandi and Mighty Raju and cricket mobile game offerings, such as RCB Star Cricket to provide localised content by customising our mobile game offerings in partnership with developers with proven track record.

We continuously check the entertainment market for any key brands or intellectual property that is popular and successful, syndicate such brands and intellectual property in our mobile games offerings and further co-develop games, based on our market analysis and research. In order to customise our games for local brands and intellectual properties, we license intellectual property rights, on an exclusive or non-exclusive basis, whereby the licensor grants our Company, a license to use the intellectual property in our games and other content, provided to end users through our gaming platforms. We are required to pay to the licensor a fixed licensing fee, payable at milestones specified in the agreement, and a share in the revenues generated from the games developed using the licensed intellectual property.

Our ability to continue to provide freemium game offerings incorporating local, popular, licensed brands and intellectual property in our mobile game offerings, is dependent on our ability to continue to license popular local intellectual property and brands at favourable terms. However, it is difficult for us to predict the availability and popularity of the intellectual property and brands licensed by us for our Freemium Business.

Maintaining relationships with app stores for our Freemium Business

Our freemium mobile games are offered through leading app stores including, the Google Play Store and App Store. Monetisation in our Freemium Business is undertaken through in app purchases and advertisement revenues, which are routed to our Company through such app stores. While we have successfully maintained our relationship with such app stores, our ability to sustain these arrangements would determine the popularity of our freemium mobile games and growth in the revenue from our Freemium Business. Further, maintenance of such relationships is also dependent on our ability to keep up with any changes or advancements in technology used by such app stores, which is difficult to predict with certainty.

Significant accounting policies

Our critical accounting estimates are those that we believe are the most important to the portrayal of our financial condition and results of operations and that require our management's most difficult, subjective or complex judgments. In many cases, the accounting treatment of a particular transaction is specifically dedicated by applicable accounting policies with no need for the application of our judgment. In certain circumstances, however, the preparation of financial statements in conformity with applicable accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. We base our estimates on historical experience and on various other assumptions that our management believes are reasonable under the circumstances. However, critical accounting estimates are reflective of significant judgments and uncertainties and are sufficiently sensitive to result in materially different results under different assumptions and conditions. We believe that our critical accounting estimates are those described below.

Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated interim statement of profit and loss when the asset is derecognised.

We identify and determine cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to us and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated interim statement of profit or loss during the reporting period in which they are incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realisable value. Any write-down is recognised in the consolidated interim statement of profit and loss.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. We have used the following useful lives to provide depreciation on its property, plant and equipment.

Property, plant and equipment	**For the period ended September 2017 and for each of the years ended March 31, 2017, 2016 and 2015**		**For each of the years ended March 31, 2014 and 2013**	
	Useful lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	**Useful lives estimated by the management from April 1, 2014 onwards**	**Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31, 2014**	**Depreciation rates as per useful lives as estimated by the management till March 31, 2014**
Furniture and fixtures	10 years	5 years	16 years	5 years
Computer and Printers	3 years	3 years	6 years	3 years
Office equipment	5 years	3 to 4 years	7 years	3 years
Motor Car	8 years	3 years	11 years	3 years

Based on the internal technical evaluation, we have considered useful lives as mentioned above instead of the revised useful life as prescribed under Schedule II of the Companies Act, 2013.

We depreciate leasehold improvements over the shorter of estimated useful life of assets and lease term of the premises.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life.

We use a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, we amortise the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 Net profit or loss for the period, prior period items and changes in accounting policies.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated interim statement of profit and loss when the asset is derecognised.

Impairment of fixed assets

We assess at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, we estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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 the risks specific to the asset.

Leases

Where we are the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated interim statement of profit and loss on a straight-line basis over the lease term.

Investments

Investments, which are readily realisable 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the consolidated interim financial statements 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 consolidated interim statement of profit and loss.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(i) Income from services

- Revenue from subscription/ download of mobile games/other contents is recognised in the period in which services are rendered as per the contract with operators and content distributors.

- Revenue from advertising services is recognised in the period in which advertisings are displayed.

(ii) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the consolidated statement of profit and loss.

(iii) Dividends

Dividend income is recognised when our right to receive dividend is established by the reporting date.

Foreign currency translation

(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.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting our monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

Translation of foreign operations

Translation of foreign subsidiaries are done in accordance with AS-11 (Revised) "The effect of changes in foreign exchange rates". The financial statements of integrated 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 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 we operate. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects 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 reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where hawse have unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, we re-assess unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. We write-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.

Provisions

A provision is recognised when our Company 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 of the amount of obligation. Provisions except for provision for decommission, restoration and similar liabilities that are recognised as cost of property, plant and equipment 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.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond our control or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. We do not recognise a contingent liability but discloses its existence in the consolidated interim financial statements.

Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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.

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. We measure 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.

Corporate Social responsibility

Corporate social responsibility expense is recognised as it is incurred by us or when we have entered into any legal or constructive obligation for incurring such an expense.

Segment reporting

(i) Identification of segments

Our operating businesses are organised and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(ii) Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

(iii) Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

(iv) Segment accounting policies

We prepare our segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated interim financial statements of our Company as a whole.

Retirement and other employee benefits

The Parent Company has retirement benefits in the form of provident fund, a defined contribution scheme. The Parent Company has no obligation, other than the contribution payable to the provident fund. The Parent Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

The costs of providing benefits under gratuity benefit plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for a plan using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the consolidated interim statement of profit and loss.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Parent Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Derivative instruments

Premium/discount in respect of forward foreign exchange contract to hedge an underlying recorded asset or liability is recognised over the life of the contracts. Exchange differences on such contracts are recognised in the consolidated statement of profit and loss in the year in which the exchange rate changes. Any profit or loss on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

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.

Principle components of income and expenditure

Income

Revenue from operations

Our revenue from operations comprises:

(a) revenue from subscription/ download of mobile games/other contents; and

(b) revenues from advertising services;

A majority of our revenue in these segments arises from our revenue share in the arrangements with our telecom partners for providing our subscription services to our subscribers. Revenue derived from our subscription business is categorised as revenue from subscription/ download of mobile games/other contents in the Restated Financial Statements. Revenue from advertising services arises from payments received by our Company from various advertisement networks for including advertisements in our freemium games, which are available on leading app stores.

In Financial Years 2015, 2016 and 2017 and for the six month ended September 30, 2017, revenue from subscription/ download of mobile games/other contents contributed 100.00%, 98.60%, 97.91% and 96.28% of our revenue from operations.

Total Other income

Total other income primarily includes interest income, dividend income, net gain on sale of current investments, sundry expenses written back, provision for doubtful debts written back and other income.

Expenses

Total expenses includes (i) purchase of content, (ii) advertising cost, (iii) employee benefit expenses, (iv) other expenses; and (v) depreciation and amortisation expense.

Purchase of content

Purchase of content represents the cost of acquisition of content, including over 1,000 games, videos and pictures, from content aggregators in the subscription/ download of games/other contents, and cost of licensing popular intellectual property and brands, and the cost of development of our freemium games. In Financial Years 2015, 2016 and 2017 and for the six month ended September 30, 2017, our purchase of content cost was ₹70.56 million, ₹111.05 million, ₹107.32 million and ₹45.06 million, respectively, which constituted 4.47%, 5.07%, 5.40% and 5.08% of our total income, respectively. Our purchase of content cost has remained constant over the last three Financial Years.

Advertising Cost

Our advertising cost represents the cost, paid by us to advertisement networks in accordance with our arrangements with advertisement networks, based on cost per click or cost per acquisition of subscribers. With the aim of optimizing our advertisement network revenue, we have an internal system to analyse the success of advertisement networks based on which we continue or terminate our agreements with advertisement networks. In Financial Years 2015, 2016 and 2017 and for the six month ended September 30, 2017, our advertising cost was ₹402.18 million, ₹653.20 million, ₹529.43 million and ₹236.88 million, respectively, which constituted 25.49%, 29.83%, 26.62% and 26.71% of our total income, respectively.

Employee benefits expenses

Employee benefits s includes salaries, bonus and allowances, expense on employee stock option scheme, contribution to provident fund and other funds, gratuity expenses and staff welfare expenses relating to our employees.

Other Expenses

Other expenses primarily include revenue share on subscription/ download of mobile games/other contents paid by our Company to our telecom partners for our Subscription Business, server charges for operation and maintenance of our servers for our operations, rent expenses for leasing our office premises and loss arising from exchange fluctuation.

Results of Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Particular	Fiscal						Six month ended September 30, 2017	
	2015		2016		2017			
	(₹ In million)	Percentage of total revenue	(₹ In million)	Percentage of total revenue	(₹ In million)	Percentage of total revenue	(₹ In million)	Percentage of total revenue
Income								
Revenue from Operations	1,529.75	96.97%	2,111.63	96.42%	1,901.58	95.60%	838.93	94.58%
Other income	47.77	3.03%	78.43	3.58%	87.60	4.40%	48.06	5.42%
Total Income	**1,577.52**	**100.00%**	**2,190.06**	**100.00%**	**1,989.18**	**100.00%**	**886.99**	**100.00%**
Expenses								
Purchase of content	70.56	4.47%	111.05	5.07%	107.32	5.40%	45.06	5.08%
Advertising Cost	402.18	25.49%	653.20	29.83%	529.43	26.62%	236.88	26.71%
Employee benefit expenses	135.76	8.61%	232.38	10.61%	238.64	12.00%	152.43	17.19%
Other expenses	213.59	13.54%	358.84	16.38%	404.13	20.32%	136.67	15.41%
Depreciation and amortisation expense	7.95	0.50%	9.50	0.43%	11.58	0.58%	5.95	0.67%
Total Expenses	**830.04**	**52.62%**	**1,364.97**	**62.33%**	**1,291.10**	**64.91%**	**576.99**	**65.05%**
Restated Profit before Tax	747.48	47.38%	825.09	37.67%	698.08	35.09%	310.00	34.95%
Tax expenses								
Current tax	164.47	10.43%	188.21	8.59%	129.90	6.53%	106.66	12.02%
Deferred tax charge/ (credit)	(7.95)	(0.50%)	(8.33)	(0.38%)	(29.02)	(1.46%)	4.57	0.52%
Total Tax Expense	**156.52**	**9.92%**	**179.88**	**8.21%**	**100.88**	**5.07%**	**111.23**	**12.54%**
Share of (loss) from associates	-	-	-	-	-	-	(0.32)	(0.04%)
Restated Profit for the Period/ Year	**590.96**	**37.46%**	**645.21**	**29.46%**	**597.20**	**30.02%**	**198.45**	**22.37%**

Six month ended September 30, 2017

Revenues

Our total income for the six month ended September 30, 2017 was ₹886.99 million.

Our revenue from operations for the six month ended September 30, 2017 was ₹838.93 million, comprising revenues from subscription/ download of mobile games/other contents and revenues from advertising services.

Our revenue from subscription/ download of mobile games/ other contents for the six month ended September 30, 2017 was ₹807.70 million. Our revenue from subscription/ download of mobile games/other contents has declined in India owing to the churn of the subscriber base of our current telecom partners to a new telecom operator, through introduction of low prices by the new telecom operator.

Further, the revenue from subscription/ download of mobile games/other contents of our Company has been impacted by the entry of the new telecom operator on account of reduction in our subscriber base from our existing telecom partners in India, given the reduced addressable number of subscribers with active wallets, and a reduction in the average amount held by subscribers of our existing telecom partners in their respective wallets, given the free offerings offered by our telecom partners to compete with the offerings of the new telecom operator. Further, the new telecom operator currently does not offer direct carrier billing to companies offering subscription services, such as our Company and hence our loss in revenue from the existing telecom operators has not been compensated by increase in revenue from the new telecom operator.

Our revenue from advertising services for the six month ended September 30, 2017 was ₹31.23 million, comprising from revenue generated from our freemium game offerings, mainly comprising advertisements in such game offerings.

Our total other income for the six month ended September 30, 2017 was ₹48.06 million, mainly comprising of interest income on bank deposits of ₹16.12 million and sundry balances written back (net) of ₹23.56 million.

Restated profit for the period

Our restated profit for the six month ended September 30, 2017 was ₹198.45 million. Our restated profit of ₹198.45 million is arrived at after taking the one time impact of ₹47.53 million for the employee benefit expenses for the ESOP 2016, and a one time impact of ₹52.74 million for payment of tax on foreign dividend income in April, 2017. The restated profit as a percentage of our total income in the six month ended September 30, 2017 was 22.37% in comparison to the percentage of restated profit of 30.02% for Financial Year 2017.

Expenses

Our total expenses for the six month ended September 30, 2017, were ₹576.99 million.

Purchase of content Our purchase of content cost for the six month ended September 30, 2017, was ₹45.06 million.

Advertising cost Our advertising cost for the six month ended September 30, 2017, was ₹236.88 million, which is the largest component of our expenses constituting 41.05% of the total expenses.

Employee benefit expenses Our employee benefit expenses for the six month ended September 30, 2017, was ₹152.43 million, primarily owing to an impact of ₹47.53 million on account of expense on employee stock option scheme.

Other expenses Our other expenses for the six month ended September 30, 2017, were ₹136.67 million, primarily comprising of revenue share on subscription/ download of mobile games/other contents of ₹13.91 million, server charges of ₹11.29 million, rent expenses of ₹18.82 million, loss on exchange fluctuation (net) of ₹27.91 million and legal and professional fees of ₹18.65 million.

Depreciation and amortisation expense Our depreciation and amortisation expense for the six month ended September 30, 2017, was ₹5.95 million.

Tax expenses Our tax expenses for the six month ended September 30, 2017, was ₹111.23 million, comprising of current tax of ₹106.66 million and deferred tax charge of ₹4.57 million.

Restated profit before tax Our restated profit before tax for the six month ended September 30, 2017, was ₹310.00 million.

Financial Year 2017 compared to Financial Year 2016

Revenues

Our total income was ₹2,190.06 million for Financial Year 2016 as compared to ₹1,989.18 million for Financial Year 2017, reflecting a decline of 9.17%, primarily owing to a fall in revenue from operations, due to a reduction in revenues from subscription/ download of mobile games/other contents.

Our revenue from subscription/ download of mobile games/other contents decreased by 10.58% from ₹2,082.10 million for Financial Year 2016 to ₹1,861.75 million for Financial Year 2017, primarily owing to demonetization and introduction of aggressive pricing by a new telecom operators in India in second half of Financial Year 2017. Demonetization impacted the ability of our consumers to recharge their wallets held with our telecom partners, thereby impacting our revenue from subscription/ download of mobile games/other contents. The adverse of impact of demonetization was further exacerbated by the "free" offerings of the new telecom operator to its subscribers in India which impacted the subscriber base of our existing telecom partners through whom we offer our subscription services, thereby adversely impacting the rate of acquisition of new users and rate of renewal of our subscription services by subscribers of existing telecom partners and renewal of user base.

Our revenue from subscription/ download of mobile games/other contents is primarily dependent on the maintenance of wallets held by subscribers of our telecom partners, and any fall in maintenance or opening of such wallets results in an adverse impact on our results of operations. Accordingly, there was a decline in the revenue from our subscription/ download of mobile games/other contents in India, based on our Restated Unconsolidated Financial Statements from ₹1,140.03 million for Financial Year ended 2016 to ₹733.79 million for Financial Year ended 2017, while our revenue from subscription/ download of mobile games/other contents, based on our Restated Consolidated Financial Statements decreased from ₹2,082.10 million for Financial Year ended 2016 to ₹1,861.75 million for Financial Year ended 2017. The said decline in our revenue from our subscription/ download of mobile games/other contents in India was owing to demonetisation and the launch of free services by the new telecom operator in India, which resulted in many of the subscribers of our telecom partners to cease maintaining wallets with our telecom partners, thereby impacting our subscription services revenues.

Our revenue from advertising services increased by 34.88% from ₹29.53 million for Financial Year 2016 to ₹39.83 million for Financial Year 2017, primarily on account of launch of new games in our Freemium Business.

Our total other income increased by 11.69% from ₹78.43 million for Financial Year 2016 to ₹87.60 million for Financial Year 2017, primarily owing to an increase in interest income on bank deposits to ₹47.74 million and increased in net gain on sale of current investments to ₹26.13 million.

Restated profit for the year Our restated profit decreased by 7.44% from ₹645.21 million for Financial Year 2016 to ₹597.20 million for Financial Year 2017. While there was a decline in total income by 9.17%, owing to a decline on operational revenues in India, we were able to maintain our restated profit, on account of growth of our business in other geographies, which have better gross margins.

Expenses

Our total expenses decreased by 5.41% from ₹1,364.97 million for Financial Year 2016 to ₹1,291.10 million for Financial Year 2017, primarily owing to a fall in purchase of content and advertising cost.

Purchase of content Our purchase of content cost decreased by 3.36% from ₹111.05 million for Financial Year 2016 to ₹107.32 million for Financial Year 2017, primarily owing to our internal system of optimisation of costs in relation to revenues, which decreased during this period, and due to discontinuation of certain intellectual property licensing agreements and game developer agreements.

Advertising cost Our advertising cost decreased by 18.95% from ₹653.20 million for Financial Year 2016 to ₹529.43 million for Financial year 2017, primarily owing to the optimisation that we undertake to manage our advertising cost in relation to our profit. Our marketing cost is a variable cost and has a direct correlation to our revenues.

Employee benefit expenses Our employee benefits expenses increased by 2.69% from ₹232.38 million for Financial Year 2016 to ₹238.64 million for Financial Year 2017, primarily owing to an increase in employee benefit expense of ₹22.85 million, owing to expense on employee stock option scheme, which was partially offset by a decrease in salary cost from ₹ 203.15 million in Financial 2017 from ₹218.72 million in Financial 2016.

Other expenses Our other expenses increased by 12.62% from ₹358.84 million for Financial Year 2016 to ₹404.13 million for Financial Year 2017. The increase in other expense was primarily owing to increase in loss on exchange fluctuation (net) from ₹37.48 million to ₹105.11 million, provision for doubtful debts and bad debts written off from ₹34.46 million to ₹52.12 million and investment written off ₹6.70 million. The increase in other expense was offset against reduction in revenue share, on subscription/ download of mobile games/other contents of 43.88% from ₹105.57 million for Financial Year 2016 to ₹59.25 million for Financial Year 2017, mainly from a significant drop in our try and buy business, where our games were pre-loaded on mobile devices manufactured by original equipment manufacturers and our Company was required to pay such manufacturers a share in the revenue from users who downloaded advance versions of the pre-loaded games. Other reasons for fall in our other expenses were a fall in rent expenses of 19.63% from ₹45.59 million for Financial Year 2016 to ₹36.64 million for Financial Year 2017, owing to a reduction in office space being used for our business operations.

Depreciation and amortisation expense Our depreciation and amortisation expense increased by 21.89% from ₹9.50 million for Financial Year 2016 to ₹11.58 million for Financial Year 2017.

Tax expense Our tax expense decreased by 43.92% from ₹179.88 million for Financial Year 2016 to ₹100.88 million for Financial Year 2017, due to the lower restated profit before tax.

Restated profit before tax Our restated profit before tax decreased by 15.39% from ₹825.09 million for Financial Year 2016 to ₹698.08 million for Financial Year 2017.

Financial Year 2016 compared to Financial Year 2015

Revenues

Our total income increased by 38.83% form ₹1,577.52 million for Financial Year 2015 to ₹2,190.06 million for Financial Year 2016. Our revenue from operations increased by 38.04% from ₹1,529.75 million for Financial Year 2015 to ₹2,111.63 million for Financial Year 2016, primarily owing to increase in revenue from operations, due to an increase in revenues from subscription/ download of mobile games/other contents and revenues from advertising services.

Our revenue from subscription/ download of mobile games/other contents increased by 36.11% from ₹1,529.75 million for Financial Year 2015 to ₹2,082.10 million for Financial Year 2016, primarily owing to the launch of our subscription services through new telecom partners, an increase in our digital marketing campaign which resulted in an increase in customer acquisition and continuation of our growth momentum in our subscription business in Africa and the Asia Pacific and Latin America regions. Further, while in the past years, our subscription business operations had seen a fast growth in India, the same averaged out in Financial Year 2016 to a lower growth rate, and the gestation period in expanding the Subscription Business in new markets in the Middle East led to a stagnation in growth of revenues from existing markets.

Our revenue from advertising services for Financial Year 2016 was ₹29.53 million, owing to the launch of new games and acquisition of new customers in our Freemium Business.

Our total other income increased by 64.18% from ₹47.77 million for Financial Year 2015 to ₹78.43 million for Financial Year 2016, mainly owing to an increase in interest income on bank deposits to ₹40.38 million and an increase in net gain on sales of investments to ₹16.97 million.

Restated profit for the year Our restated profit increased by 9.18% from ₹590.96 million for Financial Year 2015 to ₹645.21 million for Financial Year 2016. Further, our total tax expense for Financial Year 2015 was ₹156.52 million, while our total income was ₹1,577.52 million, and our total tax expense for Financial Year 2016 was ₹179.88, while our total income was ₹2,190.06 million.

Expenses

Our total expenses increased by 64.45% from ₹830.04 million for Financial Year 2015 to ₹1,364.97 million for Financial Year 2016, primarily owing to a rise in content cost, advertising cost, employee benefit expenses and other expenses.

Purchase of content Our purchase of content cost increased by 57.38% from ₹70.56 million for Financial Year 2015 to ₹111.05 million for Financial Year 2016, primarily owing to our internal system of optimisation of costs in relation to revenues, and as a result of addition of content cost of intellectual property licensing agreements and game developer agreements for our Freemium Business.

Advertising cost Our advertising cost increased by 62.41% from ₹402.18 million for Financial Year 2015 to ₹653.20 million for Financial year 2016. Our advertising cost increase was in line with the increase in revenue from operations in Financial Year 2016 over Financial Year 2015. Our advertising cost was 30.93% of our revenue from operations for Financial Year 2016, as compared to 26.29% of the revenue from operations for Financial Year 2015. The increase in advertising cost was on account of an increase in the advertising cost for our operations in India, based on the Restated Unconsolidated Financial Statements from ₹308.07 million for the Financial Year ended 2015 to ₹510.11 million for the Financial Year ended 2016. The marketing cost increase in India in Financial Year 2016 was on account of the increased inventory cost owing to a substantial increase in the digital marketing spends by other e-commerce startup companies in India, which drove up cost of advertising in India.

Employee benefit expenses Our employee benefit expenses increased by 71.17% from ₹135.76 million for Financial Year 2015 to ₹232.38 million for Financial Year 2016, primarily owing to an increase in the number of employees, including appointment of a chief executive officer to establish the Freemium Business of the Company, and a revision in salary which led to an increase in the statutory contribution to the employees provident fund.

Other expenses Our other expenses increased by 68.00% from ₹213.59 million for Financial Year 2015 to ₹358.84 million for Financial Year 2016. The increase in other expenses was primarily owing to an increase in revenue share on subscription/ download of mobile games/ other contents of 58.16% from ₹66.75 million for Financial Year 2015 to ₹105.57 million for Financial Year 2016, owing to an increase in revenue from our try and buy business, an increase in rent expenses of 152.72% from ₹18.04 million for Financial Year 2015 to ₹45.59 million for Financial Year 2016, owing to acquisition of additional office space for our business operations and an increase in loss on exchange fluctuation (net) from ₹3.49 million for Financial Year 2015 to ₹37.48 million for Financial Year 2016, owing to a significant reduction in the value of foreign currencies against the US dollar.

Depreciation and amortisation expense Our depreciation and amortisation expense increased by 19.50% from ₹7.95 million for Financial Year 2015 to ₹9.50 million for Financial Year 2016.

Tax expense Our tax expense increased by 14.92% from ₹156.52 million for Financial Year 2015 to ₹179.88 million for Financial Year 2016, owing to an increase in the restated profit before tax.

Restated profit before tax Our restated profit before tax increased by 10.38% from ₹747.48 million for Financial Year 2015 to ₹825.09 million for Financial Year 2016.

Liquidity and Capital Resources

Cash flows

(in ₹ millions)

Particulars	Fiscal			Six month ended September 30, 2017
	2015	2016	2017	
Net cash generated from operating activities	519.74	591.38	567.93	83.47
Net cash generated from/(used in) investing activities	(83.68)	(64.50)	(544.53)	138.18
Net cash used in financing activities	(160.39)	(203.12)	-	(300.38)
Net increase/(decrease) in cash and cash equivalents	**275.67**	**323.76**	**23.40**	**(78.77)**
Cash and cash equivalents at the beginning of period	**93.23**	**362.89**	**694.35**	**648.37**
Cash and cash equivalents at the ending of the period	**362.89**	**694.35**	**648.37**	**569.64**

Operating Activities

Net cash generated from operating activities was ₹83.47 million in the six month ended September 30, 2017, primarily consisting of operating profit before working capital changes of ₹344.40 million and increase in trade payables by ₹89.04 million, which was partly offset by increase in trade receivable by ₹120.17 million, and increase in current assets by ₹99.94 million. Direct taxes paid (net of refunds) was ₹88.95 million for the six month ended September 30, 2017.

In Financial Year 2017, net cash generated from operating activities was ₹567.93 million primarily consisting of an operating profit before working capital changes of ₹808.80 million. The working capital adjustments primarily consisted of a decrease in trade payables by ₹8.41 million, increase in current liabilities by ₹21.92 million, partly offset by an increase by ₹116.46 million in other current assets. Direct taxes paid (net of refunds) was ₹ 147.34 million for financial year 2017.

Net cash generated from operating activities was ₹591.38 million in Financial Year 2016, primarily consisting of an operating profit of ₹829.95 million before working capital changes. The working capital adjustments primarily consisted of an increase in trade payables by ₹23.03 million owing to availing better credit terms from our advertising partners and was offset by an increase in trade receivables by ₹133.58 million due to slower recovery from our telecom partners in our subscription business. Direct taxes paid (net of refunds) was ₹ 161.77 million for financial year 2016

Net cash generated from operating activities was ₹519.74 million in Financial Year 2015, primarily consisting of an operating profit of ₹734.68 million before working capital changes. The working capital adjustments primarily consisted of an increase in trade receivables by ₹114.19 million, and increase in trade payables by ₹166.23 million and an increase in other current assets by ₹126.56 million. Direct taxes paid (net of refunds) was ₹154.29 million for Financial Year 2015.

Investing Activities

Net cash generated from investing activities was ₹138.18 million in the six month ended September 30, 2017, primarily on account of redemption/ maturity of bank deposits amounting to ₹506.98 million, proceeds from redemption of current investments of ₹368.47 million which was partially offset by purchase of current investments of ₹361.50 million, purchase of non-current investments of ₹87.54 million and investments in bank deposits of ₹306.12 million

Net cash used in investing activities was ₹544.53 million in Financial Year 2017, primarily on account of purchase of current investments of ₹505.07 million, purchase of non-current investments of ₹21.77 million and investments in bank deposits of ₹1,454.14 million, which was partially offset by redemption/ maturity of bank deposits amounting to ₹997.34 million and proceeds from redemption of current investments of ₹403.02 million.

Net cash used in investing activities was ₹64.50 million in Financial Year 2016, primarily on account of purchase of current investments of ₹927.85 million and investments in bank deposits of ₹71.38 million, which was partially offset by redemption/ maturity of bank deposits amounting to ₹175.50 million and proceeds from redemption of current investments of ₹744.52 million.

Net cash used in investing activities was ₹83.68 million in Financial Year 2015, primarily on account of purchase of current investments of ₹506.48 million, purchase of non-current investments of ₹22.15 million and investments in bank deposits of ₹138.20 million, which was partially offset by redemption/ maturity of bank deposits amounting to ₹202.67 million and proceeds from redemption of current investments of ₹356.85 million.

Financing Activities

Net cash used in financing activities was ₹300.38 million in the six month ended September 30, 2017.

No cash was used in financing activities for Financial Year 2017.

Net cash used in financing activities was ₹203.12 million in Financial Year 2016, primarily on account of dividend paid on equity shares of ₹198.92 million, tax on equity shares dividend of ₹0.29 million and tax on buy back of shares of ₹3.91 million.

Net cash used in financing activities was ₹160.39 million in Financial Year 2015, primarily on account of buy back of shares of ₹133.93 million and tax on buy back of shares of ₹26.46 million.

Indebtedness

As of September 30, 2017, we had nil long term borrowings.

Trade receivables

For the six month ended September 30, 2017, our trade receivables were ₹365.71 million. Our trade receivables increased from ₹211.58 million in Financial Year 2015 to ₹334.35 million in Financial Year 2016, owing to slower recovery from our telecom partners in our subscription business, and decreased to ₹259.50 million in Financial Year 2017.

Trade payables

For the six month ended September 30, 2017, our trade payables were ₹307.41 million. Our trade payables increased from ₹247.75 million in Financial Year 2015 to ₹261.65 million in Financial Year 2016 and decreased to ₹240.16 million in Financial Year 2017.

Contingent Liabilities

As of September 30, 2017, we had nil contingent liabilities.

Contractual Obligations and Commitments

As of September 30, 2017, our estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) was ₹1.40 million.

Capital and other commitments

The following table sets forth certain information relating to our commitments as of September 30, 2017:

Particulars	As of September 30, 2017 *(in ₹ millions)*
Estimated accounts of contracts remaining to be executed on capital account and not provided for (net of advances)	1.40
Other commitments	-
Cost of content	33.07
Legal and professional fees	1.25
Advertising cost	5.00
Other commitments	0.98
Total	**41.70**

For further information, see our Restated Consolidated Financial Statements on page 190.

Except as disclosed in our Restated Financial Statements or this DRHP, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include managerial remuneration and rental payments. For details, see "*Related Party Transactions*" on page 188.

Changes in Accounting Policies

Except as set out below there has been no change in our accounting policies in the last five years:

Change in depreciation policies for fixed assets

Our Company changed (with retrospective effect) its method of providing depreciation on fixed assets, other than leasehold improvements, from the written down value ('WDV') method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the straight line (SLM) method. Further the Company changed its estimated useful life of fixed assets from the rates prescribed in Schedule XIV to the Companies Act, 1956 to rates based on the managements estimate of useful life. The management believes that such change will result in a more appropriate presentation of these assets and will give a systematic basis of depreciation charge more representative of the time pattern in which the economic benefits will be derived from the use of such asset.

Quantitative and qualitative disclosures about market risk

Market risk is the risk of loss related to fall in revenues from telecom operators owing to a reduction in our subscriber base, inability to license popular intellectual property and foreign exchange risk.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Significant Factors Affecting our Results of Operations*" and the uncertainties described in the section titled "*Risk Factors*" on page 402 and 17, respectively.

Known trends or uncertainties

Our than as described in the section "*Risk Factors*" on page 17, to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future relationship between cost and income

Other than as described in the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 17, 134 and 399 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

Publicly announced new games or business segments/ material increases in revenue due to increased disbursements and introduction of new games

Other than as disclosed in this section, in "*Our Business*" on pages 134, there are no new games or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Significant dependence on single or few customers

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

Seasonality of business

Our esports business which is operated through our Subsidiary, Nodwin Gaming, is seasonal in nature since a significant number of the events organised by Nodwin Gaming are held between June to December, each calendar year. For details see, "*Risk Factors – Internal Risk Factors - Our esports business is seasonal in nature, since a significant number of the events between June to December. Concentration of the tournaments in one half of the calendar year may have an adverse impact on the results of operation and cash flows in the first half of the calendar year*" on page 26.

Competitive conditions

We operate in a competitive environment. Please refer to the sections "*Business*", "*Industry Overview*" and "*Risk Factors*" on pages 134, 105 and 17, respectively for further information on our industry and competition.

Significant developments after September 30, 2017 that may affect our future results of operations

Except as disclosed below and in this DRHP, to our knowledge no circumstances have arisen since the date of the last financial statements disclosed in this DRHP which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months:

- *Acquisition of Next Wave:* Pursuant to the investment agreement dated December 12, 2017 our Company acquired 52.38% shareholding in Next Wave; and

- *Acquisition of Nodwin Gaming:* Pursuant to the investment agreement dated January 2, 2018, our Company acquired 54.99% shareholding in Nodwin Gaming.

For details of the acquisitions, please see "*History and Certain Corporate Matters*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 156 and 399, respectively.

SUMMARY OF CERTAIN SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

The areas in which differences between existing Indian GAAP vis-a-vis Ind AS could be significant to the financial position are summarised below. Ind AS is an exhaustive set of standards, rules and interpretations, and no assurance can be given that the differences listed below cover all possible differences. Regulatory bodies that promulgate the standards have significant projects ongoing that could affect future comparisons such as this one. Finally, no attempt has been made to identify future differences between the existing Indian GAAP and the Ind AS that may affect the financial information as a result of transactions or events that may occur in the future. Certain principal differences between Indian GAAP and Ind AS that may have a significant effect on our financial statements are summarized below.

Potential investors should consult their own advisers for an understanding of the principal differences between the existing Indian GAAP and the Ind AS, and how these differences might affect the financial statements appearing in this Draft Red Herring Prospectus.

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
1.	Ind AS 1	Presentation of Financial Statements	**Statement of Change in Equity**: Under Indian GAAP, a statement of changes in equity is not required. Movements in share capital, retained earnings and other reserves are presented in the Schedules to Financial Statements.	**Statement of Change in Equity:** Ind AS-1 requires the presentation of a statement of changes in equity showing: a) Transactions with owners in their capacity as owners, showing separately contributions by and distributions to equity holders. b) The total comprehensive income for the period. Amounts attributable to owners of the parent and non-controlling interests are to be shown separately. c) Effects of retrospective application or restatement on each component of equity. d) For each component of equity, a reconciliation between the opening and closing balances separately disclosing each change.
			Other Comprehensive Income: There is no concept of “other comprehensive income” under Indian GAAP, which is required under Ind AS.	**Other Comprehensive Income**: Ind AS-1 requires the presentation of a statement of other comprehensive income as part of the financial statements. Items of income and expenses that are not recognized in profit and loss as required or permitted by Other Ind AS are presented under OCI>
			Other disclosures: There are no specific disclosure requirements under Indian GAAP for: (a) Critical judgments made by the management in applying accounting policies; (b) Key sources of estimation	**Other disclosures:** Ind AS-1 requires disclosure of: (a) Critical judgments made by the management in applying accounting policies; (b) Key sources of estimation uncertainty that have a significant risk of causing a material

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period; and (c) Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.	adjustment to the carrying amounts of assets and liabilities within the next financial period; and (c) Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.
			Extraordinary items: Under Indian GAAP Extraordinary items are to be disclosed separately in the statement of profit and loss and are included in determination of net profit or loss. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	**Extraordinary items:** Ind AS prohibits the presentation of any items of income or expense as extraordinary, either on the face of the income statement or in the notes to accounts.
			Change in Accounting Policies: Indian GAAP requires changes in accounting policies which has a material effect should be disclosed. The impact of, and the adjustments resulting from, such change, if material, should be shown in the financial statements of the period in which such change is made, to reflect the effect of such change. Where the effect of such change is not ascertainable, wholly or in part, the fact should be indicated. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.	**Change in Accounting Policies:** Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
			Errors: Under Indian GAAP**,** prior period errors are included in determination of profit or loss for the period in which the error	**Errors:** As per Ind AS 8 material prior period errors shall be corrected retrospectively in the first set of financial statements either by

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			is discovered and are separately disclosed in the statement of profit and loss in a manner that the impact on current profit or loss can be perceived.	restating the comparative amounts for the prior period(s) presented in which the error occurred or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity.
2	Ind AS 7	Statement of cash Flow	Under Indian GAAP, AS is silent about inclusion of bank overdraft in cash and cash equivalents. Effect of changes in Bank overdraft is included under financing activities.	As per Ind AS 7, bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents.
3.	Ind AS 12	Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognized in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e., based on the differences between carrying value of the assets/ liabilities and their respective tax base.
4.	Ind AS 17	Leases	**Leasehold Land:** Leasehold land is recorded and classified as fixed assets and is excluded from lease standard.	**Leasehold Land:** Land lease is classified as operating or finance as per the criteria under Ind AS 17. When a lease includes both land and building elements, an entity assesses the classification of each element as a finance or operating lease separately.
			Operating Lease Rentals: Under Indian GAAP, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern of the users benefit.	**Operating Lease Rentals:** Under Ind AS 17, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless either of the below: a) another systematic basis is more representative of the time pattern of the user's benefit, or b) the payments to the lessor are structured to increase in line with expected general inflation for cost increases.
			Determining whether an arrangement contains a lease: There is no such requirement if it does not take the legal form of a lease.	**Determining whether an arrangement contains a lease:** An arrangement that does not take the legal form of a lease but fulfilment of which is dependent on the use of specific assets and which conveys the right to use the assets is accounted for as a lease in

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
				accordance with Ind AS 17.
5.	Ind AS 19	Employee Benefits - Actuarial gains and losses:	Under Indian GAAP,. All actuarial gains or losses are recognized in the statement of profit and loss account.	Under Ind AS, Actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are recognized in other comprehensive income and not reclassified to profit or loss in a subsequent period.
6.	Ind AS 21	The Effects of Changes in Foreign Exchange Rates – Functional and presentation currency:	Foreign currency is a currency other than the reporting currency which is the currency in which financial statements are presented. There is no concept of functional currency.	Functional currency is the currency of primary economic environment in which the entity operates. Foreign currency is a currency other than the functional currency. Presentation currency is the currency in which the financial statements are presented.
		Translation of foreign subsidiaries	Under Indian GAAP, the translation of financial statements of a foreign operation to the reporting currency of the parent/investor depends on the classification of that operation as integral or non-integral. In the case of an integral foreign operation, monetary assets are translated at closing rate. Non-monetary items are translated at historical rate if they are valued at cost. Non-monetary items which are carried at fair value or other similar valuation are reported using the exchange rates that existed when the values were determined. Income and expense items are translated at actual/average rate. Exchange differences are taken to the statement of profit and loss. For non-integral foreign operations, (i.e., all assets and liabilities are to be translated at closing rate while profit and loss account items are translated at actual/average rates). The resulting exchange difference is taken to reserve and is reclassified to profit and loss on	Under Ind AS, assets and liabilities should be translated from the functional currency to the presentation currency at the closing rate at the date of the statement of financial position, income and expenses at actual/average rates for the period; exchange differences are recognized in other comprehensive income and accumulated in a separate component of equity. These are reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognized. Treatment of disposal depends on whether control is lost or not. Thus, if control is lost, the exchange difference attributable to the parent is reclassified to profit or loss from foreign currency translation reserve in other comprehensive income.

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			the disposal of the non-integral foreign operation.	
7.	Ind AS 108	Segment Disclosures - Determination of segments:	Under Indian GAAP, AS 17 requires an enterprise to identify two sets of segments (business and geographical), using a risks and rewards approach, with the enterprise's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments. Segment revenue, segment expense, segment result, segment asset and segment liability have been defined. Disclosures are required based on classification of segment as primary or secondary. Disclosure requirements for secondary reporting format are less detailed than those required for primary reporting segments.	Ind AS 108 requires segment disclosure based on the components of the entity that management monitors in making decisions about operating matters (the 'management approach'). Such components (operating segments) are identified on the basis of internal reports that the entity's Chief Operating Decision Maker (CODM) regularly reviews in allocating resources to segments and in assessing their performance. Requires disclosure of (a) external revenues from each product or service; (b) revenues from customers in the country of domicile and from foreign countries; and (c) geographical information on non-current assets located in the country of domicile and foreign countries. Information on major customers including total revenues from each major customer is disclosed if revenues from each customer is 10% or more of total segment revenues.
8.	Ind AS 109	Classification of Financial and Instruments subsequent measurement	Currently under Indian GAAP, Financial assets are not defined in Indian GAAP and no specific guidance is provided. All assets are measured and booked at their transaction value. Long term investments are carried at cost after providing for any diminution in value, if such diminution is not temporary in nature. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values.	Ind AS 109 requires all financial assets to be either classified as measured at amortized cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss, fair value through profit and loss (FVTPL), or recognized in other comprehensive income under Fair value through other comprehensive income (FVTOCI). Financial assets include equity and debts investments, interest free deposits, loans, trade receivables, cash and bank balances etc., There are two measurement categories for financial liabilities – FVTPL and amortized cost.
			Convertible preference shares: Currently under Indian GAAP, convertible preference shares are presented under share capital.	**Convertible preference shares:** Convertible preference shares that meet certain criteria under Ind AS 32 are required to be classified as compound financial instrument

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
				under Ind AS pursuant to which the Company will re-classify them into debt and equity components.
			Provision for doubtful debts: Under Indian GAAP, provisions are made for specific receivables based on circumstances such as credit default of customer or disputes with customers. An enterprise should assess the provision of doubtful debts at each period end which, in practice, is based on relevant information such as past experience, actual financial position and cash flows of the debtors. Different methods are used for making provisions for bad debts, including ageing analysis and individual assessment of recoverability.	**Provision for doubtful debts:** In addition to the specific provisions under Indian GAAP, under Ind AS, at each reporting date, an entity shall assess the credit risk based on simplified approach for trade receivables and for other assets based on change insignificant risk since initial recognition. When making the assessment, an entity shall use the Expected Credit Loss model to provide for a loss allowance over and above any provision for doubtful debts in the profit and loss statement. An entity shall measure expected credit losses to reflect the following: • an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; • the time value of money; and • reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.
			Derivative: Currently under AS 11, foreign currency forward contract premium/ discount is amortised over the forward contract period. For other derivative contracts, the ICAI Guidance Note (GN) requires an entity to provide for losses in respect of all outstanding derivative contracts by marking them to market at the balance sheet date.	**Derivative:** Derivative contracts are fair valued at the end of each period through P&L
9.	Ind AS 18	Revenues-Measurement :	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..	Revenue is recognised at fair value of the consideration receivable. Fair value of revenue from sale of goods and services when the inflow of cash and cash equivalents is deferred is determined by discounting all future receipts using an imputed rate of interest. The

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
				difference between the fair value and the nominal amount of consideration is recognized as interest revenue using the effective interest method.
10	Ind AS 101	First Time Adoption	There is no specific standard. Full retrospective application would be required.	Ind AS 101 gives guidance on preparation of first Ind AS financial statement. Ind AS grants limited mandatory and voluntary exemptions from full retrospective application.
11	Ind AS 102	Share Based payment plan	Indian GAAP permits an option of using either the intrinsic value method or the fair value method. Under Indian GAAP, entities have the option to recognize the compensation cost over the service period for the entire plan (that is over the vesting period of the last separately vesting portion of the option).	Under Ind AS, employee share-based payments should be accounted for using the fair value method. For graded vesting plans, entities need to determine for each portion of the option separately and amortise the compensation cost for each such portion on a straight line basis over the vesting period of that portion.
12	Ind AS 103	Business Combination	Under Indian GAAP, there is AS 14 deals with only Amalgamation. The scope is limited. The existing AS 14 requires that the goodwill arising on amalgamation in the nature of purchase is amortized over a period not exceeding five years Under AS 14, under the pooling of interests method, the assets, liabilities and reserves of the transferor company are recorded by the transferee company at their existing carrying amounts. Under the purchase method, the transferee company accounts for the amalgamation either by incorporating the assets and liabilities at their existing carrying amounts or by allocating the consideration to individual identifiable assets and liabilities of thetransferor company on the basis of their fair values at the date of amalgamation. The identifiable assets and liabilities may include assets and liabilities not recorded in the financial statements of the transferor company. The purchase gain on	Ind AS 103 defines business combination as a transaction or event where an acquirer obtains control of one or more business. IND AS 103 has a wider scope. It requires that for each business combination, the acquirer shall measure any non-controlling interest in the acquiree either at fair value or at the non- identifiable net assets. Under Ind AS 103, the goodwill is not amortized but tested for impairment on annual basis in accordance with Ind AS 36. Purchase gain arising on business combination is be recognized in other comprehensive income and is accumulated in equity as capital reserve. If however, there is clear evidence for the underlying reason for classification of the business combination as a bargain purchase, then in such case, it is recognized directly in equity as capital reserve

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			amalgamation is treated as capital reserve	
13	Ind AS 110	Consolidation of financial statements	Under Indian GAAP, a Company is treated as a subsidiary Company if the parent is holding more than 50% of the equity/voting rights during the year. Accordingly, the financial statements of the parent and its subsidiaries are consolidated on a line by line basis by adding together like items of assets, liabilities, income and expenses.	An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
14	Ind AS 113	Fair Value Measurement	Under Indian GAAP, there is no framework for measuring fair value for financial reporting.	Uner Ind AS, the Company is required to consider the following in fair value measurement: a) The particular asset or liability that is subject of the measurement, b) The principal market for the asset or liability, c) The market participant; and d) The price. In addition, there are specific considerations for the fair value measurement of: a) Non-financial assets, b) Liabilities, c) Equity, and d) Financial instruments.

FINANCIAL INDEBTEDNESS

As on the date of this Draft Red Herring Prospectus, neither our Company or nor our Subsidiaries have availed any loans or incurred any financial indebtedness.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) tax proceedings, (iv) material litigation, in each case, involving our Company, our Subsidiaries, our Promoters, our Group Entity or our Directors, and (v) any litigation involving our Company, our Promoters, our Group Entity, our Directors or our Subsidiaries or any other person whose outcome could have a material adverse effect on the position of our Company.

For the purpose of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation to be disclosed by our Company in the Draft Red Herring Prospectus:

(a) Criminal, tax proceedings and actions by statutory authorities/regulatory authorities: All criminal, tax proceedings and actions by statutory/ regulatory authorities involving our Company, our Promoters, our Directors, our Group Entity or our Subsidiaries shall be deemed to be material;

(b) Pre-litigation notices: Notices received by our Company, our Promoters, our Directors, our Group Entity or our Subsidiaries, from third parties (excluding statutory/regulatory/tax authorities or notices threatening criminal action) shall, not be evaluated for materiality until such time that our Company, our Promoters, our Directors or our Subsidiaries are impleaded as defendants in litigation proceedings before any judicial forum; and

(c) De minimis monetary threshold for civil litigation: Civil litigation involving our Company, our Promoters, our Directors, our Group Entity or our Subsidiaries before any judicial forum and having a monetary impact exceeding 1.00% of the restated consolidated profit after tax of the Company for the financial year ended March 31, 2017, shall be considered material. However, in the event of civil litigation wherein a monetary liability is not quantifiable, such litigation shall be considered as material only in the event that the outcome of such litigation is material to the operations or performance of the Company or its subsidiaries.

Further, except as stated in this section, there are no (i) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or our Subsidiaries, (ii) fines imposed or compounding of offences against our Company or our Subsidiaries, (iii) material frauds committed against our Company, in each case (i), (ii) and (iii) above, in the preceding five years from the date of this Draft Red Herring Prospectus; (iv) pending proceedings initiated against our Company, Promoters, Director for economic or civil offences, (v) defaults or non-payment of statutory dues by Company, Promoters and Directors; (vi) legal action pending or taken against our Promoters, by any Ministry/ Department of the Government of India or any statutory authority, during the last five years immediately preceding the year of issue of this Draft Red Herring Prospectus; (vii) matters involving our Company and our Subsidiaries pertaining to violations of securities law; (viii) outstanding dues to material creditors and material small scale undertakings;

Litigation involving our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil, criminal or tax litigations involving our Company. Further, no actions have been initiated against our Company by any statutory or regulatory authorities.

Litigation involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil, criminal or tax litigations involving our Subsidiaries. Further, no actions have been initiated against our Subsidiaries by any statutory or regulatory authorities.

Litigation involving our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil, criminal or tax litigations involving our Promoters. Further, no actions have been initiated against our Promoters by any statutory or regulatory authorities.

Litigation involving our Group Entity

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil, criminal or tax litigations involving our Group Entity. Further, no actions have been initiated against our Group Entity by any statutory or regulatory authorities.

Litigation involving our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil, criminal or tax litigations involving our Directors. Further, no actions have been initiated against our Directors by any statutory or regulatory authorities.

Material frauds committed against our Company

There have been no instances of material fraud committed against our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Inquiries, inspections or investigations under the Companies Act

There are no inquiries, inspections or investigations under the Companies Act or any previous company law against our Company or our Subsidiaries in the past five years.

Fines imposed or compounding of offences

Except as disclosed below, there are no compounding applications which have been filed by our Company, our Managing Director or our Subsidiaries in the last five years:

(i) Vikash Mittersain, Managing Director of our Company filed an application dated December 29, 2017, as an officer in default, under Section 441 of the Companies Act, 2013 for compounding the offence committed by contravening the provisions of Section 75(1) of the Companies Act, 1956, read with other relevant provisions of the Companies Act, 2013 in relation to the delay in filing of return of allotment for allotment of securities made on September 5, 2000 and May 11, 2007 before the RoC and same will be heard by National Company Law Tribunal, Mumbai.

Further, there are no fines that have been imposed on our Company or our Subsidiaries in the last five years.

Litigation or legal action against our Promoters taken by any Ministry, Department of Government or any statutory authority

There is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last five years immediately preceding the year of the issue of this Draft Red Herring Prospectus.

Proceedings initiated against our Company for economic offences

There are no pending proceedings initiated against our Company, Promoter and Director for economic offences.

Defaults and non-payment of statutory dues

There are no instances of defaults and non-payment of statutory dues, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any overdues or defaults in repayment of loans from any bank or financial institution (including interest) by our Company, Promoters and Director.

Material developments since September 30, 2017

Other than as disclosed in this Draft Red herring Prospectus, in the opinion of the Board, there has not arisen, since the date of the last balance sheet included in this Draft Red Herring Prospectus, any circumstance that materially and adversely affects or is likely to affect the trading or profitability of our Company taken as a whole or the value of our consolidated assets or our ability to pay our liabilities over the next 12 months.

Outstanding dues to Creditors

All creditors of the Company to whom the amount due by the Company exceeds ₹15.37 million, i.e., 5.00% of the total trade payables of the Company as on September 30, 2017, on a consolidated basis based on the Restated Financial Statements, shall be considered material.

The material dues owed to small scale undertakings and other creditors as at September 30, 2017, is set out below:

Material Creditors	Number of cases	Amount involved (in ₹ million)
Small scale undertakings	-	-
Other Creditors	3	131.73

The details pertaining to net outstanding dues towards our creditors are available on the website of our Company at www.nazara.com. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.nazara.com, would be doing so at their own risk.

GOVERNMENT AND OTHER APPROVALS

Our Company and our Subsidiaries have received the necessary consents, licenses, permissions, registrations and approvals from various governmental agencies and other statutory and / or regulatory authorities required for carrying out our present business activities and except as mentioned below, no further material approvals are required for carrying on our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired, we have either made an application for renewal or are in the process of making an application for renewal or we have sought a clarification from the relevant statutory and / or regulatory authorities in relation to the applicability of the approval. For details of risk associated with not obtaining or delay in the obtaining the requisite approvals, see "*Risk Factors – We may be required to receive or renew certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations*" on page 34. For further details, in connection with the applicable regulatory and legal framework, see "*Regulations and Policies*" on page152.

The objects clause of the respective memoranda of association enables our Company and our Subsidiaries to undertake their respective present business activities.

Approvals in relation to our Company

The approvals required to be obtained by our Company include the following:

I. Incorporation details of our Company

1. Certificate of incorporation dated December 8, 1999 issued by the RoC, to our Company, in its former name, being Nazara.com Private Limited.

2. Fresh certificate of incorporation dated issued by the RoC on July 4, 2003, to our Company consequent upon change of name to Nazara Technologies Private Limited.

3. Fresh certificate of incorporation dated December 13, 2017 issued by the RoC, upon conversion of our Company from private limited company to public limited company.

4. Our Company was allotted a corporate identity number U72900MH1999PLC122970.

II. Approvals in relation to the Offer

For details, see "*Other Regulatory and Statutory Disclosures*" and "*The Offer*" on pages 434 and 66 respectively.

III. Approvals under tax laws of our Company

Our Company is required to register itself under various tax laws such as the IT Act and GST Act. Our Company is also required to pay state specific professional tax. Our Company has obtained the necessary licenses and approvals from the appropriate regulatory and governing authorities in relation to such tax laws including Permanent Account Number AABCN0730A and GST Registration Number 27AABCN0730A1Z7.

IV. Approvals in relation to Business Operations of our Company and Subsidiaries

In order to operate as a commercial establishment in India, our Company and our subsidiary incorporated in India have obtained the necessary registration under the Maharashtra Shops and Establishments Act, 1948. Further, our Company has also been allotted importer exporter code number 0303034262.

Nazara Technologies FZ-LLC, one of our Subsidiaries, have obtained a commercial license no. 20615 from Dubai Creative Clusters Authority, Government of Dubai.

Nazara Technologies, one of our Subsidiaries, have obtained a global business license (category 1) from the Financial Services Commission, Mauritius.

V. Registrations under Employment Laws

Our Company has obtained the relevant registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and have been allotted the code number MH/BAN/49288, and professions tax. Further, our Company is registered as an employer bearing registration number PT/R/1/1/25/7309 under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

VI. Approvals applied for but not received by our Company and Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no approvals which our Company or our Subsidiaries have applied for but have not received.

VII. Approvals expired but not applied for by our Company and Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no approvals that has expired but have not been renewed by our Company or our Subsidiaries.

VIII. Approvals required but not obtained or applied for by our Company and Subsidiaries

As on the date of this Draft Red Herring Prospectus, except the certificate of registration under the Employee's Provident Funds and Miscellaneous Provisions Act, 1952 required to be obtained by Nodwin Gaming, there are no approvals which our Company or its Subsidiaries were required to obtain or apply for but have not been obtained.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer was approved by our Board and our Shareholders pursuant to the resolutions passed at their meeting held on January 17, 2018 and January 24, 2018, respectively.

For details on the authorisations of the Selling Shareholders in relation to the Offer, see "*The Offer*" on page 66.

The Equity Shares being offered by the Selling Shareholders in the Offer have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI (except for such Offered Shares that have been issued to them by our Company as a result of the bonus shares allotted on January 4, 2018 where the underlying Equity Shares (on which the bonus issue was made) have been held continuously for a period of one year prior to the filing of the Draft Red Herring Prospectus) or have been issued or received in accordance with Regulation 26(6) of the SEBI ICDR Regulations, and are eligible for being offered for sale in the Offer as required by Regulation 26(6) of the SEBI ICDR Regulations

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Each of the Selling Shareholders have severally and on their own account confirmed that they have not been prohibited from dealings in the securities market and the Equity Shares proposed to be offered and sold by each of them are free from any lien, encumbrance, transfer restrictions or third party rights (other than such rights as set out under the various shareholder agreements) further details of which are set out in "*History and Certain Corporate Matters*" on page 156.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, Group Entity, the members of the Promoter Group, the persons in control of our Company and the Selling Shareholders have not been prohibited or debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, neither our Company nor our Subsidiaries or our Associate Company have been refused listing of its securities on any recognised stock exchanges in India or abroad.

There are no adverse findings involving our Company, our Subsidiaries, our Directors, our Group Entity, our Promoter of our Promoter Group as regards non-compliance with securities law.

The companies, with which our Promoters, Promoter Group, Directors, Group Entity or persons in control of our Company are or were associated as promoters, directors or persons in control have not been prohibited or debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except Sasha Mirchandani, who is associated with Kae Capital Fund, a SEBI registered VCF and Kae Capital Fund II, a SEBI registered Category I, AIF, none of our Directors are associated with the securities market in any manner. Further, no action has been initiated or penalties have been imposed against Kae Capital Fund and Kae Capital Fund II by SEBI

There has been no action taken by SEBI against our Directors or any of the entities in which our Directors are involved in as promoters or directors.

Prohibition by RBI

Neither our Company, nor our Promoters, the relatives (as defined under the Companies Act, 2013) of the Promoters, Directors, Group Entity nor the Selling Shareholders have been identified as Wilful Defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(2) of the SEBI ICDR Regulations which states as follows:

"An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net issue to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers."

We are an unlisted company, not satisfying the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations. Accordingly, we undertake to Allot at least 75% of the Offer to QIBs. In the event we fail to do so, the full application monies shall be refunded to the Bidders.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application monies shall be refunded forthwith in terms of Companies Act 2013, SEBI Regulations and any other applicable laws.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS 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 THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, ICICI SECURITIES LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, AND EACH SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED BY WAY OF THE OFFER FOR SALE, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 31, 2018 WHICH READS AS FOLLOWS:

WE, THE BRLMS 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 DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER,**

PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:

(A) THIS DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;

(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THIS 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, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE</u>

5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES 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 OF THIS DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS DRAFT RED HERRING PROSPECTUS. <u>COMPLIED WITH</u>

6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS. - <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSES (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. <u>NOT APPLICABLE</u>

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.PLEASE NOTE THAT THE OFFER IS BEING ENTIRELY BEING MADE THROUGH AN OFFER FOR SALE. THEREFORE, COMPANY WILL NOT RECEIVE ANY PROCEEDS FROM THE OFFER.

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE SELLING SHAREHOLDERS AND THE COMPANY 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 IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS:**

    (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

    (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. – NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. – COMPLIED WITH**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THIS DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – COMPLIED WITH**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)', AS PER**

FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR. - COMPLIED WITH

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS, REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AS CERTIFIED BY KISHOR, SHETH & CO, CHARTERED ACCOUNTANTS PURSUANT TO THEIR CERTIFICATE DATED JANUARY 30, 2018.**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS (IF APPLICABLE) - NOT APPLICABLE.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company and any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013, or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve any Selling Shareholder from any liability to the extent of the statements made by such Selling Shareholder in respect of the Equity Shares offered by it under the Offer for Sale, under Section 34 and 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders and the BRLMs

Our Company, the Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.nazara.com or the respective websites of our Subsidiaries or our Group Entity would be doing so at his or her own risk. Each Selling Shareholder, its directors, affiliates, associates and officers accepts/undertakes no responsibility for any statements made other than those statements made by such Selling Shareholder in relation to itself and to the Equity Shares offered by it, by way of the Offer for Sale in the Offer.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be made available by our Company, Selling Shareholders or the BRLMs for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company, the Selling Shareholders nor any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their associates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to FIIs, Eligible NRIs and FPIs and other eligible foreign investors including registered multilateral and bilateral development financial institutions. This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, our Subsidiaries, our Group Entity or the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the U.S. Securities or any state securities laws in 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 in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of each jurisdictions where such offers and sales are made.

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.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to RoC filing.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at SEBI at Corporate Finance Department, Plot No. C4-A, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus and each Selling Shareholder will be liable severally and not jointly to re-imburse the Company for such repayment of monies, on its behalf, with respect to the Equity Shares offered by it in the Offer for Sale. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent such delay has been caused solely by such Selling Shareholder and to the extent of the Equity Shares being offered by the Selling Shareholder in the Offer for Sale.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from the 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 Selling Shareholder, severally and not jointly, undertakes to provide such reasonable support and extend reasonable cooperation as may be requested by our Company and the BRLMs, in relation to the Equity Shares offered by it in the Offer for Sale to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid / Offer Closing Date. The fees and expenses relating to the Offer, other than the listing fees which will be borne by our Company, shall be shared between the Company and the Selling Shareholders, as mutually agreed, in accordance with applicable law. Each Selling Shareholder shall reimburse our Company for all expenses incurred by our Company on behalf of such Selling Shareholder, in relation to the Offer for Sale.

Price information of past issues handled by the BRLMs

A. I-Sec

1. Price information of past issues handled by I-Sec:

Sr. No.	Issue Name	Issue size (in ₹million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Sheela Foam Limited	5,100.00	730.00	09-Dec-16	860.00	+30.23%, [-0.31%]	+48.39%, [+8.02%]	+86.65%, [+16.65%]
2.	Music Broadcast Limited	4,885.29	333.00	17-Mar-17	413.00	+4.58%, [-0.23%]	+4.19%, [+5.00%]	+18.74% [+10.19%]
3.	Avenue Supermarts Limited	18,700.00	299.00	21-Mar-17	600.00	+145.08%, [-0.20%]	+166.35%, [+5.88%]	+264.38%, [+11.31%]
4.	Housing and Urban Development Corporation Limited	12,095.70	60.00(1)	19-May-17	73.00	+13.17%, [+2.44%]	+34.67%, [+4.98%]	+35.67%, [+8.05%]
5.	AU Small Finance Bank Limited	19,125.14	358.00	10-Jul-17	530.00	+58.76%, [+2.12%]	+65.20%, [+2.23%]	+95.38%,[+8.06%]
6.	Security and Intelligence Services (India) Limited	7,795.80	815.00	10-Aug-17	879.80	-3.29%, [+1.17%]	+3.14%, [+5.40%]	-
7.	Matrimony.Com Limited	4,974.79	985.00(2)	21-Sep-17	985.00	-12.28%, [+0.62%]	-7.64%,[+3.37%]	-
8.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	27-Sep-17	651.10	+3.62%, [+6.25%]	+18.97%,[+8.17%]	-
9.	SBI Life Insurance Company Limited	83,887.29	700.00(3)	03-Oct-17	735.00	-7.56%, [+5.89%]	-0.07%,[+5.84%]	-
10.	Newgen Software Technologies Limited	4,246.20	245.00	29-Jan-18	254.10	-	-	-

(1) Discount of ₹2 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of ₹60.00 per equity share.

(2) Discount of ₹98 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of ₹985.00 per equity share.

(3) Discount of ₹68 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹700.00 per equity share.

Notes:

1. All data sourced from www.nseindia.com

2. Benchmark index considered is NIFTY
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day

2. Summary statement of price information of past issues handled by I-Sec:

Fiscal Year	Total No. of IPOs	Total Funds Raised (in ₹million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18*	7	189,134.31	-	-	3	1	-	2	-	-	-	1	1	-
2016 - 17	12	160,855.45	-	-	3	4	4	1	-	1	1	7	2	1
2015 - 16	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-

**The information is as on the date of the document*

B. Edelweiss

1. Price information of past issues handled by Edelweiss:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Amber Enterprises India Limited	6,000.00	859^^^	January 30, 2018	1,175.00	Not Applicable	Not Applicable	Not Applicable
2	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	Not Applicable	Not Applicable
3	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	Not Applicable	Not Applicable
4	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	30.16% [1.02%]	Not Applicable	Not Applicable
5	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	3.61% [-3.19%]	Not Applicable	Not Applicable
6	Prataap Snacks Limited	4,815.98	938.00^^	October 5, 2017	1,270.00	25.12% [5.70%]	31.82% [5.60%]	Not Applicable

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
7	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	3.62% [6.25%]	18.97% [8.17%]	Not Applicable
8	Cochin Shipyard Limited	14,429.30	432.00^	August 11, 2017	440.15	30.14% [3.04%]	30.96% [6.10%]	Not Applicable
9	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	127.92%; [5.84%]	128.86% [2.26%]	146.71% [10.61%]
10	Tejas Networks Limited	7,766.88	257.00	June 27, 2017	257.00	28.04%; [5.35%]	17.82% [3.80%]	51.36% [10.73%]

Source: www.nseindia.com

^^^ *Amber Enterprises India Limited - Employee Discount of ₹85 per Equity Share to the Offer Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion. All calculations are based on the Offer Price of ₹859 per equity share*

^^*Prataap Snacks Limited - Employee Discount of ₹ 90 per Equity Share to the Issue Price was offered to the Eligible Employees Bidding in the Employee Reservation Portion. All calculations are based on the issue price of ₹938 per equity share*

^ *Cochin Shipyard Limited - Discount of ₹21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of ₹432 per equity share*

Notes

1. *Based on date of listing.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.*
3. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
4. *The Nifty 50 index is considered as the Benchmark Index*
5. *Not Applicable. – Period not completed*
6. *Disclosure in Table-1 restricted to 10 issues.*

2. Summary statement of price information of past issues handled by Edelweiss:

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18*	10	209,178.88	-	-	1	1	4	3	-	-	-	2	-	-
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1

Fiscal Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2015 - 16	7	56,157.83	-	-	3	-	2	2	-	-	4	-	1	2

**The information is as on the date of the document*

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

For the financial year 2017-18 – 10 issues have been completed. However, only 9 issues have completed 30 days, only 5 issues have completed 90 days and only 2 issues have completed 180 days yet.
For the financial year 2016-17 – 6 issues were completed and for the financial year 2015-16, 7 issues were completed. However, the disclosure under Table-1 is restricted to the latest 10 issues.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please see the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the BRLM	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Edelweiss	www.edelweissfin.com

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Indian legal counsel to the Company, Indian legal counsel to the BRLMs, Bankers/lenders to our Company, monitoring agency, the BRLMs, the Syndicate Members, the Escrow Collection Banks, the Refund Bank and the Registrar to the Offer to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

Expert to the Offer

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

(a) Our Company has received written consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 and as "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination report dated January 17, 2018 on our Restated Financial Statements and their report dated January 25, 2018 on the Statement of Tax Benefits included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under U.S. Securities Act.

Offer Expenses

The expenses of the Offer include, among others, brokerage and selling commission, printing and stationery expenses, legal fees, advertising and marketing expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see "*Objects of the Offer*" on page 96.

All expenses in relation to the Offer other than listing fees (which will be borne by our Company) shall be shared between our Company and the Selling Shareholders, as mutually agreed, in accordance with applicable law.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement, a copy of which will be available at the Corporate Office of our Company.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see "*Objects of the Offer*" on page 96.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of Allotment Advice/CAN/refund order and preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the Registrar Agreement, a copy of which is available for inspection at the Corporate Office of our Company.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage and stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting. Each Selling Shareholder will reimburse our Company the part of the expenses incurred by our Company in proportion to the Equity Shares contributed to the Offer by such Selling Shareholder.

For details of the Offer expenses, see "*Objects of the Offer*" on page 96.

IPO grading

Our Company may appoint an IPO grading agency registered with SEBI in respect of obtaining grading for the Offer. Such an IPO grading agency may be appointed prior to filing of the Red Herring Prospectus with the RoC.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in the "*Capital Structure*" on page 74, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Company's inception.

Previous capital issue during the previous three years by listed Group Entities and Subsidiaries

None of our Group Entity and our Subsidiaries has undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed group entities, and Subsidiaries

Our Company has not undertaken any previous public or rights issue. Further, none of our Group Entity or our Subsidiaries has undertaken any public or rights issue in the last ten years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

Our Company does not have any outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

Outstanding Preference Shares or convertible instruments issued by our Company

Except the employee stock options issued under the ESOP 2016 and ESOP 2017 our Company does not have any outstanding preference shares or other convertible instruments, as on date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders Relationship Committee comprising Shobha Jagtiani, Probir Roy and Vikash Mittersain as members. For details, see "*Our Management*" on page 168. As on the date of this Draft Red Herring Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Red Herring Prospectus.

Our Company has also appointed Vinav Agarwal, Company Secretary of our Company as the Compliance Officer for the Offer. For details, see "*General Information*" on page 68.

Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) 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.

Changes in Auditors

There has been no change in the Auditors during the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in "*Capital Structure*" on page 74.

Revaluation of Assets

Our Company has not revalued its assets at any time in the last five years.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Offer Expenses

The Offer comprises the Fresh Issue and the Offer for Sale. The fees and expenses relating to the Offer shall be shared amongst the Company and the Selling Shareholders in accordance with applicable law. For further details in relation to Offer expenses, see "*Objects of the Offer*" and "*Other Regulatory and Statutory Disclosures*" on pages 96 and 434, respectively.

Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the MoA and AoA and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of Articles of Association*" on page 501.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the MoA and AoA and provisions of the SEBI Listing Regulations. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" on pages 189 and 501, respectively. In relation to the Offer for Sale, the dividend for the entire financial year shall be payable to the transferees.

Face Value and Offer Price

The face value of each Equity Share is ₹4 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and the minimum Bid Lot size and the Retail Discount, if any, for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and advertised in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and the [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" on page 501.

Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated July 19, 2017 amongst NSDL, our Company and the Registrar to the Offer;
- Agreement dated April 24, 2017 amongst CDSL, our Company and the Registrar to the Offer.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [•] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys 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 investor wants to change the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Offer

Our Company and the Selling Shareholders, severally and not jointly, in consultation with the BRLMs, reserve the right not to proceed with the Offer, in whole or part thereof, after the Bid/Offer Opening Date but before the Allotment. In the event that the Company or the Selling Shareholders decide not to proceed with the Offer at all, our Company in consultation with the BRLMs, would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. In such event, the BRLMs through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid/Offer Programme

BID/OFFER OPENS ON	**[•]**(1)
BID/OFFER CLOSES ON (FOR QIBs)	**[•]**(2)
BID/OFFER CLOSES ON (FOR OTHER BIDDERS)	**[•]**

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

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

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	[•]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [•]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about [•]
Credit of Equity Shares to demat accounts of Allottees	On or about [•]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [•]

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six

Working Days of the Bid/Offer Closing Date, or as may be required under the applicable law the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Selling Shareholder confirms that it shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, with respect to the Equity Shares being offered by such Selling Shareholder in the Offer for Sale.

The Equity Shares have not been and will not be registered under the U.S. Securities or any state securities laws in 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 in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of each jurisdictions where such offers and sales are made.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST")
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid File received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date, no later than 1.00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in the Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company and the the Selling Shareholders in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by

notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations. However, if our Company does not make the minimum Allotment as specified under the terms of Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, the Selling Shareholder and our Company shall forthwith refund the entire subscription amount received. If there is delay beyond the prescribed time, the Selling Shareholder and our Company and shall pay interest prescribed under the applicable law.

Under subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.

Further, pursuant to Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Any expense incurred by our Company on behalf of each Selling Shareholder with regard to refunds, interest for delays, etc. for the Equity Shares being offered in the Offer will be reimbursed by such Selling Shareholder to our Company in proportion to the Equity Shares being offered for sale by such Selling Shareholders in the Offer, to the extent that the delay is solely attributable to such Selling Shareholder.

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, and therefore there shall not be any arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, minimum Promoters' contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 74 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details see "*Main Provisions of the Articles of Association*" on page 501.

Option to Receive Securities in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

OFFER STRUCTURE

Initial Public Offering of up to 5,543,052 Equity Shares for cash at price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Shares) aggregating to ₹[●] comprising of an Offer for Sale of up to 5,182,753 Equity Shares by Westbridge and up to 360,299 Equity Shares by Mitter Infotech LLP. The Offer shall constitute [●]% of the post-Offer paid up Equity Share capital of our Company.

The face value of the Equity Shares is ₹4 per Equity Share. The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation (2)	Atleast [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not more than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Atleast 75% of the Offer size shall be available for allocation to QIBs. However, 5 % of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. Unsubscribed portion in the Mutual Fund Portion will be added to the QIB Portion (excluding the Anchor Investor Portion).	Not more than 15% of the Offer	Not more than 10% of the Offer
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated proportionately. For details see, "*Offer Procedure – Part B – Allotment Procedure and Basis of Allotment – Allotment to RIBs*" on page 489
Mode of Bidding	ASBA only (3)	ASBA only	ASBA only
Mode of Allotment	Compulsorily in dematerialized form		
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●], not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●], not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●], so that the Bid Amount does not exceed ₹200,000 and in multiples of [●] Equity Shares
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Who can apply[(4)]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million, in accordance with applicable law, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Company	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders that is specified in the ASBA Form at the time of submission of the ASBA Form[(5)]		

**Assuming full subscription in the Offer*

(1) Our Company and the Selling Shareholders may, in consultation with the BRLMs allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. 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 made to other Anchor Investors. In case of undersubscription in the Anchor Investor Portion, the remaining Equity Shares will be added to the QIB Category. For details, see "Offer Structure" on page 453.

(2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under the SEBI ICDR Regulations.

(3) Anchor Investors are not permitted to use the ASBA process.

(4) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders

(5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form. For details of terms of payment applicable to Anchor Investors, please see section entitled "Offer Procedure – Part B - Section 7: Allotment Procedure and Basis of Allotment" on page 489.

Under subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, in a proportionate basis. However, under-subscription, if any, in the QIB portion will not be allowed to be met with spill-over from other categories or combination of categories.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Retail Discount

The Retail Discount, if any, will be offered to Retail Individual Bidders at the time of making a bid. Retail Individual Bidders bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Retail Individual Bidders bidding at the Cut-Off Price have to ensure payment at the Cap Price at the time of making a Bid. Retail Individual Bidders must ensure that the Bid Amount does not exceed ₹200,000. Retail Individual Bidders must mention the Bid Amount while filling the Bid cum Application Form.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, (CIR/CFO/POLICYCELL/11/2015) dated November 10, 2015 and SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, notified by SEBI (the "General Information Document") included below under "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations to the extent applicable to a public issue but has not been updated to reflect the commercial considerations between the Company and the Selling Shareholders with respect to the Offer. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein atleast 75% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Offer Price. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

In case of under-subscription in the Offer category, spill-over to the extent of under-subscription shall be permitted from the reserved category to the Offer. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable law.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident , QIBs, Non- Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPI or FVCIs or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Participation by Promoters, Promoter Group, the BRLMs, the Syndicate Members and persons related to the Promoters/Promoter Group/the BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), Promoters and Promoter Group and any persons related to our Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPIs (including FIIs)

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in the Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the board of directors followed by a special resolution passed by the shareholders of a company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The Board through its resolution dated January 17, 2018, approved the increase in the existing aggregate investment limits for an FPI/FII or sub account in our Company to 100% of the total paid-up Equity Share capital of our Company. The Company is in the process of intimating RBI of the increase in investment limits of FPIs.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms, and (iii) such offshore derivates instruments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by resident Indian or NRIs.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than $1/3^{rd}$ of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission. Any application received from such category of investor(s) or application wherein a foreign address is provided by the depositories would be rejected. Our Company, the Selling Shareholder or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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, in consultation with the BRLMs, 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 our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves as per the last audited balance sheet or a subsequent balance sheet, whichever is lower. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services, banking company cannot exceed 20% of bank's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) such other approval as may be required by the approval Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Selling Shareholders and the Lead Managers reserves the right to reject any Bid without assigning any reason.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

(a) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form

Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see the section entitled "*Offer Procedure – Part B – General Information Document for Investing in Public Issues*" on page 466.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the BRLMs in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the

PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

14. Ensure that the category and the investor status is indicated;

15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid; and

19. Ensure that the Demographic Details are updated, true and correct in all respects;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account;

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

9. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

10. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable

laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

12. Do not submit more than five Bid cum Application Forms per ASBA Account;

13. Anchor Investors should not bid through the ASBA process; and

14. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company and the Selling Shareholders in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●] Public Issue – Escrow Account – R"

(b) In case of Non-Resident Anchor Investors: "[●] Public Issue – Escrow Account – NR"

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of English national newspaper [●]; (ii) all editions of Hindi national newspaper [●]; and (iii) [●] edition of Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the registered office of the Company is situated), each with wide circulation. In the pre-Offer advertisement, we shall state the Bid Opening Date and the Bid Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*"**

shall be liable for action under Section 447. The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- intimation of the credit of the securities/refund orders to Eligible NRIs shall be despatched within specified time;
- other than Equity Shares issued pursuant to exercise of options granted under the ESOP 2016, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.; and
- it shall not have recourse to the proceeds from the offer which shall be held in escrow in its favour until the final listing and trading approvals from all the Stock Exchanges have been obtained.

Undertakings by the Selling Shareholders

The statements and undertakings set out below, in relation to each Selling Shareholder, are statements which are specifically confirmed or undertaken by such Selling Shareholder. All other statements and/or undertakings in this DRHP in relation to any of the Selling Shareholders shall be statements made by our Company, even if the same relates to any of the Selling Shareholders. Each of the Selling Shareholders hereby severally and not jointly undertake and/or confirm the following:

- the Equity Shares offered by it have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of SEBI ICDR Regulations;
- it shall not have recourse to the proceeds from the Offer which shall be held in escrow in its favour until the final listing and trading approvals from all the Stock Exchanges have been obtained;
- it shall reimburse the Company for expenses incurred in relation to the Offer on its behalf, to the extent of the Equity Shares offered by it, in the manner agreed to amongst the Selling Shareholders and the Company, and in accordance with applicable law;

- it shall take all such steps as may be required to ensure that the Equity Shares offered by it in the Offer are available for transfer in the Offer within the time specified under applicable law;

- to the extent of the Equity Shares offered by it, funds required for making refunds to unsuccessful applicants, to the extent applicable, as per the mode(s) disclosed in the DRHP, shall be made available to the Registrar to the Offer by it in a timely manner in accordance with applicable law; and

- it shall comply with all applicable laws, including but not limited to, the SEBI ICDR Regulations and the Companies Act, 2013, and the rules and regulations made thereunder, each as amended, in each case, in relation to the Offer.

Utilisation of Offer Proceeds

The Board of Directors certify that the details of all unutilised monies out of the funds received under the Promoters' contribution, if any, shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Each Selling Shareholder, along with our Company declares that all monies received out its component of the Offer for Sale shall be credited/transferred to a separate bank account pursuant to sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus ("**RHP**")/Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Offer and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the

SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Offer Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Offer ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

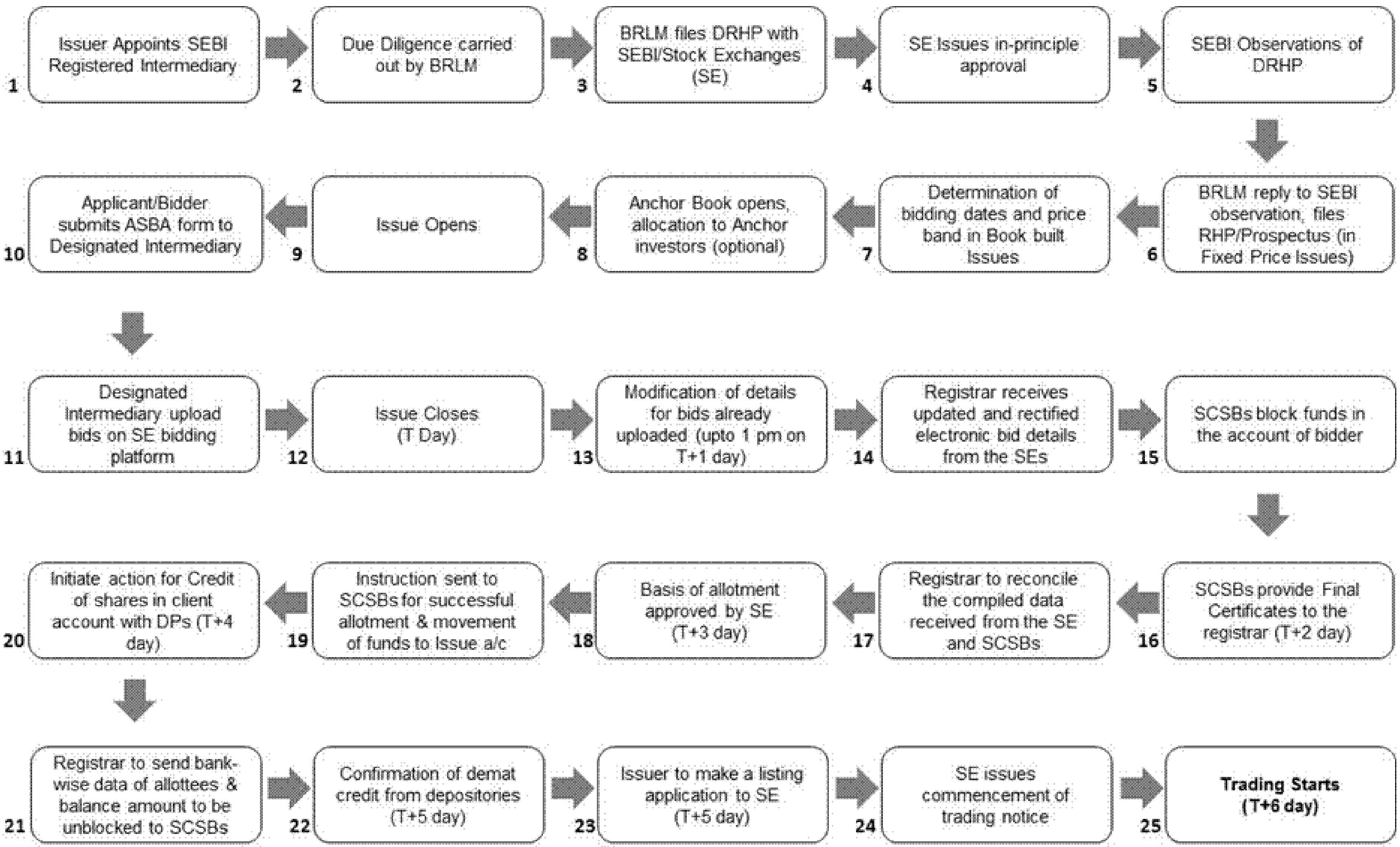
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Offer other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

    i. Step 7 : Determination of Offer Date and Price

    ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits ASBA form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 Issue Closes (T Day)
13 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
14 Registrar receives updated and rectified electronic bid details from the SEs
15 SCSBs block funds in the account of bidder
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by SE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Bidder ("**NIBs**") category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer

Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate 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, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : .... Contact Details: .... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with individual)

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub-account not a Corporate/Foreign Individual
FIISA	FII Sub-account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investors
OTH	Others (Please Specify)________

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✔ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date : ________	3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

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 in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

(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:*

(d) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(e) 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

(f) 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 OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted

Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 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 is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for other correspondence(s) related to an Offer.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 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/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).

(c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs 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 RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB 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 Bidders and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹200,000.

(b) Bids by Employees must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by such Bidder does not exceed ₹500,000. However, Allotment to the Employees under the employee reservation portion may exceed ₹200,000 (which will be less employee discount) only in the event of an under-subscription in the employee reservation portion and such unsubscribed portion may be allotted on a proportionate basis to Employees Bidding in the employee reservation portion, for a value in excess of ₹200,000, subject to total Allotment to an Employee not exceeding ₹500,000 (which will be less the Employee Discount).

(c) In case the Bid Amount exceeds ₹200,000 except Bids by Employees under the employee reservation portion due to revision of the Bid or any other reason, due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(d) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(e) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.

(f) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(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 Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bidding Date and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(h) A Bid cannot be submitted for more than the Offer 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 Offer Price, the highest number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds 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 Offer portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, 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 Offer are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **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 Offer is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Offer, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Offer only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by direct credit, RTGS or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) Bidders may submit the ASBA Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the 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 ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.3 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the 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 Offer 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 Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, or more than five lakh Rupees in case of Employees Bidding under the employee reservation portion, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category.

4.1.8 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 Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

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

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

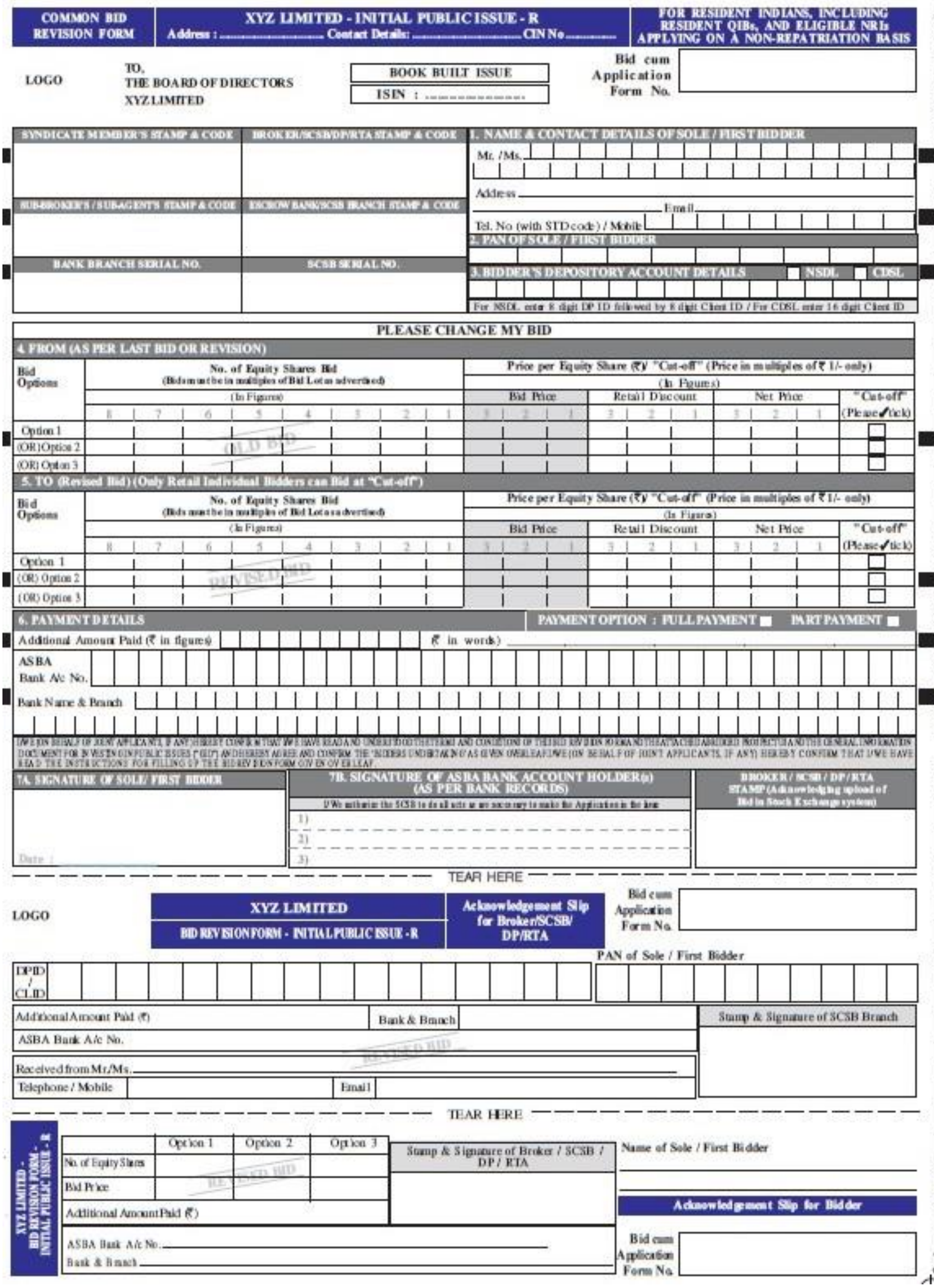
(a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RIB may revise their bids or withdraw their Bids till the Bid/Offer Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:



COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R
Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
Mr. / Ms.
Address
Email
Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	OLD BID				
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) 8 7 6 5 4 3 2 1	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price 3 2 1	Retail Discount 3 2 1	Net Price 3 2 1	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2	REVISED BID				
(OR) Option 3					

6. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT PART PAYMENT
Additional Amount Paid (₹ in figures) (₹ in words)
ASBA Bank A/c No.
Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER
Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)
I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue
1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of SCSB Branch
ASBA Bank A/c No.
Received from Mr./Ms.
Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares		REVISED BID	
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.
Bank & Branch

Bid cum Application Form No.

TEAR HERE PLEASE FILL IN BLOCK LETTERS 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/APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIBs and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case of revision of Bids by Employees under employee reservation portion, such Employees should ensure that the Bid Amount, subsequent to revision does not exceed ₹500,000. In the event of an under-subscription in the employee reservation portion, the unsubscribed portion may be allotted on a proportionate basis for a value in excess of ₹200,000, subject to total allotment to an Employee not exceeding ₹500,000. In case the Bid Amount exceeds ₹200,000, except Bids by Employees under the employee reservation portion, due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹200,000, except Bids by Employees under the employee reservation portion, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible. shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, except Bids by Employees under the employee reservation portion, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹200,000, except for Bids by Employees Bidding in the employee reservation portion wherein the application amount payable should not exceed ₹500,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Offer size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other 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 Offer to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Offer portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, 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 Offer are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue

(b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/APPLICATION FORM/REVISION FORM

4.4.1 **Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location (b) To the Designated Branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs, NIBs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Offer Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

(a) RIBs can withdraw their Bids until Bid/Offer Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Bids accepted by the Designated Intermediary,

ii. the Bids uploaded by the Designated Intermediary, and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.

(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, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, which have been detailed at various places in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs;

(c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum application form;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) PAN not mentioned in the Bid cum Application Form/Application Forms except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(k) Bids/Applications at Cut-off Price by NIBs and QIBs;

(l) The amounts mentioned in the Bid cum Application Form/Application Forms do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(n) Submission of more than five ASBA Forms/Application Forms per ASBA Account;

(o) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;

(p) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(q) Bids not uploaded in the Stock Exchanges bidding system.

(r) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;

(s) Where no confirmation is received from SCSB for blocking of funds;

(t) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(u) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Offer;

(v) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.

(b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, *i.e.*, ₹22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest

Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. As the Offer Price is mentioned in the Fixed Price Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Offer Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Offer is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIBs who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIBS

Bids received from NIBs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the issuer in consultation with the BRLMs, subject to compliance with the following requirements:

  i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

  ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

  iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

    - a maximum number of two Anchor Investors for allocation up to ₹100 million;

    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹100 million and up to ₹2,500 million subject to minimum Allotment of ₹50 million per such Anchor Investor; and

- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof, subject to minimum Allotment of ₹50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹100 million in the Offer.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Offer Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 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 to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Offer Account with the Banker to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹50,000 but which may extend to ₹3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer involving a Fresh Issue and an Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NACH**—National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

(d) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and the refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within 15 days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	**Description**
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the Offer/Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bidding Date 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

Term	Description
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Offer Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder~~/Applicant~~'s address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html

Term	Description
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term	Description
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non Institutional Bidders or NIBs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	A Bank account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus

Term	Description
Refund Account	The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank	Refund bank as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Bidders/ RIBs	Investors who applies or bids for a value of not more than ₹200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies, Mumbai
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
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the RBI and the relevant ministry or ministries of the Government of India.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), issued the consolidated FDI policy circular of 2017 ("**FDI Policy 2017**"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force and effect as on August 28, 2017.

Subject to certain conditions, the transfer of shares by way of sale between an Indian resident and a non-resident does not require the prior approval of the RBI or the relevant ministry or ministries of the Government of India, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy 2017 and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy 2017; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and the RBI.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of 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 U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States only in offshore transactions in reliance on Regulation S under the U.S. Securities Act and pursuant to the applicable laws of the jurisdictions where those offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

The Articles of Association of the Company comprise of two parts, Part I and Part II, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part I and Part II, the provisions of Part I shall be applicable, except in relation to the provisions of the Shareholders Agreement dated September 17, 2005 along with its Schedules as amended by the First Supplementary Subscription cum Shareholders Agreement dated July 11, 2007 and the Waiver and Termination Agreement dated January 17th , 2018 ("Waiver and Termination Agreement", and together with the Shareholders Agreement and the First Supplementary Subscription cum Shareholders Agreement, the "Shareholders Agreement"), which have been included in Part II, when provisions of Part II shall be applicable. However, Part II shall automatically terminate and cease to have any force and effect from the date of listing of equity shares of the Company on a recognized stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company without any further action, including any corporate action, by the Company or by the shareholders.

PART I

1. CONSTITUTION OF THE COMPANY

a) *The regulations contained in table "F" of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.*

b) *The regulations for the management of the company and for the observance of the shareholders thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.*

2. INTERPRETATION

A. DEFINITIONS

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

a. "**Act**" means the Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and all rules and clarifications issued thereunder or the Companies Act, 1956 and the rules issued thereunder (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and shall include all amendments, modifications and re-enactments of the foregoing.

b. "**ADRs**" shall mean American Depository Receipts representing ADSs.

c. "**Annual General Meeting**" shall mean a General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.

d. **"ADR Facility"** shall mean an ADR facility established by the company with a depository bank to hold any equity shares as established pursuant to a deposit agreement and subsequently as amended or replaced from time to time.

e. **"ADSs"** shall mean American Depository Shares, each of which represents a certain number of Equity Shares.

f. **"Articles"** shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.

g. **"Auditors"** shall mean and include those persons appointed as such for the time being by the company.

h. **“Board”** shall mean the board of directors of the company, as constituted from time to time, in accordance with law and the provisions of these Articles.

i. **“Board Meeting”** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

j. **“Beneficial Owner”** shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act.

k. **“Capital” or “share capital”** shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.

l. **“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 37 herein below.

m. **“Companies Act, 1956”** shall mean the Companies Act, 1956 (Act I of 1956), as may be in force for the time being.

n. **“Company” or “this company”** shall mean **NAZARA TECHNOLOGIES LIMITED.**

o. **“Committees”** shall mean a committee constituted in accordance with Article 74.

p. **“Debenture”** shall include debenture stock, bonds, and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

q. **“Depositories Act”** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.

r. **“Depository”** shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.

s. **“Director”** shall mean any director of the company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.

t. **“Dividend”** shall include interim dividends.

u. “**Equity Share Capital**” shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.

v. “**Equity Shares**” shall mean fully paid-up equity shares of the Company having a par value of INR **4/-** (Rupees **Four**) per equity share, and INR **4/-** (Rupees **Four**) vote per equity share or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares.

w. **“Executor”** or **“Administrator”** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

x. **“Extraordinary General Meeting”** shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act;

y. “**Financial Year**” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

z. “**Fully Diluted Basis**” shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.

aa. **"GDRs"** shall mean the registered Global Depositary Receipts, representing GDSs.

bb. **"GDSs**" shall mean the Global Depository Shares, each of which represents a certain number of Equity Shares.

cc. **"General Meeting"** shall mean a meeting of holders of Equity Shares and any adjournment thereof.

dd. "**Independent Director**" shall mean an independent director as defined under the Act and under the SEBI Listing Regulations.

ee. **"India"** shall mean the Republic of India.

ff. **"Law"** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, including the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, (ii) governmental approvals or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing by any governmental authority having jurisdiction over the matter in question, (iv) rules, policy, regulations or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.

gg. "**Managing Director**" shall have the meaning assigned to it under the Act.

hh. "**MCA**" shall mean the Ministry of Corporate Affairs, Government of India.

ii. "**Memorandum**" shall mean the memorandum of association of the Company, as amended from time to time.

jj. **"Office"** shall mean the registered office for the time being of the Company.

kk. **"Officer"** shall have the meaning assigned thereto by Section 2(59) of the Act.

ll. **"Ordinary Resolution**" shall have the meaning assigned thereto by Section 114 of the Act.

mm. "**Paid up**" shall include the amount credited as paid up.

nn. "**Person**" shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

oo. "**Promoters**" shall mean Vikash Mittersain, Nitesh Mittersain and Mitter Infotech LLP.

pp. "**Register of Members**" shall mean the register of shareholders to be kept pursuant to Section 88 of the Act.

qq. "**Registrar**" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

rr. "**Rules**" shall mean the rules made under the Act and notified from time to time.

ss. “**Seal**” shall mean the common seal(s) for the time being of the Company.

tt. “**SEBI**” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

uu. “**SEBI Listing Regulations**” Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

vv. “**Securities**” shall mean any Equity Shares or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.

ww. **“Share Equivalents”** shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.

xx. “**Shareholder**” shall mean any shareholder of the Company, from time to time.

yy. “**Shareholders’ Meeting**” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.

aaa. **“Special Resolution”** shall have the meaning assigned to it under Section 114 of the Act.

bbb. **“Transfer”** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word “**Transferred**” shall be construed accordingly.

ccc. “**Tribunal**” shall mean the National Company Law Tribunal constitutes under Section 408 of the Act.

B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

(i) References to a Party shall, where the context permits, include such Party’s respective successors, legal heirs and permitted assigns.

(ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

(iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub-articles herein.

(iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

(v) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

(vi) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

(vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.

(viii) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).

(ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.

(xi) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.

(xii) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4. SHARE CAPITAL

(a) The authorised Share Capital of the Company shall be as stated under Clause 5 of the Memorandum of Association of the Company from time to time.

(b) The Paid up Share Capital shall be at all times a minimum of Rs. **5,00,000/-** (Rupees **Five Lakhs** only) or such higher amount as may be required under the Act.

(c) The Company has power, from time to time, to increase its authorised or issued and Paid up Share Capital.

(d) The Share Capital of the Company may be classified into Equity Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

(e) Subject to Article 4(d), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.

(f) The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

(g) The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.

(h) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

(i) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

(j) All of the provisions of these Articles shall apply to the Shareholders.

(k) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

(l) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

5. BRANCH OFFICES

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places at its Board may deem fit.

6. PREFERENCE SHARES

(a) **Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) **Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

7. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of preference shares pursuant to Article 6 above, the following provisions shall apply:

(a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

(b) No such shares shall be redeemed unless they are fully paid;

(c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;

(d) Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "**Capital Redemption Reserve Account**" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

(e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

(f) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and

(g) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

8. SHARE EQUIVALENT

The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

9. ADRS/GDRS

The Company shall, subject to the applicable provisions of the Act, compliance with all Laws and the consent of the Board, have the power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board.

10. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

(a) increase its Share Capital by such amount as it thinks expedient;

(b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.

(c) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination

(d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

11. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

12. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

13. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48(2) of the Act and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

14. REGISTERS TO BE MAINTAINED BY THE COMPANY

(a) The Company shall, in terms of the provisions of Section 88 of the Act and the provisions of the Depositories Act, 1996, cause to be kept the following registers in terms of the applicable provisions of the Act

(i) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

(ii) A register of Debenture holders; and

(iii) A register of any other security holders.

(b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

(c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

15. SHARES AND SHARE CERTIFICATES

(a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(b) A duplicate certificate of shares may be issued, if such certificate:

i. is proved to have been lost or destroyed; or

ii. has been defaced, mutilated or torn and is surrendered to the Company.

(c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be *prima facie* evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the *prima facie* evidence of the interest of the beneficial owner.

(e) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

(f) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

(g) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

(h) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.

(i) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine–numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(j) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.

(k) All books referred to in sub-article (j) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

(l) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

(m) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.

(n) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

16. SHARES AT THE DISPOSAL OF THE DIRECTORS

(a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to compliance with Section 53 of the Act) at such time as they may, from time to time, think fit to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.

(b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

(c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

(d) In accordance with Section 56 and other applicable provisions of the Act and the Rules:

Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding rupees two.

(i) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 15 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

(ii) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

(iii) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

17. UNDERWRITING AND BROKERAGE

(a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

18. CALLS

(a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

(b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The Board may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

(d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

(e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(f) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

(g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

(h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

(i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

(j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(k) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

(l) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

19. COMPANY'S LIEN:

i. On shares:

(a) The Company shall have a first and paramount lien:

(i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

(c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

(d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

(e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

ii. On Debentures:

(a) The Company shall have a first and paramount lien:

(i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

(ii) on all Debentures (not being fully paid Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.

(c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the

Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.

(d) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

(e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

20. FORFEITURE OF SHARES

(a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

(b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

(c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

(d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

(e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

(f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

(g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

(h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

(i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

(j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

(k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

21. FURTHER ISSUE OF SHARE CAPITAL

(a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause a. above shall contain a statement of this right;

c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

(b) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

(c) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

(d) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

22. TRANSFER AND TRANSMISSION OF SHARES

(a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.

(b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

(c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

(e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

(f) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

(g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

(h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

(j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

(l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

(o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

(p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

(q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

(r) The Company shall not register the transfer of its securities in the name of the transferee(s) when the transferor(s) objects to the transfer.

Provided that the transferor serves on the Company, within sixty working days of raising the objection, a prohibitory order of a Court of competent jurisdiction.

(s) The Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the delegated authority shall report on transfer of securities to the Board in each meeting.

(t) There shall be a common form of transfer in accordance with the Act and Rules.

(u) The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

23. DEMATERIALIZATION OF SECURITIES

(a) Dematerialization:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(b) Subject to the applicable provisions of the Act, instead of issuing or receiving certificates for the Securities, as the case maybe, 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 as amended from time to time or any statutory modification thereto or re-enactment thereof.

(c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles.

(d) If a Person opts to hold his Securities with a Depository, then notwithstanding anything to the contrary contained in these Articles the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

(e) Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) Rights of Depositories & Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

(g) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(h) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories

Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(i) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(j) Service of Documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(k) Transfer of Securities:

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(l) Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(m) Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(n) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(o) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(p) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(q) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

(r) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

24. NOMINATION BY SECURITIES HOLDERS

a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

25. NOMINATION FOR FIXED DEPOSITS

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

26. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

27. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

28. BORROWING POWERS

(a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

(i) accept or renew deposits from Shareholders;

(ii) borrow money by way of issuance of Debentures;

(iii) borrow money otherwise than on Debentures;

(iv) accept deposits from Shareholders either in advance of calls or otherwise; and

(v) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

(b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture–stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

(c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

(d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

(e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

(g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

29. SHARE WARRANTS

(a) The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Companies Act, 1956; and accordingly the Board may in its discretion, with respect to any Share which is fully Paid-up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

(b) (i) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of 2 (two) clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposited warrant.

(ii) Not more than one person shall be recognized as depositor of the share warrant.

(iii) The Company shall, on 2 (two) days' written notice, return the deposited share warrant to the depositor.

(c) (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Shareholder at a meeting of the Company, or be entitled to receive any notices from the Company.

(ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the Shareholder included in the warrant, and he shall be a Shareholder of the Company.

(d) The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

(e) The provisions contained under this Article shall cease to have effect post the notification of section 465 of the Act which shall repeal the provisions of Companies Act, 1956.

30. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

(a) The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.

(b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

31. ANNUAL GENERAL MEETING

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

32. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

33. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

(a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

(b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

34. NOTICE OF GENERAL MEETINGS

(a) <u>Number of days' notice of General Meeting to be given</u>: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,

(b) Auditor or Auditors of the Company, and

(c) all Directors.

(b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

(c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by electronic mode or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

(e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

(g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

35. REQUISITION OF EXTRAORDINARY GENERAL MEETING

(a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

(b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(g) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

36. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

37. CHAIRMAN OF THE GENERAL MEETING

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect, on a show of hands or on a poll if properly demanded, one of their member to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

38. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

39. QUESTIONS AT GENERAL MEETING HOW DECIDED

(a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

(b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

(c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

(d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

(e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.

(f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

(g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

(h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

40. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

41. VOTES OF SHAREHOLDERS

(a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

(b) No shareholder shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

(c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

(d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

(e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

(f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

(g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

(h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

(i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

(j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

(k) A Shareholder present by proxy shall be entitled to vote only on a poll.

(l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.

(m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.

(n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

(o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

(p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

(q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

(i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(vii) Any such Minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -

a) the names of the Directors and Alternate Directors present at each General Meeting;

b) all Resolutions and proceedings of General Meeting.

(r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.

(s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

(t) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

(u) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

(v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

(w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

42. DIRECTORS

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

43. CHAIRMAN OF THE BOARD OF DIRECTORS

(a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

(b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

44. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "**the Original Director**") (subject to such person being acceptable to the Chairman) during the Original Director's absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

45. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42**.** Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

46. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

47. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.

48. EQUAL POWER TO DIRECTOR

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

49. NOMINEE DIRECTORS

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director so appointed shall be a member of the project management sub-committee, audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

50. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

51. REMUNERATION OF DIRECTORS

(a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

(b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.

(c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.

(d) All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of Central Government. Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

52. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

53. TRAVEL EXPENSES OF DIRECTORS

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

54. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 42 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

55. VACATION OF OFFICE BY DIRECTOR

(a) Subject to relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall *ipso facto* be vacated if:

(i) he is found to be of unsound mind by a court of competent jurisdiction; or

(ii) he applies to be adjudicated an insolvent; or

(iii) he is adjudged an insolvent; or

(iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or

(v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or

(vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or

(vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or

(viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

(ix) he acts in contravention of Section 184 of the Act; or

(x) he becomes disqualified by an order of the court under Section 203 of the Companies Act, 1956; or

(xi) he is removed in pursuance of Section 169 of the Act; or

(xii) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

56. RELATED PARTY TRANSACTIONS

(a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a 'related party' with respect to: :

i. sale, purchase or supply of any goods or materials;

ii. selling or otherwise disposing of, or buying, property of any kind;

iii. leasing of property of any kind;

iv. availing or rendering of any services;

v. appointment of any agent for purchase or sale of goods, materials, services or property;

vi. such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

vii. underwriting the subscription of any securities or derivatives thereof, of the company:

without the consent of the Shareholders by way of a Special Resolution in accordance with Section 188 of the Act.

(b) no Shareholder of the Company shall vote on such Special Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.

(c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis

(d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

(e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.

(f) The term 'related party' shall have the same meaning as ascribed to it under the Act.

(g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

57. DISCLOSURE OF INTEREST

(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid-up Share Capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(b) No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however that nothing herein contained shall apply to:-

  (i) any contract or indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;

  (ii) any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director consists solely,

    1. in his being –

      I. a director of such company, and

II. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by this Company, or

2. in his being a shareholder holding not more than 2 (two) per cent of its Paid-up Share Capital.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

(c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 57(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

(d) A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

58. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that Directors appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

59. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

(a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(ii) retiring Director has, by a notice in writing addressed to the Company or its Board , expressed his unwillingness to be so reappointed;

(iii) he is not qualified or is disqualified for appointment; or

(iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

60. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.

Subject to Article 42 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

61. REGISTER OF DIRECTORS ETC.

(a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

62. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE.

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

63. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairman of the Board as the Managing Director / whole time director or executive director of the Company.

64. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director.

65. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

66. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

67. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of securities under Section 68 of the Act;

(c) to issue securities, including debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

(l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

(a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;

(b) to borrow money; and

(c) any such other matter as may be prescribed under the Act, the SEBI Listing Regulations and other applicable provisions of Law.

68. MAKING LIABILITY OF DIRECTORS UNLIMITED

The Company may, by Special Resolution in a General Meeting, alter its Memorandum of Association so as to render unlimited the liability of its Directors or of any Director or manager, in accordance with Section 323 of the Companies Act, 1956.

69. PROCEEDINGS OF THE BOARD OF DIRECTORS

(a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.

(b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

(c) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

(d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.

(e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

(f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

70. QUORUM FOR BOARD MEETING

(a) Quorum for Board Meetings

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

(b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

71. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED

(a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

(b) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

72. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

(b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

73. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term ‘undertaking’ and the expression ‘substantially the whole of the undertaking’ shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

ii. Remit, or give time for repayment of, any debt due by a Director;

iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

74. COMMITTEES AND DELEGATION BY THE BOARD

(a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

(b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

(c) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

(d) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

75. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director . Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

76. PASSING OF RESOLUTION BY CIRCULATION

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members of the Committee, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

77. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

(a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

(b) The Company shall circulate the minutes of the meeting to each Director within 7 (seven) Business Days after the Board Meeting.

(c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -

  (i) all appointments of Officers;

  (ii) the names of the Directors present at each meeting of the Board;

  (iii) all resolutions and proceedings of the meetings of the Board;

  (iv) the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.

(f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -

  (i) is or could reasonably be regarded as defamatory of any person;

  (ii) is irrelevant or immaterial to the proceedings; or

  (iii) is detrimental to the interests of the Company.

(g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.

(h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

(i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 3 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

78. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

79. CHARGE OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

80. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

81. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

82. OFFICERS

(a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.

(b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.

(c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.

(d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.

(e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

83. THE SECRETARY

(a) Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

(b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

84. DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

(a) on terms approved by the Board;

(b) which includes each Director as a policyholder;

(c) is from an internationally recognised insurer approved by the Board; and

(d) for a coverage for claims of an amount as may be decided by the Board, from time to time.

85. SEAL

(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board, previously given.

(b) The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Companies Act, 1956, for use in any territory, district or place outside India.

(c) 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 two (2) directors and of the secretary or such other person as the Board may appoint for the purpose; and those two (2) directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

86. ACCOUNTS

(a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

(b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.

(c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.

(d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.

(e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.

(f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:

i. the extract of the annual return as provided under sub-section (3) of Section 92 of the Act;

ii. number of meetings of the Board;

iii. Directors' responsibility statement as per the provisions of Section 134 (5) of the Act;

iv. a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Act;

v. in the event applicable, as specified under sub-section (1) of Section 178 of the Act, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Act;

vi. explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-

1. by the auditor in his report; and

2. by the company secretary in practice in his secretarial audit report;

vii. particulars of loans, guarantees or investments under Section 186 of the Act;

viii. particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;

ix. the state of the company's affairs;

x. the amounts, if any, which it proposes to carry to any reserves;

xi. the amount, if any, which it recommends should be paid by way of Dividends;

xii. material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report;

xiii. the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;

xiv. a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company;

xv. the details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year;

xvi. in case of a listed company and every other public company having such paid-up share capital as may be prescribed, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors; and

xvii. such other matters as may be prescribed under the Law, from time to time.

(g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

87. AUDIT AND AUDITORS

(a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.

(b) Every account of the Company when audited shall be approved by a General Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.

(c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.

(d) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.

(e) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.

(f) The Company shall within 7 (seven) days of the Central Government's power under sub clause (b) becoming exercisable, give notice of that fact to the Government.

(g) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(h) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.

(i) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.

(j) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

88. AUDIT OF BRANCH OFFICES

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

89. REMUNERATION OF AUDITORS

The remuneration of the Auditors shall be fixed by the Company as authorized in General Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

90. DOCUMENTS AND NOTICES

(a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by electronic mode or by sending it by post to him to his registered address.

(b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

(c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of shareholders in respect of the Share.

(d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

(e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.

(f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

(g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a shareholder has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each shareholder an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

91. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

92. SERVICE ON SHAREHOLDERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

93. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

94. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

(i) To the Shareholders of the Company as provided by these Articles.

(ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.

(iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

95. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

96. DIVIDEND POLICY

(a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

(c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Actor out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -

1. if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and

2. if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Actor against both.

(ii) The declaration of the Board as to the amount of the net profits shall be conclusive.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

(e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.

(f) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.

(iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(l) No unpaid Dividend shall bear interest as against the Company.

(m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.

(n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

97. UNPAID OR UNCLAIMED DIVIDEND

(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank.

(b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".

(c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

98. CAPITALIZATION OF PROFITS

The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and

(b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

(c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

(ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(iii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

(d) A share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

99. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

(a) The Board shall give effect to a Resolution passed by the Company in pursuance of this regulation.

(b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

(ii) generally do all acts and things required to give effect thereto.

(c) The Board shall have full power:

i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and

ii. to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

(d) Any agreement made under such authority shall be effective and binding on all such shareholders.

100.DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

(a) If the company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

101.DIRECTOR'S AND OTHER'S RIGHTS TO INDEMNITY

Subject to the provisions of Section 197 of the Act, every Director, Manager and other officer or employee of the company shall be indemnified by the company against any liability incurred by him and it shall be the duty of the Directors to pay out the funds of the company all costs, losses and expenses which any director, Manager, officer or employee may incur or become liable to by reason of any contact entered into by him on behalf of the company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, Officer or employee in defending any proceedings Whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the shareholders over all the claims.

102.DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of Section 197 of the Act, no Director, Manager, Officer or Employee of the company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of any security in or upon which any of the monies of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the company.

103.INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the board and shareholders shall be kept at the office of the company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of law.

104.AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

(a) The shareholders shall vote for all the equity shares owned or held on record by such shareholders at any annual or extraordinary General meeting of the company in accordance with these Articles.

(b) The shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

(c) The Articles of the company shall not be amended unless the votes cast in favour of the resolution, whether on a show of hands, or electronically or on a poll, as the case may be, by members who, being entitled so to do, vote in person or by proxy or by postal ballot, are required to be not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting.

105.SECRECY

No shareholder shall be entitled to inspect the company's work without permission of the managing Director/Directors or to require discovery of any information respectively any details of company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the shareholders of the company to communicate to the public.

106.DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, managing Directors, manager, Secretary, Auditor, Trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the company in the general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the company's affair.

107.PROVISIONS OF THE COMPANIES ACT, 1956 SHALL CEASE TO HAVE EFFECT

Notwithstanding anything contained in these Articles, the provisions of the Companies Act, 1956, as are mentioned under these articles shall cease to have any effect once the said provisions are repealed upon notification of the corresponding provisions under the Act.

PART II

Part II of these Articles includes the rights and obligations of the parties to the Shareholders Agreement dated September 17, 2005 along with its Schedules as amended by the First Supplementary Subscription cum Shareholders Agreement dated July 11, 2007 and the Waiver and Termination Agreement dated January 17, 2018 ("Waiver and Termination Agreement", and together with the Shareholders Agreement and the First Supplementary Subscription cum Shareholders Agreement, the "Shareholders Agreement").

In the event of any inconsistency between Part I and Part II of these Articles, the provisions of Part I of these Articles shall prevail over Part II of these Articles, except in relation to the provisions of the Shareholders Agreement which have been included in Part II, in which case Part II shall prevail over Part I of these Articles. Part II of these Articles shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of listing of the Equity Shares on a stock exchange in India, subsequent to an initial public offering of the Equity Shares, without any further action, including any corporate action, by the Company or by the shareholders. It is clarified that if listing of the Equity Shares of the Company on the National Stock Exchange of India Limited or BSE Limited is not completed on or before the IPO Cut-Off Date under the Waiver and Termination Agreement, all existing shareholders' of the Company, the Promoters and the Company undertake to take all such actions, and do all such things, necessary to ensure that the Investors are placed in the same position and possess the same right as if these Articles had not been amended, approved and implemented except the procedural changes as required under the Companies Act and rules made thereunder, which are not prejudicial to the Investors in any manner whatsoever, in accordance with the provisions of the Waiver and Termination Agreement. However, the Investors may give consent for such procedural changes subject to their rights under the articles of the Company.

1. Interpretation

1.1 **Definitions**

1.2 In these Articles--

(a) "**Affiliate**" in relation to a Person,

i) being a corporate entity shall mean any entity or Person, which controls, is controlled by, or is under the common control as such Person;

(ii) being an individual, shall mean any Relative or any other entity or Person, which is controlled by such Person or Relative of such individual; and

(iii) in any other case shall mean a Person controlled by either the Founders, Company, Investor or Other Shareholders;

The term "control" shall mean the beneficial ownership or the right to vote in respect of, directly or indirectly, more than 50% of the voting shares or securities of such entity or the power to control the majority of the composition of the Board of such entity or the power to direct the management or policies of such entity by contact or otherwise;

(b) "**Articles**" shall mean the articles of association of the Company;

(c) "**Board**" shall mean the board of Directors of the Company;

(d) "**Business Plan**" shall mean the most recent business plan and budget approved by the Board and by the Investor;

(e) "**Company**" means Nazara Technologies Limited;

(f) "**Change In Control**" shall include the transactions described in subparagraphs (ii) and (iii) under the term "**Liquidation Event**";

(g) "**Closing**" shall mean closing as defined under the Subscription Agreement dated September 17, 2005 entered into in writing by and among the Investor, Founders, Company and Other

Shareholders and as defined in the Supplementary Agreement dated July 11, 2007 entered into in writing by and among the Investor, Founders, Company and Other Shareholders;

(h) "**Confidential Information**" shall mean any information concerning the business, accounts, finance, technology or intellectual property rights of the Company;

(i) "**Director**" means a director on the Board from time to time;

(j) "**Employees**" shall mean individuals who are the confirmed/ permanent employees of the Company;

(k) "**Employment Agreements**" shall mean the Employment Agreements between the Key Employees and the Company on terms and conditions approved by the Investor;

(l) ***"Equity Shares**" shall mean the equity shares of the Company issued and outstanding from time to time, presently having a face value of Rs. 4/- per share;

(m) "**ESOP**" shall mean the employee stock option plan of the Company;

(n) "**ESOP Pool**" shall mean the number of Shares allocated or set aside for allocation by Board under the ESOP from time to time;

(o) "**ESOP Trust**" shall mean the trust, if any, created by the Board under the ESOP;

(p) "**FRR**" shall have the meaning as ascribed to it in Article 7.6.1 (iv);

(q) "**Founders**" shall mean Mr Nitish Mittersain, Mr Vikash Mittersain and Mitter Infotech LLP

(r) "**Founder Directors**" shall mean the Directors nominated by the Founders from time to time;

(s) "**Founder Shares**" means the Shares held by the Founders and their Affiliates collectively and where the context so requires the Shares held by a particular Founder or Founders;

(t) "**Government Authority**" shall mean:

(i) A government, whether foreign, federal, state, territorial or local which has or claims jurisdiction over the Company;

(ii) A department, office or minister of a government acting in that capacity and shall include the Foreign Investment Promotion Board and the Reserve Bank of India; or

(iii) A commission, agency, board or other governmental, semi-governmental, judicial, quasi judicial administrative, monetary or fiscal authority, tribunal.

(u) "**Investor**" shall mean WestBridge Ventures II Investment Holdings and its Affiliates and permitted assigns;

(v) "**Investor Directors**" shall mean the Directors nominated by the Investor;

(w) "**Investor Equity Shares**" shall mean the Equity Shares held by the Investor and its transferees from time to time;

(x) "**Investor Shares**" shall mean the Shares held by the Investor and its transferees from time to time and for the avoidance of doubt include the Investor Equity Shares and the Preference Shares;

(y) "**IP Rights**" or "**Intellectual Property**" shall mean all rights in and in relation to all intellectual property rights subsisting in the products developed, being developed and/or proposed to be developed by the Company including all patents, patent applications, moral rights, trademarks, trade names, service marks, service names, brand names, internet domain names and sub-domains, inventions, processes formulae, copyrights, business and product names, logos, slogans, trade secrets, industrial models, processes, designs, methodologies, computer programs (including all source codes), technical information, manufacturing, engineering and technical drawings, know-how and all pending applications for and registration of patents, entity models, trademarks, service marks, copyrights and internet domain names and sub-domains;

(z) "**Key Employees**" means the employees listed in the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders and shall include any other employees as may be mutually agreed to be designated as "Key Employee" by the Founders and Investors from time to time;

(aa) "**Law**" includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any court, Government, statutory authority, board (in each such case whether preliminary or final), or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date hereof or at any time thereafter, and, if applicable, international treaties and regulations including the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015;

(bb) "**Liquidation Event**" shall (except for the issue of Shares under an IPO) be deemed to include the following:

(i) Commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or

(ii) The consummation of a consolidation, merger, reorganization or other similar transaction (whether in 1 or a series of transactions) of the Company resulting in its Shareholders, collectively retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion, exercise or exchange of any securities convertible into or exercisable or exchangeable for, such voting Securities, or

(iii) sale or transfer of more than 50% of the then outstanding Shares by the Shareholders, such that the Shareholders which shall include the Investor, prior to any transaction, retain after such transaction less than 50% of the voting power of the Company, or

(iv) the sale of, transfer of or creation of an Encumbrance of any nature, whatsoever, or the appointment of a receiver in any proceedings, in more than 50% of the value of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever in more than 50% of the value of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in 1 or a series of the transactions), which has not been vacated within 15 days of the passing of such order by the court. Sub – section (iv) would not apply to case of consolidation, merger, reorganization or other similar transaction referred to in sub – section (ii);

(cc) "**Liquidation Preference**" shall mean the right given to the holders of Preference Shares to receive a return on their investment as provided in Article 23 in preference to the Other Shareholders, in the event of a Liquidation Event;

(dd) "**Liquidation Preference Price**" shall in relation to the Preference Shares, means the subscription price paid by the Investor at Closing for each Preference Share pursuant to the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders plus any accrued or declared but unpaid dividends, being the minimum price payable to the holders of Preference Shares on a Liquidation Event, to the extent and in the manner, as provided in Article 23;

(ee) "**Loss**" shall mean any loss, liability, claim, damage, fine, penalty, deficiency and expense (including interest, court fees, fees of attorneys, accountants and other experts or other expenses of litigation or other proceedings of any claim, default or assessment) and any diminution in the value of the Company as may be determined by an independent auditor, the costs of whom shall be borne by the Company;

(ff) "**Management Incentive Pool**" shall mean the number of shares notionally set aside for allocation, by the Board under the Management Incentive Pool to be created by the Company with the approval of the Investor for the benefit of Mr. Nitish Mittersain and Mr. Vikash Mittersain and the Key Employees;

(gg) "**Managing Director**" shall mean the managing director of the Company;

(hh) "**Material Adverse Effect**" shall mean any event, condition or item that, individually or in aggregate, would have a adverse material effect on (i) the business, assets, condition (financial or otherwise) or result of operations of the Company taken as a whole which is likely to have an impact on the business of the Company so as to reduce the value of the Company by 25% or more of its value as on the date hereof (ii) the ability of the Company to conduct the Company and to own or lease their assets and properties in substantially the same manner in which the business was previously conducted and such assets were previously conducted and such assets and properties were previously owned or leased and such change would materially affect the ability of the Company to carry on their business, or (iii) the ability of the Company to consummate the transactions contemplated hereby, in a timely manner in accordance with the terms of the agreement entered into in writing by and among the Founders, Company, Investor and the Other Shareholders and other Transaction Documents;

(ii) "**Material Breach**" shall in relation to any "Founder and/ or the Company, as the case may be unless expressly waived by the Investor means:

(i) any act or omission which constitutes a failure on the part of the Founders or the Company to honour or give effect to the Liquidation Preference and/ or the anti dilution rights of the Investor contained in Article 22.2, which shall include the raising of any contention by Founder that the Liquidation Preference and/ or the anti – dilution rights are not valid and or cannot be granted to the Investor; or

(ii) the taking of any action contrary to the terms of Article 15.9 or any other similar provision under the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders, i.e. without obtaining the affirmative vote of the Investor Director or the consent of the Investor as applicable; or

(iii) the breach by the Founders or the Company of any of their respective covenants, representations and warranties or other obligations set forth herein any of the Transaction Documents, resulting in a Material Adverse Effect; or

(iv) resignation by Mr. Nitish Mittersain as CEO of the Company or his dismissal by the Board for substantial cause, in either case within 4 years from the date of Closing; or

(v) the failure of the Company to convert all Preference Shares ordered for conversion pursuant to and in accordance with Article 23;

if where capable of remedy, the same is not remedied by the Founders and/ or the Company within 15 days of the receipt of notice in writing in this regard from the Investor;

(jj) "**Memorandum**" shall mean the memorandum of association of the Company;

(kk) "**New Subscription Price**" shall in relation to the New Subscription Shares acquired by the Investor at Closing mean the aggregate price of USD 1,500,000 for the New Subscription Shares;

(ll) "**New Subscription Shares**" shall mean the Second Series Investor Preference Shares allotted to and subscribed by the Investor pursuant to the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders**;**

(mm) "**Other Shareholders**" shall mean Indexarb Securities Private Limited, Mr. Pramod C Shah, Emerging Investments Limited and Persona Ventures Corporation;

(nn) "**Overriding Articles**" shall mean Articles 2.8, 2.9, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, 9, 10, 13.1 (iii), 13.2 to 13.10, 14, 15.1 to 15.9, 16.1 to 16.3, 18.1, 18.10, 19, 20, 21, 22.2, 23, 24, 25, 26, 27, 28 and 29;

(oo) "**Person**" shall mean and include an individual, an association, a corporation, a partnership, a joint venture, a venture capital fund, a trust, an unincorporated organization, a joint stock company or other entity or organization, including a government or political sub-division, or an agency or instrumentality thereof and/or any other legal entity;

(pp) "**Preferential Issue**" shall mean the issue of Shares or other Securities convertible into Shares to any Person or Persons other than a pro rata issue of the Shares or such Securities to all Shareholders on identical terms;

(qq) "**Preference Shares**" shall mean 868,211 Optionally, Convertible, Redeemable, Participating Preference of the Company of Rs.10/- each, at an aggregate subscription price of USD 500,000 issued to the Investor on terms and conditions outlined under the Articles;

(rr) "**Qualified IPO**" shall mean a fully subscribed initial public offering of the Company on a recognized stock exchange in India or abroad whether as a fresh issue of Shares or an offer by the existing Shareholders of their Shares or both as set out in Article 10, which results in at least US$ 15,000,000 of gross proceeds to the Company or the Shareholders or a combination thereof and a minimum per share price of 5 times the Subscription Price per share;

(ss) "**Redemption Price**" shall have the meaning ascribed in Article 23;

(tt) "**Redemption Notice**" shall have the meaning ascribed in Article 23;

(uu) "**Relative**" shall the meaning ascribed to it in Section 2 (77) of the Act;

(vv) "**Re**", " **Rs.", "Rupee" or "Rupees**" shall mean the lawful Indian currency;

(ww) "**SEBI**" shall mean the Securities and Exchange Board of India;

(xx) "**Second Series Investor Preference Shares**" shall mean the fully convertible preference shares of the Company having a face value of Rs.10 each, possessing the rights, preferences and privileges as mentioned in these Articles;

(yy) "**Securities**" shall include the Shares, debentures and any other security that is convertible into Shares;

(zz) "**Shares**" shall mean the Investor Equity Shares, the Preference Shares and other Equity Shares of Company;

(aaa) "**Subscription Price**" shall in relation to the Investor Shares acquired by the Investor means the price paid by the Investor for each Equity Share and Preference Share subscribed to by the Investor at Closing;

(bbb) "**Shareholder**" or "**Shareholders**" shall mean any Person, who holds Shares;

(ccc) "**Transaction Documents**" shall mean the agreements entered into in writing by and among the Company, Investor, Founders and Other Shareholders, the Employment Agreements between the Key Employees and the Company, the Memorandum and Articles;

(ddd) "**the Act**" shall mean the Companies Act, 2013 or any previous company law (to the extent applicable) and includes any statutory modification or re-enactment thereof for the time being in force and as amended from time to time and the relevant rules framed thereunder, as amended from time to time;

(eee) "**the seal**" means the common seal of the Company; and

(fff) "**US Dollar**" or "**USD**" or "**US$**" shall mean the lawful currency of the United States of America;

1.3 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

2. Share Capital and Variation of Rights

2.1 *The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 3,43,71,990 (Three Crores Forty Three Lakhs Seventy One Thousand Nine Hundred and Ninety Only) Equity Shares having the face value of Rs. 4/- (Rupees Four Only) each. & 12,51,204 (Twelve Lakhs Fifty One Thousand Two Hundred & Four) Preference Shares of Rs. 10/- (Rupees Ten only) each.

2.2 Subject to the provisions of the Act and Article 15.9, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2.3 (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within 2 months after incorporation, in case of subscribers to the memorandum or after allotment or within 1 month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,--

(a) 1 certificate for all his shares without payment of any charges; or

(b) several certificates, each for-1 or more of his shares, upon payment of Rs. 20 for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 certificate, and delivery of a certificate for a share to 1 of several joint holders shall be sufficient delivery to all such holders.

2.4 (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of Rs.20 for each certificate.

(ii) The provisions of Articles 2.2 and 2.3 shall *mutatis mutandis* apply to debentures of the Company.

2.5 Except as required by Law, no Person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these Articles or by Law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

2.6 (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent~~.~~ or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) 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.

2.7 (i) 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 section 48 and Article 15.9, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class.

(ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least 2 persons holding at least one-third of the issued Shares of the class in question.~~.~~

2.8 Subject to the provisions of section 55 and Article 15.9, any preference shares may, with the sanction of special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

2.9 ESOP

(i) The Company shall create an ESOP to allocate such number of equity shares as is equal to 10 % of the shareholding of the Company on a fully diluted basis to the ESOP Pool, or such other amount on terms (including conversion price of the options) agreeable to the Investors and the Founders. The ESOP may if so decided by the Board, be managed by a trust ("**ESOP Trust**") or by an ESOP Advisory Committee to be formed by the Board on the terms and conditions acceptable to the Investor. Options issued under the ESOP shall be convertible only into Equity Shares.

(ii) The options issued pursuant to the ESOP will, unless other wise approved by the Board with the consent of at least 1 Investor Director and 1 Founder Director, vest 25% on the first anniversary of the grant date and the remaining 75% shall vest equally on a monthly basis over a period of 36 months immediately succeeding the first anniversary of the grant date such that all options once issued shall be vested in 4 years from the date of grant.

(iii) Options issued under the ESOP may, subject to the applicable Law and approval of the Investor, be issued to Employees and Directors as the Board (or a duly appointed committee thereof) may determine from time to time in accordance with the ESOP.

(iv) All shares held by the Employees pursuant to the ESOP shall be subject to a right of repurchase in favor of the ESOP Trust, or such other Person as may be specified in the ESOP or by the Board at the original subscription price paid by the Employees, in the circumstances to be provided for in the ESOP including raising of a contention by that Employee that the Liquidation Preference of the Preference Shares contained in the Articles is illegal and/ or invalid. The right of repurchase will be offered on a pro rata basis, to all existing Shareholders on a fully diluted basis in the event if not exercised by the ESOP Trust or such other Person for any reason.

2.10 Management Incentive Pool

(i) The Company shall pass resolution to allocate such number of Equity Shares as is equal to 10% of the Shareholders of the Company on a fully diluted basis, to be issued as options to the Key Employees, the Founders and such other associates or advisors to the Company as the Board (or a duly appointed committee thereof) may determine from time to time ("**Management Incentive Pool**")**.** The conversion price of the Options under the Management Incentive Pool shall be Rs 78/-. Mr. Nitish Mittersain shall be granted options for an aggregate of 50% of the total Equity Shares allocated under the aforesaid Management Incentive Pool (i.e. 5% of the shareholding of the Company on a fully diluted basis). These options will vest in him in the following manner:

(a) 50% shall vest on the second anniversary of the Closing;

(b) 25% shall vest on the third anniversary of the Closing and the remaining 25% shall vest on the fourth anniversary of the Closing.

Provided that all options granted to Mr. Nitish Mittersain shall vest immediately prior to (x) the occurrence of an IPO or the consummation of a consolidation, merger, reorganization or other similar transaction in respect of the Company, or (y) the termination of the Employment Agreement of Mr. Nitish Mittersain by the Board without due cause as provided therein.

3. Lien

3.1 (i) The Company shall have a first and paramount lien--

(a) on every Share (not being a fully paid Share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and

(b) on all Shares (not being fully paid Shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Provided that the Board may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.

(ii) The Company's lien, if any, on a Share shall extend to all dividends payable and bonuses declared from time to time in respect of such Shares.

3.2 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--

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 15 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

3.3 (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

3.4 (i)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.

(ii) 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.

4. Calls on Shares

4.1 -(i) 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:

Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least 14 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.

(iii) A call may be revoked or postponed at the discretion of the Board.

4.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

4.3 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

4.4 (i) If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 10 % per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

4.5 -(i) 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.

(ii) 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.

4.6 The Board--

(i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Shares held by him; and

(ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12 % per annum, as may be agreed upon between the Board and the member paying the sum in advance.

5. Forfeiture of Shares

5.1 If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company for the reason of such nonpayment. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture, and so far as the law permits, of any other share.

5.2 The notice aforesaid shall--

(i) name a further day (not being earlier than the expiry of 14 days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) 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.

5.3 If the requirements of any 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.

5.4 (i) A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

5.5 (i) 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 to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares.

(ii) 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.

5.6 (i) 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;

(ii) The Company may receive the consideration, if any, given for the share on any sale 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;

(iii) The transferee shall thereupon be registered as the holder of the Share; and

(iv) 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 or disposal of the Share.

5.7 The provisions of these Articles as to forfeiture shall apply in the case of nonpayment 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.

6. Alteration of Capital

6.1 The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.

6.2 Subject to the provisions of section-61 and the Overriding Articles, the Company may, by ordinary resolution,--

(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing Shares;

(ii) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;

(iii) sub-divide its existing Shares or any of them into shares of smaller amount than is fixed by the memorandum;

(iv) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

6.3 Where Shares are converted into stock,--

(i) 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 transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

(ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such 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.

(iii) such of the-Articles of the Company as are applicable to paid-up Shares shall apply to stock and the words "share" and "shareholder" in these Articles shall include "stock" and "stock-holder" respectively.

6.4 Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by Law and the Overriding Articles:

(i) its share capital;

(ii) any capital redemption reserve account; or

(iii) any share premium account.

7. Transfer of Shares

7.1 (i) The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) 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.

7.2 The Board may, subject to the right of appeal conferred by section 58 and subject to Article 7.10 decline to register--

(i) the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or

(ii) any transfer of Shares on which the Company has a lien.

7.3 The Board may decline to recognise any instrument of transfer unless--

(i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(ii) 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

(iii) the instrument of transfer is in respect of only one class of Shares.

7.4 On giving not less than 7 days' previous notice in accordance with section 91 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 30 days at any 1 time or for more than 45 days in the aggregate in any year.

7.5 Right of first offer, first refusal and tag along rights

(i) If at any time the Investor desires to sell or transfer any of its Shares or any part thereof or any interest therein ("**Offered Shares**") to a third party other than its Affiliates, the Investor shall first obtain a bonafide written offer from such third party ("**the Purchaser**") to purchase the Offered Shares. Such offer (the "**Outside Offer**") shall:

(a) clearly state the identity of the Purchaser;

(b) clearly state price per Share offered ("**Offer Price**");

(c) clearly state the other material terms and conditions of the Outside Offer; and

(d) contain an offer in the form of a FRR to the Founders to purchase the Offered Shares on the same terms and conditions as offered by the Purchaser.

(ii) The Founders shall have 15 days after the date of the FRR to accept the offer. If the Founders accept the offer, it shall purchase the Offered Shares within 30 days from the date of acceptance of the offer. If the Founders have not accepted the offer to purchase Offered Shares within 15 days of the date of the offer, the Offered Shares may be sold by the Investor to the Purchaser at any time within 90 days after the deadline for acceptance by the Founders of the FRR offer on the terms and conditions no more favourable than those specified in the Outside Offer. Any Offered Shares not sold within the 90 day period may not be sold or transferred without complying with this Article.

(iii) If the Founders (which shall for the purpose of this Article include its Affiliates who hold any Shares) desire to sell or transfer any of the Shares or any part thereof or any interest therein ("**Offered Shares**") to a third party other than to its Affiliates, the Founder shall first obtain a bonus written offer from the Purchaser to purchase the Offered Shares. Such offer (the "**Outside Offer**") shall:

(a) clearly state the identity of the Purchaser;

(b) clearly state price per Share offered ("**Offer Price**");

(c) clearly state the other material terms and conditions of the Outside Offer;

(d) contain a specific undertaking from the Purchaser that Purchaser will also purchase such number of Investor Shares that the Investor wishes to sell ("**Tag Along Rights**"); and

(e) also, as an alternative to (iv) above, contain a FRR offer to the Investor to purchase the Offered Shares on the same terms and conditions as offered by the Purchaser.

(iv) Upon receipt of the Outside Offer, the Investor, shall have the right, to be exercised by giving written notice thereof to the Founders and the Purchaser, within 15 days of it receiving the Outside Offer, (x) to accept the FRR offer to purchase the Offered Shares: or (y) to accept the Tag Along Rights, stating clearly the number of Shares that the Investor would like to offer to the Purchaser ('**Tag Along Shares**") or (z) reject the Outside Offer.

(v) If the Investor accepts the FRR, it shall purchase the Offered Shares within 30 days from the date of acceptance of the offer.

(vi) If the Investor accepts the Tag Along Right, the Purchaser shall complete the purchase of the Offered Shares and the Tag Along Shares and the Founders and Investor shall sell the Offered Shares and the Tag Along Shares respectively to the Purchaser within a period of 30 days from the date of the notice given by the Investor accepting the Tag Along Rights. The Investor shall not be required to give to the Purchaser, any representations and/or warranties in respect of the Company or its Business or the Shares held by the Investor, except for representations and warranties regarding the validity if ownership and authorization to sell of the Investor and/or its Affiliates, to the Tag Along Shares held by them respectively.

(vii) If the Purchaser refuses or fails to purchase the Tag Along Shares as provided in the Article 7.5 (f), simultaneously with the Offered Shares, the Founders shall not be entitled to sell or otherwise transfer the Offered Shares to the Purchaser. The Founders shall also not be entitled to transfer the Offered Shares thereafter to any Person without again complying with the provision of this Article 7.5.

(viii) The Investor and/or the Purchaser, as the case may be shall take all the necessary steps, including but not restricted to obtaining all consents, approvals, licenses, permits, orders or authorization of or resignation, declaration or filing with, any Governmental Authority or any other Person required to be obtained or made by or with respect to the Investor, Purchaser Company or Founders, as the case may be, in connection with the sale and purchase of the Offered Shares any of the provision of this Article.

(ix) If the Investor has not exercised its FRR right to purchase the Offered Shares nor has the Investor exercised its Tag Along Rights within the time period specified in Article 7.5 (d), the Founders shall have a period of 90 days from the last expiration of such rights in which to sell the Offered Shares to the Purchaser upon the same terms and conditions as specified in the offer or Outside Offer. Any Offered Shares not sold within 90 day period may not be sold or transferred without again complying with this Article.

7.6 Right of First Offer, First Refusal in the event of sale of Other Shareholder's Shares:

7.6.1 If at any time all or any of the Other Shareholders desire to sell or transfer any of the Shares or any part thereof or any interest therein ("**Offered Shares**") to a third party other than to its Affiliates, the concerned Other Shareholder shall obtain bonafide written offer from such third party ("**the Purchaser**") to purchase the Offered Shares. Such offer (the "**Outside Offer**") shall:

(i) clearly state the identity of the Purchaser;

(ii) clearly state price per Share offered ("**Offer Price**");

(iii) clearly state the other material terms and conditions of the Outside Offer;

(iv) contain an offer in the form of a first right of refusal ("**FRR**") to the Investor and the Founders to purchase the Offered Shares on the same terms and conditions as offered by the Purchaser.

7.6.2 The Investor and the Founders shall have 15 days after the date of the FRR to accept the offer. If the Investor and/or the Founders accept the offer, it shall purchase the Offered Shares within 30 days from the date of acceptance of the offer. In the event that both the Investor and the Founders accept the Offer, the Offered Shares shall be sold to them in proportion to their respective shareholding in the Company on a fully diluted basis. If neither the Investor nor the Founders have accepted the offer to purchase the Offered Shares within 15 days of the date of the offer, the Offered Shares may be sold by the Investor to the Purchaser at any time within 90 days after the deadline for acceptance by the Investor and /or the Founders of the FRR offer on the terms and conditions no more favourable than those specified in the Outside Offer. Any Offered Shares not sold within 90 day period may not be sold or transferred without again complying with this Article 7.6.

7.6.3 The Other Shareholders, the Purchaser and the Company shall take all necessary steps, including but not restricted to obtaining all consents, approvals, licenses, permits, orders or authorization of, or resignation, declaration or filling with, any Governmental Authority or any other Person required to be obtained or made by or with respect to the Other Shareholders, Purchaser Company, the Investor or the Founders, as the case may be, in connection with the sale and purchase of the Offered Shares any of the provisions of this Article.

7.7 **Drag Along Rights**

If any offer is received by the Investor for sale of any Investor Shares to a third party, the Investor shall have a right to call upon the Founders to sell all or part of the Founder Shares, along with the Investor Shares which the Investor wishes to sell or transfer. In such event, if the third party purchaser so desires, the Founders shall be obligated to sell such number of the Founder Shares along with the Investor on the same terms and conditions including at the agreed price, as the Investor shall sell its Shares but subject always to the Liquidation Preference rights of the Investor/Investor Shares under Article 22.2. The agreed price referred to herein above shall mean such price which is not less than the Subscription Price, the Founders shall not be obligated to sell the Founder Shares unless the price they receive for such Founder Shares is equal to at least the Subscription Price or the Fair Market Value ("**FMV**") of the Equity Shares as determined by a reputed international firm of Chartered Accountants ("**Valuer**"), appointed for the purpose from a pre-determined mutually acceptable list of such firms; whichever is lower. The fees of the Valuer shall be shared by the Company and the Investor equally.

7.8 **Redemption Rights**

Pursuant to Article 23, the Investor shall, *inter alia*, have the right to require the Company to, and the Company shall in such event, redeem the then outstanding Preference Shares beneficially owned by Investor on receipt of the Redemption Notice from the Investor in the circumstances provided in Article 23, at the Redemption Price and in such manner as stated in Article 23.

7.9 **Acquisition or Transfer of Shares through Affiliates**

Notwithstanding any of the provision of the Articles (including, without limitation, the FRR under Article 7.5), but subject to execution of deed of adherence in a format agreed in writing by the Investor, Founders, Company and the Other Shareholders: (a) the Investor or any Affiliate of the Investor may, at any time and from time to time during the subsistence of this Article, acquire any new Shares or other Securities offered to it by the Company and /or the Founders under the agreement entered into in writing by and among the Investor, Founder, Company and Other Shareholders and/or transfer any existing Shares or other Securities of the Company held by it to 1 or more of its Affiliates; and (b) the Founder or any Affiliate of the Founders may at any time or from time to time during the subsistence of this Article acquire any new Shares or other securities offered to it by the Company and/or the Investor under the provisions of these Articles and/ or transfer any existing Shares or other securities of the Company held by it to 1 or more of its Affiliates.

7.10 **Invalid Transfers**

The Company shall refuse to register any transfer or other disposition of Shares purported to be made by any Shareholder in breach of any of the provision herein contained. Founders, the Company, the Investor and the Other Shareholders shall cause their nominees on the Board to caste their votes in such a manner as to ensure that the Company registers all transfers made in accordance with this Article 7, and refuses to register a transfer that is not in accordance with this Article 7.

7.11 **Computation of Time Limits**

For the transfers as contemplated in Article 7, the time taken to obtain the approvals from any Government Authority under applicable Law shall be excluded.

8. Transmission of Shares

8.1 (i) 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 recognised by the Company as having any title to his interest in the Shares.

(ii) Nothing in Article (i) above 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.

8.2 (i) 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.

(ii) 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.

8.3 (i) 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.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the Share.

(iii) All the limitations, restrictions and provisions of these Articles 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.

8.4 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 90 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.

9. Investors Rights on Further Issue of Shares including Anti Dilution Rights

9.1 Preferential Issue

In the event the Company proposes to make a Preferential Issue of Shares the Investor will have the first right to subscribe the pro-rata percentage of the entire issue of such Shares on basis of its then existing shareholding, on a fully diluted basis so that its shareholding percentage in the Company on a fully diluted basis is not reduced.

9.2 Weighted Average Anti Dilution Rights of the Investor

(i) The Investor shall, in addition to its right in Article 9.1, have broad based weighted average anti-dilution rights. Thus, if the price per Share of the proposed fresh issue of Shares is less than the average price per Share at which the Investor has subscribed to the Investor Shares (on an as if converted basis), the Investor shall be issued such number of Shares to maintain its shareholding percentage in the Company free of cost, if permitted by applicable Law, or failing that at such price per Share which, when taken together with the price per Share originally paid by the Investor, would result in the weighted average price per Share of the Investor's entire shareholding post such new issue being equal to the average price per Share of the proposed Preferential Issue of Shares.

(ii) In the event any Person who invests in the Company is offered rights, including those relating to voting, dividends, transfer of Shares, Liquidation Preference and further issues of Shares, that are more favorable to such Person than those offered to the Investor, the Investor shall have the right to require the Company and the Founders, and the Company and the Founders shall ensure that the Investor is entitled to enjoy any and all such rights offered to such other Person and which under applicable Law can be conferred on the Investors as holders of Preference Shares, and all the documents shall be executed as are necessary to offer such additional rights to the Investor.

10. Initial Public Offering and Strategic Sale

10.1 The Company shall arrange to make a Qualified IPO or a strategic sale (i.e. a sale of a substantial majority of the Shares of the Company, including the Investor Shares) at any time within a period of 5 years from the date of Closing The Board shall, in consultation with a firm of independent merchant bankers, and subject to such statutory guidelines as may be in force, decide on:

In case of an Initial Public Offer ("**IPO**"):

(i) The method of listing the Shares, i.e. either:

(i) Through a public issue of fresh Shares, or

(ii) Through an offer of existing Shares by some or all of the Shareholders (an "**Offer for Sale**"); or a combination of (i) and (ii).

(ii) The price and other terms and conditions of the IPO.

(iii) The timing of the IPO.

(iv) The stock exchanges on which the Shares are to be listed.

(v) Any other matters related to the IPO.

In case of a strategic sale, the identity of the Purchaser, the price and all other matters related to the strategic sale. It shall be a pre-condition of any strategic sale that the terms and conditions mentioned in Article 23, including in particular the Liquidation Preference attached to the Investor Shares are fully complied with. Rejection by the Investor of a proposed strategic sale shall not prejudice the Investor's redemption rights, Liquidation Preference or any other rights under Article 23.

10.2 In the event of IPO by way of offer for sale, the Investor shall have the right to offer its Shares for sale in the IPO, in priority to any other Shareholder of the Company.

10.3 The Founders agree that, in the event of an IPO, they shall offer such number of their Shares for a lock-in as may be required to meet the minimum lock in requirements under the SEBI guidelines. The Investor shall not be required to call itself and the Company shall not refer to the Investor as "Founders" or "Promoters" in the offer documents nor to offer any of the Investor's Shares for such lock-in unless otherwise required by applicable Law or recommended in the best interests of the Company by a firm of independent merchant bankers in which case the minimum number, so required shall be locked-in for the minimum period required after IPO.

10.4 In accordance with applicable Law, fees and expenses relating to the IPO shall be shared by the Company, the Investor and Mitter Infotech LLP, as mutually agreed.

10.5 Notwithstanding anything contained in these Articles, the Founders and the Company shall undertake that any matters related the IPO, including the valuation, IPO price, price band for the IPO, timing of the IPO, stock exchanges on which the Equity Shares shall be listed and allocation in the IPO shall be subject to the prior written approval of the Investor and Mitter Infotech LLP, and no decision in relation to the IPO shall be taken by the Company, without the prior written consent of the Investor and Mitter Infotech LLP.

11. Capitalisation of profits

11.1 -(i) The Company 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 sub-Article (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in these Articles, 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 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 in Article (A) and partly in that specified in sub-Article (B);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of these Articles, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

11.2 -(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall--

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power--

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares 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 to which they may be entitled upon such capitalisation, 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 capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

12. Buy-back of Shares

12.1 Subject to Article 15.9, the Overriding Articles and the provisions of sections 68 to 70 and any other applicable provision of the Act or any other Law for the time being in force, the Company may purchase its own Shares or other specified securities.

13. General Meetings

13.1 (i) All general meetings other than annual general meeting shall be called extraordinary general meeting.

-(ii) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any 2 members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

-(iii) Subject to the provisions of the Act, an annual general meeting of the shareholders of the Company shall be held within 6 months of the end of the financial year provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Subject to the forgoing, the Board, on its own or at the request of the Investor, may convene an extraordinary general meeting of the shareholders, whenever they deem appropriate. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held

13.2 Notices for General Meetings

At least 21 days' prior written notice of every annual general meeting of Shareholders shall be given to all the Shareholders whose names appear on the Register of Members of the Company. A meeting of the Shareholders may be called by giving shorter notice with the written consent of Shareholders as provided by the Act, including the Investor.

13.3 Contents of Notice

The notice shall specify the place, date and time of the meeting. Every notice convening meeting of the Shareholders shall set forth in full and sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting. The draft resolutions to be considered at the shareholders meetings must be furnished to all the shareholders meetings must be furnished to all the shareholders at least 21 days prior to the date of the proposed shareholders meeting except with the written consent of the Investor.

13.4 Chairman for General Meeting

( ) The Chairman of the Company shall be the Chairman for all general meetings, unless the meeting is called by the Investor, in which case the Investor will appoint the Chairman for that meeting. The Chairman shall not have any second or casting vote,

(i) English shall be the language used at all shareholder meetings and non English speaking shareholders shall be required to express themselves through interpreters who have entered into confidentiality agreements with the Company.

13.5 Voting

Subject to applicable Law, any shareholder of the Company may appoint another Person as his proxy (and in case of a corporate shareholder an authorized representative) to attend a meeting and vote thereat on such shareholder's behalf, provided that the power given to such proxy or representative must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Equity Shares shall be able to vote on such Equity Shares and participate in meetings as if such Person were a shareholder.

Thus, unless prohibited by any Law or unless the Investor has been granted an irrevocable proxy in the manner provided in Article 13.6, each Preference Share will also carry 1 vote on all matters at all Shareholder meetings.

13.6 Irrevocable Proxy

In the event of the Investor, as holders of Preference Shares are unable for any reason to vote on an as if converted basis at shareholders meetings of the Company, then so long as the Investor continues to hold any Preference Shares, the Founders shall collectively grant an irrevocable proxy or other appropriate authority to the Investor (or any Person designated by the Investor) to vote on such number of Equity Shares of the Founder in proportion to their holdings of Preference Shares on as if converted basis. This proxy will be substituted whenever there is a prorate increase or decrease upon subsequent acquisition or disposition of Preference Shares by the Investor.

13.7 Quorum for General Meetings

Shareholders holding at least 75% of the outstanding equity share capital of the Company (on a fully diluted basis) provided that an authorized representative of the Investor and an authorized representative of the Founders shall be necessary to form a quorum for a valid general meeting unless the authorized representative of the Investor and /or the Founder as the case may be provides written notice prior to commencement of any general meeting or adjourned meeting waiving the requirement of his presence to constitute valid quorum for a particular general meeting or adjourned meeting, as the case may be.

13.8 Adjournment of General Meetings for lack of Quorum

Subject to applicable Law, if a quorum is not present within 30 minutes of the scheduled time for any shareholders meeting or cease to exist at any time during the meeting, then the meeting shall be adjourned to the same day, place and time in the next succeeding week (it being understood that the agenda for such adjourned meeting shall remain unchanged and the quorum for such adjourned meeting shall be the shareholders present thereat not being less than 2.

13.9 Decision Making

Except as otherwise required by the relevant applicable Laws and matters listed in Article 15.9 which shall require the affirmative vote of the Investor, all decision of the Shareholders of the Company shall be made by simple majority.

13.10 Appointment of Statutory Auditor

The Company in a general meeting shall appoint a chartered accountancy firm registered in India as the statutory auditors for the Company, subject to the prior written confirmation of the Investor of the auditor, which consent shall not be unreasonably withheld.

14. Exercise of Voting and Other Rights by Founders, the Company, the Investor and the Other Shareholders

14.1 The Investor and the Founders jointly undertake to ensure that they, their representative and proxies representing them at the General meetings of the Shareholders of the Company shall at all times exercise their votes and through their respective appointed/ nominated Directors (or alternate Directors) at Board meetings and otherwise, act in such manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of these Articles.

14.2 If a resolution contrary to the terms of these Articles is passed at any meeting of Shareholders or at any meeting of the Board or any committee thereof, such resolution shall be null and void.

15. Board of Directors

15.1 Subject to applicable Law, the Board shall comprise of 5 Directors as follows:

(i) The Investor shall be entitled to nominate and appoint 2 Directors. The Directors nominated and appointed by the Investor shall hereinafter be referred to as the "**Investor Directors**".

(ii) The Founders shall jointly be entitled to nominate and appoint 2 Directors, who shall be Mr. Nitish Mittersain and Mr Vikash Mittersain, unless otherwise agreed with the Investor. The Director nominated and appointed by the Founders in the manner stated hereinabove shall be referred to as a "**Founder Director**".

(iii) 1 independent Director to be appointed jointly by the Investor and the Founders. The total number of Directors shall thus be 5. If decided by the Investor and the Founders, the number of Directors may be increased to include professionals with the requisite expertise who shall be nominated and appointed by the Investor with the Founder's approval.

(iv) Notwithstanding anything contained in these Articles, the Company, Founders and shareholders shall take all necessary actions to ensure that the composition of the Board shall be in compliance with Law, including the Act and the SEBI Listing Regulations, as amended, for a public listed company, provided that Nitish Mittersain and Vikash Mittersain shall be Directors on the Board, and the Investor shall have the right to appoint atleast two directors on the Board ("**Investor Directors**"), which right maybe waived by the Investor in writing. Further, the Board shall constitute such committees of directors, as prescribed under applicable Law, including the Act and the SEBI Listing Regulations.

15.2 Manner of Appointment of the Directors and the Term

(i) In pursuance of Article 15.9, the Power to remove a Director lies solely with the Party so entitled to nominate that Director. Subject to applicable Law, each Party so entitled, may by notice in writing signed by them and left at or sent to the registered office of the Company, nominate their nominee Directors and by like notice remove any Director so appointed. The Party nominating a Director shall from time to time, by like notice, have the right to appoint any other person to be a Director on the place of the Director so removed or in the place of any Director vacating office as a result of being removed by that Party or in any other way; provided that if required by applicable Law, the Board as soon as practicable (and in any event prior to the consideration of any other matter) upon notice of any Party nominating the Director, shall remove such Director(s) and appoint any replacement Director designated or nominated by such Party. Provided that the Founder Director shall always be an executive Director.

(ii) In the event that under applicable Law, the Directors are required to be appointed by the Shareholders or otherwise that as per the procedure set out in Article 15.2 (i) above, Founders, the Company, the Investor and the Other Shareholders will exercise their respective voting rights to ensure that the composition of the Board as agreed in Article 15.1 is achieved.

15.3 Board of Directors of Subsidiaries

The composition of the board of directors of all Subsidiaries shall reflect the composition of the Board of the Company as indicated in Article 15.1 above, provided that the Investor has the option to inform the Company that the Investor does not wish to nominate the directors on the board of directors of the relevant Subsidiary.

15.4 Vacation of Office by a Director

The office of a Director shall be vacated if:

(i) such Director becomes bankrupt or makes any arrangement or composition with his creditors generally; or

(ii) such Director becomes prohibited or disqualified from being a Director by a reason of any order made under Section 164 or any other provisions of the Act; or

(iii) such Director, being a Founder, is in Material Breach; or

(iv) such Director resigns his office by notice in writing to the Company.

15.5 Casual Vacancies

Subject to applicable Law, if any Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may be filled by a nominee of the Party who originally nominated the Director vacating office, but any person so nominated, shall retain his office only so long as the vacating Director would have retained the same, if no vacancy had occured.

15.6 Proceedings of Board

The Board shall approve decisions or pass resolutions and grant consents in accordance with the following procedures:

(i) *Number of Board meetings and Venue*

The Board shall meet twice every quarter and at least 8 times in every calender year. Meeting of the Board shall be held at such place, within or outside India, as the Director including at least 1 Investor Director agree, from time to time. Subject to applicable Laws, all reasonable expenses and costs incurred for such meetings by the Board shall be borne by the Company. Subject to applicable Law, a Board meeting may also be held by teleconference or video conferencing and/or the presence of the Director at a meeting may be recorded if such meeting or presence as the case may be, is not contrary to Law.

(ii) *Convening meetings of the Board*

Any Director may, and the secretary of the Company, if so appointed, shall on the requisition of a Director, summon a meeting of the Board, in accordance of the notice and other requirements set out in paragraphs (c) and (d) below.

(iii) *Notice of Board Meetings*

At least 15 days prior notice shall be give to each of the Directors of any meeting of the Board. A meeting of the Board may be held at a shorter notice with a written consent (which may be signified by letter, facsimile or email with receipt acknowledged) of at least 3 directors including at least 1 Investor Director and 1 Founder Director.

(iv) *Contents of Notice*

Every notice convening a meeting of the Board shall set forth in full and sufficient detail each item of the business to be transacted thereat, or no item or business shall be transacted such meeting, unless the same has been stated in full and in sufficient detail in the notice convening the meeting, except as otherwise consented to by all the directors, or their respective alternate Directors. The draft resolution and other documents for all matters to be considered at the Board meeting must be furnished to all Directors at least 7 days prior to the date of the proposed Board meeting, except where such meeting is called on a short notice in which case these must be furnished to all Directors as much in advance of the meeting as reasonably practical. If the Secretary (if any) of the Company or CEO or the Managing Director is unavailable, unwilling or unable to prepare the notice for the meetings, the Director that summoned the meeting shall prepare the notice.

(v) *Quorum for the Board Meetings*

I. Subject to applicable Law, the quorum for a Board meeting shall be one-third of its total strength or 2 Directors, whichever is higher, subject to a minimum of 1 Founder Director and 1 Investor Director (if such Investor Director has been appointed on the Board) and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this Article. Provided that in case of absence of independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one independent Director, if any.

II. A meeting of the Board shall not be held or continued without the presence, at all times, of the quorum unless such Directors have expressly waived the requirement for his presence either in writing or by facsimile transmission.

III. If a quorum is not present within 30 minutes of the scheduled time for any meeting of the Board or ceases to exist at any time during the meeting, then the meeting shall be adjourned, for a period determined by the Chairman, which period shall not be less than 7 days (it being understood that the agenda for such adjourned meeting shall be the same as the agenda for the original meeting). Notice of the adjourned meeting shall be given to all Directors, by facsimile transmission or email with receipt acknowledged.

(vi) *Conduct of Proceeding at the Board Meeting*

English shall be the Language used at the Board meetings and non English speaking Directors shall be required to express themselves through interpreters who have entered into confidentiality agreements with the Company.

(vii) *Committees of the Board*

(i) A committee of Directors or other persons, to whom any powers of the Board are delegated, can be appointed only by Chairman.

(viii) *Chairman*

Mr. Vikash Mittersain shall be the chairman for all Board meetings, unless otherwise required by the Investors.

(ix) *Alternate Directors*

Subject to the applicable Law, the Board, at the request of any of the Investor Directors, shall accept the appointment of the alternate Director recommended by such Investor Director/Investor, to act in such Investor Director's absence.

(x) *CEO of the Company*

Subject to the authorities and/or restriction imposed by the Board, the CEO shall be responsible for the day to day management of the Company, and shall have substantial powers of management. The CEO shall act under the supervision of and shall regularly report to the Board. The CEO shall comply with all resolutions passed by the Board.

15.7 Decisions of the Board

Subject to the provisions of Article 15.9 and section 175 of the Act:

(i) All questions arising at any meeting of the Board or decision by circular resolutions shall be decided by a majority of votes.

(ii) All the matters relating to execution of an agreement or contracts or arrangement, including granting of loans, between the Company on the one hand and any or all of the Directors, Founders and/ or their Affiliates on the other hand or the matters relating to termination of such agreements, contracts or arrangements shall be discussed and decided upon only at the meeting of the Board.

15.8 Decision Liability of Investor Directors

(i) The Founder and the Company Expressly agree that the Investor Directors will be non-executive Directors.

(ii) The Founder and the Company expressly agree that the Investor Director shall not be identified as officer in charge / default of the Company or occupier of any premises used by the Company or any employer of the employees. Further, the Founders and the Company undertake to ensure that the other Directors or the suitable person are nominated as officer in charge/ default and for the purpose of statutory compliances, occupiers and /or employers as the case may be in order to ensure that the Investor Directors not incur any liability.

15.9 Affirmative Voting Requirements

Founders, the Company, the Investor and the Other Shareholders shall ensure that the Company and each Subsidiary shall refrain from undertaking any of the matters specified hereinbelow unless such matters shall have been approved in writing by of the Investor:

(i) any change or alteration in the rights, preferences or privileges of the Investor Shares held by the Investor, or any alteration in the rights of any class of the Shareholders;

(ii) any issue or transfer of Shares except for:

(a) any transfers of Shares by a Party effected in accordance with the procedure under sub-Articles 7.5 and 7.6 above;

(b) conversion of options granted under the ESOP into Shares;

(c) mandatory conversion of the Preference Shares upon closing of an IPO;

(d) new issue of Shares by the Company solely for the purposes of funding redemption of the Preference Shares.

(iii) finalizing, approving, varying the Business Plan and the annual operating budget or any matter relating to the Business Plan and the annual operating budget;

(iv) any incurrence or discharge of Indebtedness by the Company in excess of US$100,000 in 1 or more transactions or the giving of any guarantee or comfort letter by the Company to any person exceeding in the aggregate US$100,000;

(v) any change in the scope of Business, entry into a new line of business, suspension or cessation of business or transfer of all or material portion of the Business outside the Business Plan;

(vi) related party transactions or any agreement or arrangement between the Company and/ or any Shareholder, Director, Founder and/ or their Affiliates;

(vii) the declaration of or setting aside of amounts for any dividend and the establishment or change of the dividend policy of the Company or any Subsidiary;

(viii) redeeming, buying back or extinguishing of Shares;

(ix) changing the number of Directors or the replacing any Investor Director or Mr. Nitish Mittersain or the independent Director as a Director or changing the constitution or strength of the Board.

(x) any transaction effecting an acquisition of another entity or, merger, consolidation or reconstitution of the Company or taking any decision to dissolve or liquidate the Company or a strategic sale of the Company.

(xi) any IPO by the Company (other than a Qualified IPO) or the sale of the Company or taking any decision to dispose of, sell, license, assign or transfer all or substantially all of the assets or the Business or any IP rights of the Company including a sale or license to a third party, except in the ordinary course of business;

(xii) any contract proposed to be entered into by the Company granting the license to use any of its intellectual property, or the acquisition by the Company of the right or license to use any other intellectual property for a exceeding US$ 200,000 in value.

(xiii) Any amendment to the Memorandum or Articles of Association of the Company.

15.10 Remuneration

(i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) 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-or any committee thereof or general meetings of the Company; or

(b) in connection with the business of the Company.

15.11 The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such Articles as it may thinks fit respecting the keeping of any such register.

15.12 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.

15.13 Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

15.14 Subject to the provisions of section 149, 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.

15.15 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.

16. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

16.1 The day to day management of the Company shall be vested with the CEO/ Managing Director, subject to the superintendence, guidance and direction of the Board.

16.2 The following matters will constitute the business policy of the Company and will be adhered to and followed by the Board and all officers and Employees of the Company at all times, unless the same is modified or changed by a resolution at a general meeting of the Shareholders:

(i) The business of the Company will be carried on by accordance with the policies laid down by the Board and the funds invested by the Investor shall be utilized only for the purposes of the utilization listed out in the Business Plan from time to time.

(ii) The Company shall maintain adequate insurance that is generally available at reasonable rates against all significant insurable risks, including movable and immovable assets …..replacement or reinstatement values.

(iii) The Company shall ensure that the Directors direct to the Board in writing any conflict of interest, or direct or indirect personal benefit in any contracts that the Company enters into with the parties and that they operate in the best interests of the Company and safeguard its assets.

(iv) The Company shall have in its own name at all times, all licenses, registration, permits and consents necessary to own and operate its assets and to carry on the Business.

(v) The Founders, the Investors and the Directors nominated by them will not divulge or communicate to any person other than their management, any Confidential Information without the specific approval of the Board except to such extents as may be required to comply with any applicable Law, order, regulation or ruling.

16.3 Except as agreed between the Investor, Company, Founders and Other Shareholders, the Company, shall furnish to the Investor and /or their assignees/ nominees the following:

(i) audited annual financial statements, no later than 60 days following the close of each fiscal year.

(ii) unaudited quarterly financial statements, no later than 30 days following the close of every quarter.

(iii) monthly financial statements no later than 7 days following the close of such period.

(iv) a copy of the Company's annual operating plan no later than 30 days prior to the beginning of the fiscal year.

(v) annual Business Plan (including an income statement, a statement of cash flow, a balance sheet ad detailed breakdown of working capital and head count), no late than 30 days prior to the beginning of the fiscal year.

(vi) a monthly report (within 2 weeks of the end of the previous month) on utilization of funds invested by the Investor in the Company, until such time such funds are fully utilized or the Investor issues a certificate stating that the same is not required any further, whichever is earlier; and

(vii) all other information reasonably requested by the Investor or the Investor Directors from time to time.

16.4 Subject to the provisions of the Act~~,~~ and the Overriding Articles--

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

(iii) -A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as-Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

17. The Seal

17.1 -(i) The Board shall provide for the safe custody of the seal.

(ii) 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 2 Directors and of the secretary or such other person as the Board may appoint for the purpose; and those 2 Directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the-Company is so affixed in their presence.

18. Dividends and Reserve

18.1 The-Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

The dividend rights of the Preference Shares shall be as indicated in Article 23. All Equity Shares shall carry 1 vote per Equity Share. Subject to and if permitted by Law, the holder of the Preference Shares shall be entitled to vote on an converted to Equity Share basis.

18.2 Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

18.3 -(i) 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 applicable 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, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

18.4 -(i) 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.

(ii) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purposes of these Articles as paid on the Share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

18.5 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.

18.6 -(i) Any dividend, interest or other monies payable in cash in respect of Shares may be paid 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 1 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.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

18.7 Any 1 of 2 or more joint holders of a ~~share~~Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Shares.

18.8 Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

18.9 No dividend shall bear interest against the Company.

18.10 This Article 18 is subject to the Overriding Articles and Article 15.9.

19. Annual Operating Budget & Business Plan

19.1 Preparation of Annual Operating Budget & Business Plan

Each annual operating budget shall be prepared under the direction and supervision of the CEO / Managing Director and shall be updated at least 60 (sixty) days prior to the beginning of each financial year of the Company. The initial annual operating budget and Business Plan of the Company shall be updated to reflect the timing and quantum of the investment pursuant to the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders.

19.2 Approval of Annual Operating Budget & Business Plan

The annual operating budget and Business Plan shall be approved by the Board. Each update of the annual operating budget and Business Plan shall be subject to the approval by the Board and must have the consent of the Investor. The annual operating budget and Business Plan may be amended only by a resolution of the Board of the Company.

19.3 Variances to Annual Operating Budget & Business Plan

Any proposed variance to the annual operating budget and Business Plan to the extent of more than 15% shall be brought to the immediate attention of the Founders, the Company, the Investor and the Other Shareholders and the Board along with reasons for such variance and shall not be implemented without the prior consent of the Investor.

20 Accounts

Right of Inspection

Except as agreed between the Investor, Company, Founders and Other Shareholders, the Investor shall by giving notice of at least 3 days, be entitled to carry out inspection of sites, stores, accounts, documents, records, premises and equipments and all other property of the Company during normal working hours through their authorised representatives and/ or agents at their own cost and the Company shall use reasonable efforts to provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection in connection therewith. The Investor shall be entitled, at their own cost and expense, to consult with the statutory auditors of the Company regarding the financial affairs of the Company. It shall be the responsibility of the CEO / Managing Director (and prior to his appointment of the Founders collectively) to ensure that the obligations under this Article are given full effect.

21 Intellectual Property Rights

All the intellectual property rights arising out of the performance by the Company of the business and the inputs of the Founders of the course of their association with the Company, shall be owned by the Company and the Founders, the Investor and the Other Shareholders will assist the Company in securing such intellectual property rights as the Company may own by filing for appropriate protection under applicable Laws or separate written agreement in the name of the Company. No Party will act in any manner derogatory to the proprietary rights of the Company over such intellectual property rights. All intellectual property rights prior to or after the agreement entered into in writing by and among the Investor, Founder, Company and Other Shareholders or intellectual property rights arising from development of solution, projects executed, database, copyrights, trademarks, brand names, and other intellectual property rights whenever registered, are registered exclusively in the name of the Company.

22 Winding up

22.1 Subject to the provisions of Chapter XX of the Act and rules made thereunder--

(i) 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.

(ii) 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.

(iii) 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.

22.2 Liquidation Preference of the Investor

In the event of a Liquidation Event, the consideration or proceeds shall be distributed in the following manner to ensure that the Investor enjoys the following liquidation preference rights in respect of the Preference Shares:

(i) First the Investor shall receive the Liquidation Preference in respect of the Preference Shares held by the Investor;

(ii) Thereafter the remaining amount, if any, shall be distributed to all Shareholders, including the Investors, pro rata in proportion to their ownership of the issued and paid up share capital of the Company including both Equity and Preference Shares on a fully diluted basis on the date of occurrence of the Liquidation Event.

(iii) The Investor shall be entitled to benefits of the Liquidation Preference on the Investor Shares and the anti- dilution rights, available to the Investor, as per Article 23. Neither the Company nor any of the Founders shall raise a contention that the Liquidation Preference and /or the anti-dilution rights granted to the Investor are illegal/ unenforceable.

(iv) The Founders agree and undertake that they shall honor the Liquidation Preference of the Investor in distributing the assets and /or proceeds on the occurrence of a Liquidation Event in any manner legally permissible including without limitation, re-distribution of assets or proceeds that may be received by the Founders on a Liquidation Event, to the Investor. In no event shall the Founders be personally liable to pay the Investor the full amount of the Liquidation Preference Price if the Company does not have sufficient funds.

23 Terms and Conditions of Issue of Preference Shares

(i) The Preference Shares shall (unless converted into Equity Shares or redeemed in the manner stated herein prior thereto) be redeemed, at the option of the Investor at any time after the fifth anniversary of the Closing (the "**maturity date**").

(ii) **RANK OF PREFERENCE SHARES**

The Preference Shares shall rank senior to all classes of shares currently existing or established hereafter, with respect to (a) dividend distribution and (b) repayment of capital and redemption premium upon a Liquidation Event with respect to the Company.

The specific rights attached to the Preference Shares with regard to dividends, redemption, conversion and the return of investment to the Investor on the occurrence of a Liquidation Event as per these articles.

(iii) **DIVIDENDS**

The Preference Shares shall carry a fixed rate of dividend of 0.001%. Dividends due and payable on any other Shares of the Company will be subordinate to any dividend payable on the Preference Shares if, as and when declared by the Board.

In addition, Preference Shares, shall fully participate with the Equity Shares in all dividends, declared by the Company such that the effective dividend rate on the Preference Shares calculated on a fully diluted basis, i.e., on as if converted basis, is identically the same percentage rate as the dividend declared by the Company on its Equity Shares.

The aggregate of the rate of dividend and the redemption premium shall not exceed the maximum permissible by Law for any class of Shares.

(iv) **REDEMPTION**

(a) **Redemption on or after maturity:** Unless the Preference Shares have been converted into Equity Shares pursuant to Article 23 (i) or redeemed earlier pursuant to the provisions of this Article 23 (iv) (a) below, the Company shall, at the option of the Investor, at any time after the Maturity Date in accordance with the terms herein, redeem all of the outstanding Preference Shares, whenever issued, by paying to the Investor within 30 days or receipt of a written notice (the "**Redemption Notice**") from the Investor exercising its right of redemption as provided herein.

(b) **Early Redemption At The Point Of The Investor:** The Investor shall have the option to require the Company to redeem all of the Preference Shares held by the Investor at any time prior to the Maturity Date at the Redemption Price by serving a Redemption Notice on the Company at any time after the occurrence of any of the following events:

I. Material breach by the Company or any of the Founders;

II. The failure by the Company to convert all Preference Shares tendered for conversion pursuant to the provisions of this Article 23;

III. Any investigation being initiated against the Company or any of the Founder by the Governmental Authority against the Company or any of the Founders that results in the imposition of a fine or penalty on the Company (an appeal against which has not been admitted for 30 days thereafter) of an amount equal to or greater than 25% of the net worth of the Company at the Closing.

(c) **Redemption Price:** the Preference Shares shall be redeemed ("**FMV**") of the Preference Shares beneficially held by the Investor or at the Subscription Price Plus any accrued but unpaid dividends in Rupees (the "**Redemption Price**"). The FMV shall be determined by a reputed international firm of Chartered Accountants, Investment Bankers or Investment Bank ("**Valuer**").

(d) **Manner of redemption**

I. In the event of redemption under Article 23 (iv), the Company shall redeem the Preference Shares and pay the Redemption Price by wiring available funds to the bank account designated by the Investor within 30 days from the date of receipt of the Redemption Notice. In computing the period of 30 days, the time taken to obtain required approvals from any Government Authority under applicable Laws shall be excluded. The Company shall file the required applications with the Government Authorities in a timely manner and pursue the same diligently.

II. The Company shall take all actions required or permitted under applicable Law to implement such redemption of the Preference Shares including, making all applications necessary and obtaining all required corporate and regulatory approvals to affect the redemption.

(e) **Actions upon Redemption:** Investors agree that Company make take any measures necessary to consummate the redemption and wherever the Investor's approval is required, such approval shall not be unreasonably withheld by the Investor. Upon receipt of the Redemption Price, all provisions of the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders will terminate and be of no further force or effect.

(v) **Conversion into Ordinary Shares**

(a) **Mandatory Conversion.** Unless the Preference Shares have been redeemed earlier pursuant to the terms herein or converted to Equity Shares, the Preference Shares shall be mandatorily converted into Equity Shares upon the closing of a Qualified IPO.

(b) **Early voluntary conversion at the option of the Investor.** The Investor shall have an option to require the Company to convert all or part of the Preference Shares held by the Investor into Equity Shares at any time prior to Mandatory Conversion for any reason, including without limitation in the event of failure of the Company to redeem the Preference Shares as provided in Article 23 (iv). Such conversion may be done even after the occurrence of a Liquidation Event and before the distribution of proceeds.

(c) **Terms of conversion** the conversion ratio, i.e. the number of Equity Shares into which each Preference Share would be converted, shall be 1:1 and duly adjusted for the bonus shares issued against such Shares comprised in the said issued and paid up equity share capital of the Company. In the event that the Company issues additional Shares or stock or other equity interest to a third party, at a price per share less than the price of which the Preference Shares were issued to the Investor at the Closing, then the conversion ratio for the conversion of the Preference Shares into Equity Shares will be subject to an adjustment based on the broad-based weighted average anti-dilution formula, subject to applicable Law.

The additional issue of shares, stock or other equity interest referred to herein above, excludes any issue to employees, consultants, or Directors pursuant to the ESOP, from time to time.

(d) **Manner of conversion**

(I) Any conversion pursuant to this Article shall occur automatically and without any further action by Investor and whether or not the certificates representing such Preference Shares are surrendered to the Company or its transfer agent. Upon the occurrence of such conversion, the Company shall provide written notice to the Investor. Thereupon, the Company shall promptly issue and deliver to Investor, a certificate or certificates for the number of Equity Shares into which the Preference Shares were converted on the date on which such conversion occurred. All certificates evidencing converted Preference Shares shall thereupon be deemed to have been retired and cancelled, and the Investor shall promptly return all such certificates to the Company.

(II) The Company and the Founders shall take all actions required or permitted under the applicable Law to implement such conversion of the Preference Shares, including without limitation filing all necessary applications with any Government Authority along with all required supporting documents to effect the conversion into Equity Shares in accordance with the terms and in the manner provided in this Article.

(III) The Company will pay any and all stamp duty or similar costs and expenses that may be payable in respect of any issue or delivery of Equity Shares to Investor on conversion of any on Investor's Preference Shares pursuant to this Article. As promptly as practicable, and in any event within 3 Business Days after the conversion, the Company shall deliver or cause to be delivered certificates (this shall bear legends, if appropriate) registered in the name of Investor representing the number of validly issued, fully paid up Equity Shares to which the Investor shall be entitled on the conversion.

Such conversion shall be deemed to have been made, in the case of Article 23 (v) (a) above, immediately prior to the closing of an IPO, subject to applicable Law, and in the case of Article 23 (v) (b) above, on receipt by the Company of a notice from the Investor electing to convert the Preference Shares into Equity Shares.

(e) **Redemption of Second Series Preference Shares**

In the event that the Company is unable to arrange for a Qualified Public Offer or a strategic sale in accordance with the provisions of the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders:

(I) the Investors shall at any time after the Maturity Date of the Preference Shares have the option to convert the Second Series Investor Preference Shares into Equity Shares and shall have the right to issue a notice in writing ("**Buy-Back Notice**") to require the Company to convert the Second Series Investor Preference Shares into Equity Shares and buy back the so converted Equity Shares beneficially owned by the Investor within 30 days of the said Buyback Notice, at a price equal to the fair market value ("**FMV**") of the Second Series Investor Preference Shares beneficially held by the Investor or at the New Subscription Price ("**Buyback Price**"). The FMV shall be determined by a reputed international firm of Chartered Accountants or Investment Bankers or investment bank ("**Valuer**"), appointed for the purpose from a pre-determined mutually acceptable list of such firms/ investment bank. The fees for the exercise would be shared by the Company and the Investor. The Founders shall ensure that the Company passes all Board and Shareholders resolutions and do all other corporate actions that may be necessary in this regard to effect such buyback.

(II) However, in the event that the Second Series Investor Preference Shares have not been converted into Equity as stated in (I) above, within the maximum period prescribed by law for redemption of such Preference Shares, the Company shall in such event, at the end of such maximum period immediately convert such Second Series Investor Preference Shares into Equity Shares. The Investor may at any time thereafter issue a Buy-Back Notice to the Company and the Company shall thereupon buyback the so converted Equity Shares beneficially owned by the Investor at the Buyback Price. The Founders shall ensure that the Company passes all Board and Shareholders resolutions and do all other corporate actions that may be necessary in this regard to effect such buyback.

(III) In the event the law requires the Company to make a buy back offer to all Shareholders, the Founders and the Other Shareholders shall not tender their Shares for buy back nor shall they raise any objection to the Company accepting the tender by the Investor of the Shares held by them under such buy back offer made by the Company.

(IV) In the event that the Company is unable to consummate the buyback due to absence of adequate reserves or any other legal impediment the Founder and the Company shall use their best efforts including the appointment of a reputed firm of investment bankers, and endeavor to find a strategic investor to buy the so converted Second Series Investor Preference Shares at a price equal to or higher than the Buyback Price.

(V) The Investor and the Angel Investor shall also be entitled to sell their respective Second Series Investor Preference Shares to a third party, without being subject to the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders.

(VI) The Second Series Investor Preference Shares shall also be mandatory convertible into Equity Shares immediately before the expiry of the maximum period prescribed by law for redemption of such preference shares, if they have not been converted into Equity Shares prior to such date. Promptly after such conversion, the Company shall buy back the Second Series Investor Preference Shares at the Buyback Price, being the FMV of the Second Series Investor Preference Shares beneficially held by the Investor or at the New Subscription Price.

(VII) It is clarified that as regard the other provisions of the, Terms and Conditions, reference to the Preference Shares would include Second Series Investor Preference Shares.

(vi) **Liquidation Preference**

(a) The Preference Shares and the Second Series Investor Preference Shares shall have pari passu rights or Liquidation Preference. The Liquidation Preference Price in relation to the Second Series Investor Preference Shares shall mean 100% of the price per Second Series Investor Preference Shares.

(b) Upon the occurrence of a Liquidation Event, subject to applicable Law, the Investor shall, in respect of the Preference Shares (unless the Investor elects to convert the Preference Shares into Equity Shares) and in respect of the Second Series Investor Preference Shares, be entitled to receive the Liquidation Preference Price, from the assets, cash and/or property of the Company and/or cash or other consideration payable on the occurrence of the Liquidation Event, as the case may be, prior and in preference to payment of any dividend or distribution of any of the assets or surplus funds of the Company to the holders of any Equity Shares or other securities (unless otherwise provided by Law) of the Company by reason of their ownership thereof.

(c) Any surplus funds available for distribution to the Shareholders after payment of the Liquidation Preference Price to the Investor, shall be distributed among all the Shareholders (including the Investor on an as-converted basis) pro rata in proportion to their ownership of the equity capital of the Company outstanding on a fully diluted basis on the date immediately preceding such distribution.

(d) The Liquidation Preference shall terminate on the closing of a Qualified IPO or on conversion of the Preference Shares into Equity Shares in accordance with the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders.

(vii) **General**

Subject to applicable Law, in the event that any of the holders of any securities issued by the Company are entitled to any rights, privileges or protection on terms that are more favourable than those herein afforded to Investor holding the Preference Shares, and which under applicable Law can be conferred on the Investors as holders of Preference Shares, the Investor shall be entitled to the benefits of such more favourable terms enjoyed by the other holders of such securities to the extent of Investor's holding in such securities subscribed in such round.

24 Indemnity

The Company shall indemnify and keep indemnified the Investors, Officers, employees, agent, Affiliates and the Investor Directors (collectively, the "**Indemnified Persons**") to the maximum extent permitted under applicable Law against any Losses that any indemnified Person may at any time become subject to or liable for in connection with claims brought against any of them on behalf of the Company or by a third party in connection with any of their states as a holder of Shares, Directors or officer of the Company or any of their service to or on behalf of the Company except to the extent losses determined in a final non- appeal-able decision of a court of competent jurisdiction to have arisen out of the gross negligence, wilful misconduct or fraud of such Indemnified Person(s).

25 Term

The Overriding Articles will cease to have effect when the Investor no longer holds any Shares in the Company; provided, however, that rights and obligations at the date of cessation and any legal or equitable remedies of any kind which may accrue therewith will not be prejudiced.

26 Non Compete and Non-Solicit

The Founders shall comply with the non-compete and non-solicit obligations agreed to be undertaken by them under the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders.

27 Covenants of the Company and the Founders

(i) The Company and the Founders shall take all steps necessary to ensure that the Investor shall be entitled to benefits of the Liquidation Preference on the Investor Shares and the anti-dilution rights, available to the Investor, as per the agreement entered into in writing by and among the Investor, Founders, Company and Other Shareholders. Neither the Company nor any of the Founders shall raise a contention that the Liquidation Preference and/or the anti-dilution rights granted to the Investor are illegal and unenforceable.

(ii) The Founders shall honour the Liquidation Preference of the Investor in distributing the assets and/or proceeds on the occurrence of a Liquidation Event in any manner legally permissible including without limitation, re-distribution of assets or proceeds that may be received by the Founders on a Liquidation Event, to the Investor. It is clarified that in no event shall the Founders be personally liable to pay the Investor the full amount of the Liquidation Preference Price if the Company does not have sufficient funds.

(iii) The Company shall not engage in the business or investing, trading, and reinvesting in securities.

28. **Insurance**

The Company shall maintain suitable D&O insurance for such sum as may be determined by the Board. Furthermore, the Company shall further maintain suitable key-man insurance for USD 2,000,000 (US Dollars two million only) for Mr. Nitish Mittersain.

29. **Overriding articles**

In the event of any inconsistency between the provisions of the Overriding Articles and other provisions of these Articles, the terms of the Overriding Articles will prevail.

30. Reinstatement of Rights

(i) In the case of termination of the Waiver and Termination Agreement prior to listing of equity shares of the Company on a recognized stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company, the Company shall and the Founders shall ensure that the Company shall, *inter alia*, undertake the following steps (except if any one or more of the following are waived in writing by the Investor) to ensure that the Investor is placed in the same position and possess the same rights as if the Waiver and Termination Agreement had not been executed and implemented:

a) The Company shall and the Founders shall cause the Company to convene a Board meeting within 7 days from the date of termination of this Agreement to, in compliance with applicable Law:

i. approve the appointment such number of directors nominated by the Investor on the Board ("**WB Directors**") as additional directors, which results in atleast half of the total number of directors on the Board being directors nominated by the Investor;

ii. complete the filings with the RoC as required under the Act for appointment of WB Directors and to approve the reconstitution of the committees of the Board for the appointment atleast 1 WB Director on each such committee of the Board;

iii. cause and approve the resignation of 3 independent directors from the Board of the Company, and complete the filings with the RoC as required under the Act;

iv. approve the conversion of the Company into a private limited company and the consequent amendment of the Memorandum;

v. approve the amendment of the Articles, in a form acceptable to the Investor, to re-instate the amended provisions of the articles of association, amended post execution of this Agreement; and

vi. convene a shareholders meeting to approve the aforesaid corporate actions, as applicable.

b) Upon completion of the Board meeting convened pursuant to Article 30(i)(a) above, the Company shall deliver the certified true copies of the Board resolutions passed at the said meeting to the Investor.

c) In accordance with the Act, the Company shall convene a shareholders meeting within 2 days from the date of the Board meeting to:

i. approve the appointment of the WB Director on the Board.

ii. to approve the conversion of the Company into a private limited company and the consequent amendment of the Memorandum; and

iii. approve the amendment of the Articles, in a form acceptable to the Investor, to re-instate the amended provisions of the articles of association, amended post execution of the Waiver and Termination Agreement.

d) Upon completion of the shareholders meeting convened pursuant to the Article 30(i)(c) above, the Company shall deliver the certified true copies of the shareholders resolutions passed at the said meeting to the Investor.

e) Upon completion of the shareholders meeting convened pursuant to Article 30(i)(c) above, the Company shall update the Company's register of directors and provide a certified copy of the extracts from the register of directors of the Company to the Investor, evidencing the inclusion of the WB Director on the Board.

f) Take all steps and make all relevant statutory and regulatory filings, including under the Act with the RoC, in relation to appointment of the WB Director, amendment of the Articles and conversion of the Company to a private company, as applicable, within the time period prescribed under the Act and applicable Law.

(ii) In the event that resignation of the independent directors is not completed, as per the provisions of Article 30(i)(a)(iii) above,

a) The Investor may issue a special notice and call for convening of a shareholders meeting for removal of one or more of the independent directors from the Board, in accordance with the Act;

b) The Company shall and the Founders shall cause the Company convene a shareholders meeting as requisitioned by the Investor, in in accordance with the Act;

c) The Founders and shareholders shall exercise their voting rights at the shareholders meeting to cause the removal of the independent directors from the Board;

d) Upon completion of the shareholders meeting, the Company shall update the Company's register of directors and take all steps and make all relevant statutory and regulatory filings, including under the Act with the RoC.

The steps under Article 30(ii) shall be in addition to the obligations of the Company and Promoters set out under Article 30(i)

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated January 31, 2018 between our Company, the Selling Shareholders and the BRLMs;

2. Registrar Agreement dated January 31, 2018 between our Company, the Selling Shareholders and the Registrar to the Offer;

3. Cash Escrow Agreement dated [●] between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank and the Refund Bank;

4. Share Escrow Agreement dated [●] between our Company, the Selling Shareholders and the Share Escrow Agent;

5. Syndicate Agreement dated [●] between our Company, the Selling Shareholders, the BRLMs and the Syndicate Members; and

6. Underwriting Agreement dated [●] between our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;

2. Certificate of incorporation dated December 8, 1999;

3. Fresh certificate of incorporation dated July 4, 2003 issued by the RoC to our Company consequent upon change of name;

4. Fresh certificate of incorporation dated December 13, 2017 issued by the RoC to our Company at the time of conversion from a private limited company into a public limited company and upon change of name;

5. Resolution of our Board and our Shareholders dated January 17, 2018 and January 24, 2018, respectively, in relation to the Offer and other related matters;

6. Resolution dated January 5, 2018 passed by the board of directors of WestBridge Ventures II Investment Holdings in relation to the Offer for Sale;

7. Consent letter dated January 16, 2018 from Mitter Infotech LLP in relation to the Offer for Sale;

8. The examination reports of the Statutory Auditor dated January 17, 2018 on our Company’s Restated Financial Statements included in this Draft Red Herring Prospectus;

9. The Statement of Tax Benefits dated January 25, 2018 from the Statutory Auditor;

10. Consent of the Directors, the BRLMs, the Syndicate Members, the Indian Legal Counsel to our Company, Indian Legal Counsel to the BRLMs, the Registrar to the Offer, the Escrow Collection Bank, the Bankers to our Company, the Refund Bank, the Company Secretary and Compliance Officer and the Chief Financial Officer as referred to in their specific capacities;

11. Due Diligence Certificate dated January 31, 2018 addressed to SEBI from the BRLMs;

12. Consent from the Auditors namely, S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 and as "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and in respect of their examination report dated January 17, 2018 on our Restated Financial Statements and their report dated January 25, 2018 on the Statement of Tax Benefits included in this Draft Red Herring Prospectus;

13. Copies of annual reports of our Company as of and for the Financial Years ended March 31, 2013, 2014, 2015, 2016 and 2017;

14. Consent dated January 22, 2018 from Frost & Sullivan for using excerpts of their report titled "Industry Insights for Online and Mobile Gaming in India by Frost & Sullivan" dated January 20, 2018;

15. Business transfer agreement dated January 25, 2000 executed between our Company and Mitter Infotech Private Limited;

16. Series Seed-II Preferred Stock Investment Agreement dated October 29, 2014 entered into between, inter alia, Hashcube Inc. and Nazara Pte. Limited (as one of the major investors);

17. Share subscription agreement dated April 1, 2016 executed among, inter alia, Nazara Pte. Limited, Matermind Sports Limited, Thomas Mccall, Pratik Shah and other shareholders of Mastermind Sports;

18. Shareholders' agreement dated April 01, 2016 executed among, inter alia, Nazara Pte. Limited, Thomas Mccall, Mastermind Sports, Pratik Shah and existing shareholders of Mastermind Sports;

19. Share subscription and shareholders agreement dated September 27, 2017 amongst Halaplay Technologies Private Limited, Prateek Anand, Swapnil Saurav, Ananya Singhal, Aman Kesari, Kae Capital Fund II, Kalysta Capital Fund II, our Company and Shubhankar Bhattacharya;

20. Share subscription and sharehlders agreement dated December 12, 2017 amongst Moong Labs Technologies Private Limited Tarun Anand, Nidhi Bajaj Anand and our Company;

21. Investment agreement dated December 12, 2017 between our Company, Next Wave Multimedia Private Limited, P. R. Rajendran, R Kalpana and P.R. Jayashree;

22. Share purchase agreement dated December 12, 2017 between our Company, Next Wave Multimedia Private Limited and Plutus Investment Advisory Private Limited;

23. Investment agreement dated January 2, 2018 between our Company, Nodwin Gaming Private Limited, Good Game Investment Trust, Akshat Rathee, Gautam Virk and Jetsynthesys Private Limited;

24. Investment agreement dated January 31, 2000 executed between our Company and IndexArb Securities Private Limited, investment agreement dated January 31, 2000 executed between our Company and Emerging Investments Limited and investment agreement dated January 31, 2000 executed between our Company and Pramoda C. Shah;

25. Share subscription agreement dated September 17, 2005 executed among our Company, Nitish Mittersain, Vikash Mittersain, Mitter Infotech Limited, WestBridge Ventures II Investment Holdings, IndexArb, PCS, EIL and Persona Ventures Corporation;

26. Shareholders' Agreement dated September 17, 2005 executed among our Company, Nitish Mittersain, Vikash Mittersain, Mitter Infotech Limited, WestBridge Ventures II Investment Holdings, IndexArb, PCS, EIL and Persona Ventures Corporation;

27. First Supplementary Subscription-cum-Shareholders Agreement dated July 11, 2007 executed among our Company, Nitish Mittersain, Mitter Infotech Private Limited, Sequoia Capital India Investment Holdings II, IndexArb Securities Private Limited, Pramod C. Shah, Emerging Investments Limited and Persona Ventures Corporation, side letter dated July 11, 2007 and letter agreement between our Company and Sequoia Capital India Investment Holdings II;

28. Letter agreement dated November 24, 2017 between our Company and IIFL Special Opportunities Fund, IIFL Special Opportunities Fund- Series 2, IIFL Special Opportunities Fund - Series 3, IIFL Special Opportunities Fund – Series 4 and IIFL Special Opportunities Fund – Series 5;

29. Share purchase agreement dated December 8, 2017, as amended on December 22, 2017 between our Company, Westbridge Ventures II Investment Holdings, Rakesh Jhunjhunwala, Utpal Seth, Mitter Infotech LLP, Nitish Mittersain and Vikash Mittersain;

30. Share purchase agreement dated December 8, 2017 between our Company, Mitter Infotech LLP, Madhuri Kela, Madhu Jain, Amit Goela, Nipa Sheth, Rajiv Agarwal, Central Park Securities Holding Private Limited, Chanakya Value Creation LLP, Nitish Mittersain and Vikash Mittersain;

31. Subscription and rights agreement dated January 2, 2018 between our Company and Turtle Entertainment GmBH;

32. Waiver and termination agreement dated January 17, 2018 between our Company, Nitish Mittersain, Vikash Mittersain, Mitter Infotech LLP and Westbridge Ventures II Investment Holdings, Emerging Investments Limited and IndexArb Securities Private Limited;

33. Employment agreement dated January 18, 2018 between our Company and Nitish Mittersain;

34. Employment agreement dated January 18, 2018 between our Company and Vikash Mittersain;

35. SEBI's observation letter number [●] dated [●];

36. In-principle listing approvals dated [●] and [●] issued by NSE and BSE, respectively;

37. Tripartite agreement dated July 19, 2017 between our Company, NSDL and the Registrar to the Offer; and

38. Tripartite agreement dated April 24, 2017 between our Company, CDSL and the Registrar to the Offer.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to our Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines, regulations, or rules issued by the Government and SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made there under or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

_____________________________	**Vikash Mittersain** *(Chairman and Managing Director)*
_____________________________	**Nitish Mittersain** *(Joint Managing Director)*
_______________________________	**Kuldeep Jain** *(Non-Executive Director)*
_______________________________	**Sasha Mirchandani** *(Non-Executive, Independent Director)*
_______________________________	**Shobha Jagtiani** *(Non-Executive, Independent Director)*
_______________________________	**Probir Roy** *(Non-Executive, Independent Director)*

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

_____________________________	**Rakesh Shah** *(Chief Financial Officer)*

Place: Mumbai

Date: January 31, 2018

DECLARATION

WestBridge Ventures II Investment Holdings certifies that all statements and undertakings made on its behalf in this Draft Red Herring Prospectus specifically in relation to itself and in connection with the Equity Shares offered by it in the Offer for Sale are true and correct. WestBridge Ventures II Investment Holdings does not assume any responsibility for any other statements or undertakings including statements or undertakings made or confirmed by the Company or any other persons(s) in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

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For **WestBridge Ventures II Investment Holdings**

Place: Mumbai
Date: January 31, 2018

DECLARATION

Mitter Infotech LLP, acting through its partner Vikash Mittersain, certifies that all statements and undertakings made by it in this Draft Red Herring Prospectus specifically in relation to itself and in connection with the Equity Shares offered by it in the Offer for Sale are true and correct. Neither Mitter Infotech LLP nor its partners assumes any responsibility for any other statements or undertakings including statements or undertakings made or confirmed by the Company or any other persons(s) in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

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For **Mitter Infotech LLP**

Place: Mumbai
Date: January 31, 2018